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

AXA Distribution Investment ICVC

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

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

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

Directory

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

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

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

The Administrator and address for inspection of Register
SS&C Financial Services International Limited and SS&C Financial Services Europe Limited
SS&C House
St Nicholas Lane
Basildon
Essex, SS15 5FS
Authorised and regulated by the Financial Conduct Authority.

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

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

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

Depositary
HSBC Bank plc,
8 Canada Square,
London, E14 5HQ
HSBC Bank plc is a subsidiary of HSBC Holdings plc.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Directory

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

Report of the Directors of AXA Distribution Investment ICVC

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

Shareholders are not liable for the debts of the Company.

As at 31 May 2025 there were six sub-funds which were available in the Company (each a "Fund"). Since then, a further two sub-funds have launched and in the future there may be other sub-funds in the Company.

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

None of the sub-funds included within this report have holdings in any of the Company's other sub-funds.

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/press-release/bnp-paribas-cardif-completes-the-acquisition-of-axa-investment-managers

CHANGE OF SETTLEMENT PERIOD FOR THE SALE AND PURCHASE OF UNITS

The settlement period for the sale and purchase of units in all six funds in the AXA Distribution Investment ICVC shortened from four working days (from the dealing day) to two working days for trades placed from 27 January 2025 onwards.

AXA EQUITY SHIELD 75 FUND AND AXA EQUITY SHIELD 80 FUND

The AXA Equity Shield 75 Fund and the AXA Equity Shield 80 Fund launched on 26 June 2025. For more information, please visit https://www.axa-im.co.uk/media-centre/axa-im-launches-two-equity-shield-funds-seeded-large-dc-scheme

CHANGES TO THE INVESTMENT POLICY OF THE AXA DEFENSIVE DISTRIBUTION FUND, AXA DISTRIBUTION FUND, AXA ETHICAL DISTRIBUTION FUND, AXA GLOBAL EQUITY INCOME FUND AND AXA LIFETIME DISTRIBUTION FUND

With effect from 9 June 2025, the investment policy of each of the above listed funds was updated with additional Environmental, Social and Governance (ESG) disclosures within each Fund's investment policy. The changes which we are now making to investment policy are intended to provide additional information for investors to describe how we apply certain ESG criteria as part of the investment process. The changes will not alter how the funds are currently managed.

The disclosures are being enhanced to explain the following:

i) how we apply exclusions and screening methods in accordance with AXA IM's sector-specific investment guidelines and ESG Standards policy, and how we monitor their application at portfolio level through the use of certain metrics;

ii) how we use ESG ratings as a component of the investment process, to contribute to the selection of investments; and

iii) how we engage with companies to promote our ESG criteria and how our divestment policy may be used for holdings which no longer satisfy our requirements.

Important Events During the Year

WHY DID WE CHANGE THE INVESTMENT POLICY OF THE FUND'S?

In November 2023, the FCA published its Policy Statement PS23/16 on Sustainability Disclosure Requirements (SDR) for fund managers, implementing (a) new rules and guidance covering sustainability disclosures in fund documentation, and (b) the use of investment labels by funds seeking to achieve certain defined sustainability outcomes, subject to satisfying specific qualifying criteria. In response to the requirements of SDR, we are now extending the Fund's investment policy to clarify how we apply ESG-related factors as part of our investment process. There will be no change to the way that the funds are currently managed.

Notwithstanding the ESG elements of the investment process, the Fund does not have a specific sustainability goal or objective and that, accordingly, it cannot satisfy the conditions for use of an investment label under the rules brought in under SDR.

The Consumer Facing Disclosure document which outlines the funds sustainability approach can be found on the fund centre: https://retail.axa -im.co.uk/fund-centre

CHANGE TO THE NAME, THE INVESTMENT OBJECTIVE AND THE INVESTMENT POLICY FOR THE AXA GLOBAL DISTRIBUTION FUND

With effect from 2 December 2024 the name, investment objective and policy of the fund was changed.

Why did we decided to change the name of the Fund?

The change of name reflects the fact that, from 2 December 2024, under the FCA's Sustainability Disclosure and Labelling Regime, funds which do not apply one of the four UK sustainable investment labels introduced by the FCA for products with sustainability objectives that aim to improve or pursue positive outcomes for the environment and/or society will no longer be able to use the word "Sustainable" in its name.

The ACD did not apply and therefore this Fund will not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal.

Why have we decided to change the investment objective of the Fund?

We have changed the investment objective (as detailed in the appendix to this letter) to remove the sustainability objective given that the Fund no longer pursues a sustainability objective. Despite this, the Fund will continue to screen investments according to the ACD's ESG criteria and will continue to engage with companies in the Fund on ESG matters, mainly where AXA IM deems such engagement will contribute to its firmwide ESG objectives.

Why have we decided to change the investment policy of the Fund?

We have amended the investment policy to remove the section relating to the sustainability objective, which the Fund will no longer follow. The Fund will no longer commit to invest in at least 50% of the equity exposure in "leaders" and the remaining in companies "in transition" from an ESG perspective. Nevertheless, the Fund will continue to apply exclusions and screening methods as detailed under AXA IM's sector specific investment guidelines and AXA IM's ESG Standards policy, and some of the changes we have made to the investment policy are to emphasise and provide more detail on the existing process.

The Consumer Facing Disclosure document which outlines the funds sustainability approach can be found on the fund centre: https://retail.axa -im.co.uk/fund-centre

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Investment Objective

The aim of this Fund is to achieve income and capital growth over a period of 5 years or more.

Investment Policy

The Fund invests in a mix of UK Government bonds, the majority of which are linked to the rate of inflation, shares of quoted UK companies and cash. The Fund's typical asset mix would have at least a minimum investment in UK Government bonds and cash of 60%. As a result of this asset mix the fund's value should be less volatile than a fund with a higher proportion of its investments in shares. The Manager selects shares in companies based upon their prospects for future growth in dividend payments following an in depth analysis of their financial status, quality of business model and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government).

The Manager considers ESG risk by applying AXA Investment Manager's (AXA IM's) sector specific investment guidelines. Such guidelines 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). The Manager also applies the AXA IM's ESG Standards policy. This policy excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption 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 AXA IM's ESG Standards policy and AXA IM's sector specific investment guidelines are subject to change and the latest copies are accessible via the links provided in the “Responsible Investment” section of the prospectus and are available from the Manager on request.

The Manager will undertake engagements with investee companies with the aim of preserving or enhancing long-term value and creating better ESG outcomes for its investors over the long-term. More details on the Manager's approach to its engagement with companies are available on the website https://www.axa-im.co.uk/ under the heading “Responsible Investing”.

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

The 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 a composite benchmark made up of the following indices in the stated proportions: 29% FTSE All Share Index; 27.5% FTSE Index Linked all Stocks; 27.5% FTSE Index Linked < 5 Years; 3.5% FTSE Gilts All Stocks; 3.5% FTSE Gilts < 5 years; 9% SONIA Compounded Index (the “Benchmark”). This Benchmark best represents the types of bonds and companies in which the Fund predominantly invests.

The Fund may also invest in other transferable securities, cash, deposits, units in collective investment schemes and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority rules. This Fund is actively managed in reference to the Benchmark, which may be used by investors to compare the Fund's performance.

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Risk and Reward Profile

As at 31 May 2025

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which has reduced risk and you are prepared to accept less potential reward than is the case with other funds. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests significantly in equities or overseas.

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 are subject to some level of variation which, may result in gains or losses.

Key Risks

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

• ESG risk - applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-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 a proprietary ESG scoring process or ban lists that rely partially on third party data. In certain cases, scores may not be available or the ACD may disagree with the score attributed by that third party and allocate the ACD's own score based on its own research. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria 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.

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

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

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

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

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

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

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

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

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

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

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

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

• Stock lending risk - the Fund may participate in a stock lending programme managed by an affiliate of the ACD (acting as stock lending agent) for the purpose of lending a Fund's securities via entering into a stock lending authorisation agreement. If a 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 a 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.

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

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

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

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

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The AXA Distribution range of funds (Defensive Distribution, Distribution, Ethical Distribution, Global Distribution and Lifetime Distribution) invest in a mix of shares in listed companies, government bonds (the majority of which are linked to the rate of inflation) and cash. The funds' (excluding the Defensive Distribution Fund) typical asset mix would range between 50-60% investment in shares and 40-50% in UK government bonds and cash. The common aim across the fund range is to provide unitholders income with some prospect for long-term capital growth.

Over the 12 months to 31st May 2025 global equity markets made solid, if unspectacular, progress. In sterling terms, the UK's FTSE All Share Index (+9.35%) outperformed all of the major global bourses over the period with the large cap FTSE 100 total return (+10.07%) comfortably exceeding that of the Mid Cap FTSE 250 ex-investment companies, (+4.83%) and the Small Cap exinvestment companies, (+6.32%). Fixed income markets continued to have a mixed time, with the FTSE UK Gilts All Stocks Total Return index generating a return of just +1.43%, while the FTSE UK Gilts Index-Linked all, Total Return index fell -7.51%.

In reviewing the past 12 months, 2024 was another good year for equity markets with the continuing strength of US equity markets in particular bolstering global equity returns. The rally towards the end of the calendar year by Chinese equities helped recover the year for emerging markets, while Europe, Japan and the UK generated solid mid-high single digit returns. It is worthy of note that by the end of 2024 the US represented almost 70% of the MSCI All Companies World Index, with the mega cap US tech names dominating performance for a second consecutive year and US economic performance setting it apart from other major regions. The traditionally strong end to the year (the 'Santa Rally') was conspicuous by its absence caused by elevated US treasury yields weighing on equities as economic forecasts and concerns that president-elect Donald Trump's policies, including punitive trade tariffs, would prove inflationary.

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

A divergence in performance across global markets has presented itself over the first five months of 2025, with the US being the notable laggard. The year got off to a tense start that included a global bond rout with fears of higher for longer interest rates in the US. The inauguration of Donald Trump in January brought further woes as he set about imposing punitive trade tariffs that threatened to spark a global trade war. Trump's return to the White House had been lauded at first as pro-business and stock market-friendly but, by the end of the first quarter, US stocks had dragged global markets lower. The bond market rout saw yields surge as bond markets were rocked by fears of sticky inflation in the US and a more hawkish Federal Reserve (Fed) making fewer interest rate cuts this year. The resulting sell-off saw yields on 10-year US Treasuries spike to a 14-month high. In the UK, 10-year gilt yields also jumped to their highest levels since the global financial crisis in 2008, with Chancellor Rachel Reeves' Autumn Budget blamed.

Donald Trump's return to the White House has brought with it a new era of geopolitical tension, trade wars and economic concern. Trump started as he meant to go on, delivering a record number of executive orders to maximise oil production, curb immigration and impose trade tariffs. While markets were buoyed at first by hopes of deregulation and a business-friendly administration, the mood soured as Trump ramped up trade tariffs. In the UK, stock markets defied the steep sell-off in global markets over the first quarter, making modest gains and seeing the FTSE 100 Index cross the psychological 8,600 mark at the end of January. Gains were pared back in February but still remained in positive territory despite macroeconomic and political headwinds. By March, Donald Trump's tariff threats finally caught up with the UK market as his 'Liberation Day' approached and Downing Street officials scrambled to negotiate a trade deal. The overhang of concerns about spending cuts that would need to be made by the Treasury deteriorated somewhat after the Spring Statement, that saw the chancellor slash spending but not raise any more taxes.

European equities have been among the top-performing markets over 2025 as threat of trade tariffs from the US couldn't hold stocks back. The market closed at a record high in January, wrapping up the best monthly gain in over a year on solid earnings and another interest rate cut from the European Central Bank. The rotation from US stocks into Europe was a theme that ran throughout the quarter as investors grew concerned over high US market valuations and sought cheaper alternatives, and a switch from tech stocks into defensives was also prevalent. Hopes for higher spending in Germany and peace talks in Ukraine also bolstered sentiment.

While April saw markets plunged into turmoil, May brought some solace to equity investors as the US and China called a tariffs truce – although Trump accused the superpower of violating the agreement at the end of the month. A trade deal with the UK was also inked and Trump saw fit to pause the implementation of his threatened 50% tariff on European Union imports, in order to strike a deal with the single bloc. A calming of fears over tariffs was also driven by US trade courts judging that Trump did not have the authority to implement the sweeping tariffs, which gave hope for the global economy. The rally was broad based across the globe as investors sought safe havens away from US equities, although a tech rally at the end of the month made sure not to leave the US behind.

Portfolio Review

UK government bond yields continue to reflect the higher inflation prevalent in the economy. Despite the disinflation period of the last few years which brought Consumer Price Index (CPI) off its high single digit peak, inflation still sits above the official 2% target. With the current expected range of 3 to 3.5%, the Bank of England are reluctant to accelerate modest rate cuts, despite weak underling growth. With this backdrop the Monetary Policy Committee members have pushed through 4 x 25bp cuts from the 2023 peak of 5.25, to current levels of 4.25%. Current expectations are for a steady pace of quarterly cuts to be continued, with divergent views for 2026.

10-year gilts rose from 4% to 4.6% over the period, although touched a low of 3.8% and high of 4.9% over the period under review. Short-dated bonds outperformed reflecting less duration sensitivity and moved from 4.3% to 3.8%. 10-year inflation breakevens came off their highs of 3.7%, finishing at 3.2% in May 2025. Given these moves, the gilt market returned a negative 1% during the 12 months and the Index linked market, being longer dated and having sensitivity to both conventional yields and inflation breakevens returned a negative 10%.

Bonds returned a negative return of 3% during the period under review benefiting from the greater exposure to short-dated index linked bonds relative to the longer maturity of the overall market.

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

With regards to the equity portion of the Fund, 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.

There have been a number companies who have performed very well over the reporting period including Just Group, 3i Group, Natwest, Games Workshop and Rightmove. Just Group had 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. Action, the European discount retailer, continues to perform well and is the main driver of the positive share price increase in 3i Group. Relative to the FTSE All Share index, the equity portion of the Fund benefitted from not owning Glencore and selling out of Diageo.

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 Mergers and Acquisitions (M&A) activity. During the period three of the portfolio holdings were subject to takeover activity Ascential, Loungers and Rightmove, who received an approach from REA Group, the leading Australian property portal.

On the more disappointing side, 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. Treatt Plc provided more cautious guidance than the market had expected in the face of economic uncertainty following the introduction of Trump's tariffs.

The biggest detractor of performance however has come from not holding defence and tobacco companies, as well as 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.

Over the period, the Fund sold out of JD Sports, Diageo, Future, Croda and Smith & Nephew. New positions were added in Diploma, JTC, Safestore, Bloomsbury and discoverIE.

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 provide 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 Earnings Per Share (EPS) growth. Disciplined M&A has been a key driver of earnings upgrades and there is significant balance sheet capacity for more.

We also added JTC which is a global provider of fund, corporate and private client services, primarily providing fund and trust administration services. It has an excellent track record of delivering growth, has a strong corporate culture with high equity ownership and operates in a market with very attractive financial characteristics. It has all the hallmarks that we look for in an investment - high quality, growth, strong balance sheet, high recurring revenue and a management team with a track record of under promising and over delivering.

Diageo was sold following concerns around the health of the US spirits market and their strategic position within it. Other worries include their inventory management outside of developed markets and the structural shift to non-alcoholic drinks. Unite was also sold due to concerns over its end market which is likely to be affected by rule changes and geopolitics around foreign students and the company's lack of capital discipline.

AXA Defensive Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Outlook

The outlook for the US market and the global economy is changing fast. The Trump administration has made a habit of proposing large trade tariffs and then walking back from the worst-case scenarios (China being the biggest example of this policy). Although this leaves us in an environment where a worst-case scenario does not necessarily transpire, it does add a large amount of uncertainty into the US and global economy. We have seen how consumers respond to the moderation in tariffs – while consumer sentiment had been very negative immediately after the 'Liberation Day' tariff announcement, sentiment has bounced back as the administration rowed back from the most extreme tariff rates and the hard economic data has remained reasonably positive. Similar has occurred with underlying earnings where the recent earnings season produced results that generally held up well although the outlook for 2025 has been revised down given the uncertain tariff outlook. This still represents a rapid turnaround in events from the start of the year, when US exceptionalism was expected to drive another year of decent economic growth and low double-digit earnings growth.

However, we need to remember that, at present, this situation is very much self-inflicted. The President prides himself on the 'art of the deal', so inflicting economic pain on trading partners as a way of negotiating a better trade deal is seen as a viable strategy. Although it clearly carries the potential of damaging domestic business and consumer confidence and hence their future investment/spending, the President and his team will be expecting that they can move on to the growth positive parts of their agenda, namely deregulation, possibly tax cuts as well as lower interest rates and better export opportunities. In addition, the benefits of several long-term trends such as AI adoption, digitalisation and electrification should continue to benefit US companies. US companies have a history of adopting new technologies early and private sector R&D intensity is amongst the highest of developed nations.

In the UK, on the whole companies are reporting robust underlying earnings, forecasts are prudently set and valuations remain attractive in the context of history and relative to global equity markets. Strong cash generation and robust balance sheet health is resulting in a lengthening list of UK companies buying in their own shares with surplus cash flow. This is supportive of equity prices. As highlighted in previous reports, we believe the stars are finally aligning for the UK equities. Some key foundation stones are falling into place for a sustained improvement in sentiment. There is no single specific catalyst for this shift, rather a range of factors coalescing to leave a more positive outlook than we have witnessed for some time. The improving macro with real income growth driving a pick-up in consumer and business sentiment is critical, but historically depressed valuations coupled with greater political clarity and scope for policy initiatives to support UK pension allocation and investment all contribute to a more constructive backdrop.

Our over-arching view remains that macro events cannot be accurately nor consistently predicted. As such, the Funds retains a preference for longer-term structural trends and quality companies that can deliver robust, reliable and consistent growth, supported by a simple government bond and cash hedge.

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

Stocks are mentioned for illustrative purposes only and do not constitute investment advice or a recommendation.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● UK Treasury 0.125% 22/03/29	6,495	● UK Treasury 2.5% 17/07/24	9,535
● UK Treasury 0.625% 22/03/40	2,751	● UK Treasury 1.25% 22/11/27	4,888
● UK Treasury 1.25% 22/11/32	1,934	● UK Treasury 0.125% 22/03/26	4,295
● UK Treasury 0.125% 10/08/31	1,933	● UK Treasury 0.125% 22/03/29	2,061
● UK Treasury 0.125% 10/08/41	940	● UK Treasury 0.25% 31/01/25	1,790

Melinda Bizarro
AXA Investment Managers UK Limited

AXA Defensive Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 62.83% (31/05/24: 62.57%)			
Index Linked Government Bonds 55.81% (31/05/24: 55.61%)			
UK Treasury 0.125% IL 22/03/26	9,570,000	14,624	11.16
UK Treasury 0.125% IL 10/08/28	5,370,000	7,558	5.77
UK Treasury 0.125% IL 22/03/29	8,880,000	14,549	11.10
UK Treasury 0.125% IL 10/08/31	1,700,000	2,193	1.67
UK Treasury 0.125% IL 10/08/41	800,000	840	0.64
UK Treasury 0.125% IL 22/03/44	1,790,000	2,007	1.53
UK Treasury 0.125% IL 22/03/46	1,118,580	1,122	0.86
UK Treasury 0.125% IL 10/08/48	1,000,000	892	0.68
UK Treasury 0.125% IL 22/03/51	1,395,646	1,099	0.84
UK Treasury 0.125% IL 22/11/56	700,000	561	0.43
UK Treasury 0.125% IL 22/03/58	1,330,455	1,080	0.82
UK Treasury 0.125% IL 22/11/65	700,000	501	0.38
UK Treasury 0.125% IL 22/03/68	1,250,143	910	0.69
UK Treasury 0.25% IL 22/03/52	500,395	491	0.37
UK Treasury 0.375% IL 22/03/62	1,315,000	1,229	0.94
UK Treasury 0.5% IL 22/03/50	687,083	852	0.65
UK Treasury 0.625% IL 22/03/40	2,203,056	3,346	2.55
UK Treasury 0.625% IL 22/11/42	690,000	1,018	0.78
UK Treasury 0.625% IL 22/03/45	1,705,000	1,386	1.06
UK Treasury 0.75% IL 22/03/34	1,190,000	1,928	1.47
UK Treasury 0.75% IL 22/11/47	1,170,791	1,658	1.27
UK Treasury 1.125% IL 22/11/37	1,134,343	2,079	1.59
UK Treasury 1.25% IL 22/11/27	1,740,873	3,640	2.78
UK Treasury 1.25% IL 22/11/32	1,110,000	2,044	1.56
UK Treasury 1.25% IL 22/11/55	246,685	400	0.30
UK Treasury 2% IL 26/01/35	881,745	2,075	1.58
UK Treasury 4.125% IL 22/07/30	908,053	3,062	2.34
Traditional Government Bonds 7.02% (31/05/24: 6.96%)			
UK Treasury 0.5% 22/10/61	1,325,000	345	0.26
UK Treasury 0.875% 31/07/33	3,620,000	2,735	2.09
UK Treasury 1.5% 31/07/53	1,685,000	750	0.57
UK Treasury 3.25% 22/01/44	540,000	411	0.31
UK Treasury 3.5% 22/10/25	2,290,000	2,283	1.74
UK Treasury 3.75% 07/03/27	800,000	796	0.61
UK Treasury 3.75% 22/07/52	183,548	141	0.11
UK Treasury 4.125% 22/07/29	800,000	800	0.61
UK Treasury 4.25% 31/07/34	200,000	195	0.15
UK Treasury 4.25% 07/12/40	105,913	96	0.07
UK Treasury 4.25% 07/12/46	500,000	431	0.33
UK Treasury 4.5% 07/12/42	239,224	220	0.17
TOTAL GOVERNMENT BONDS		82,347	62.83
BASIC MATERIALS 1.69% (31/05/24: 2.23%)			
Chemicals 0.23% (31/05/24: 0.61%)			
Treatt	107,000	297	0.23

AXA Defensive Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
Industrial Metals & Mining 1.46% (31/05/24: 1.62%)			
Hill & Smith	44,000	814	0.62
Rio Tinto	25,000	1,101	0.84
TOTAL BASIC MATERIALS		2,212	1.69
CONSUMER DISCRETIONARY 3.38% (31/05/24: 4.69%)			
Household Goods & Home Construction 0.50% (31/05/24: 0.32%)			
Bellway	24,000	650	0.50
Leisure Goods 0.49% (31/05/24: 0.60%)			
Games Workshop Group	4,167	639	0.49
Media 0.26% (31/05/24: 0.53%)			
Bloomsbury Publishing	66,500	346	0.26
Retailers 1.73% (31/05/24: 2.13%)			
Dunelm Group	62,500	745	0.57
Howden Joinery Group	96,500	830	0.63
Pets at Home Group	260,000	693	0.53
Travel & Leisure 0.40% (31/05/24: 1.11%)			
Trainline	192,500	521	0.40
TOTAL CONSUMER DISCRETIONARY		4,424	3.38
CONSUMER STAPLES 2.72% (31/05/24: 2.87%)			
Beverages 0.00% (31/05/24: 0.79%)			
Food Producers 0.65% (31/05/24: 0.47%)			
Cranswick	16,000	850	0.65
Personal Care, Drug & Grocery 2.07% (31/05/24: 1.61%)			
Reckitt Benckiser Group	14,000	704	0.54
Tesco	250,000	970	0.74
Unilever	22,000	1,036	0.79
TOTAL CONSUMER STAPLES		3,560	2.72
ENERGY 1.69% (31/05/24: 2.46%)			
Alternative Energy 0.00% (31/05/24: 0.00%)			
Oil, Gas & Coal 1.69% (31/05/24: 2.46%)			
BP	200,000	719	0.55
Shell	61,000	1,494	1.14
TOTAL ENERGY		2,213	1.69

AXA Defensive Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
FINANCIALS 7.47% (31/05/24: 6.02%)			
Banks 2.25% (31/05/24: 1.40%)			
HSBC	160,000	1,397	1.07
NatWest Group	294,877	1,545	1.18
Finance & Credit Services 1.12% (31/05/24: 0.80%)			
London Stock Exchange Group	13,000	1,465	1.12
Investment Banking & Brokerage 2.04% (31/05/24: 2.01%)			
3i Group	30,000	1,222	0.93
AJ Bell	160,000	788	0.60
Intermediate Capital Group	33,500	672	0.51
MJ Hudson Group^	2,250,000	-	-
Life Insurance 2.06% (31/05/24: 1.81%)			
Just Group	545,500	815	0.62
Legal & General Group	355,000	883	0.67
Prudential	120,000	1,014	0.77
TOTAL FINANCIALS		9,801	7.47
HEALTH CARE 3.80% (31/05/24: 4.24%)			
Medical Equipment & Services 0.86% (31/05/24: 0.90%)			
ConvaTec Group	390,000	1,129	0.86
Pharmaceuticals & Biotechnology 2.94% (31/05/24: 3.34%)			
AstraZeneca	19,200	2,058	1.57
Genus	27,500	554	0.42
GSK	83,021	1,251	0.95
TOTAL HEALTH CARE		4,992	3.80
INDUSTRIALS 4.98% (31/05/24: 4.12%)			
Construction & Materials 0.43% (31/05/24: 0.31%)			
Marshalls	200,000	559	0.43
Electronic & Electrical Equipment 0.22% (31/05/24: 0.00%)			
DiscoverIE Group	44,949	285	0.22
Industrial Engineering 1.01% (31/05/24: 1.02%)			
Spirax Group	7,500	429	0.33
Weir Group	37,000	898	0.68
Industrial Support Services 2.86% (31/05/24: 1.96%)			
Boku	328,500	608	0.46
Diploma	12,079	566	0.43
Experian	41,500	1,532	1.17
JTC	59,000	494	0.38
Rentokil Initial	156,000	549	0.42

AXA Defensive Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
Industrial Transportation 0.46% (31/05/24: 0.83%)			
Ashtead Group	14,000	607	0.46
TOTAL INDUSTRIALS		6,527	4.98
REAL ESTATE 1.86% (31/05/24: 1.38%)			
Real Estate Investment & Services 1.16% (31/05/24: 1.05%)			
Grainger	278,500	618	0.47
Rightmove	121,000	902	0.69
Real Estate Investment Trusts 0.70% (31/05/24: 0.33%)			
Safestore	66,000	433	0.33
Segro	69,000	481	0.37
TOTAL REAL ESTATE		2,434	1.86
TECHNOLOGY 1.55% (31/05/24: 1.47%)			
Software & Computer Services 1.55% (31/05/24: 1.47%)			
Auction Technology Group	74,000	336	0.26
Bytes Technology Group	128,000	671	0.51
GB Group	180,000	494	0.38
Kainos Group	71,500	519	0.40
TOTAL TECHNOLOGY		2,020	1.55
TELECOMMUNICATIONS 0.00% (31/05/24: 0.31%*)			
Telecommunications Equipment 0.00% (31/05/24: 0.31%)			
Telecommunications Service Providers 0.00% (31/05/24: 0.00%*)			
UTILITIES 2.55% (31/05/24: 2.11%*)			
Electricity 1.38% (31/05/24: 1.29%*)			
SSE	53,700	946	0.72
Telecom Plus	43,000	866	0.66
Gas, Water & Multiutilities 1.17% (31/05/24: 0.82%)			
National Grid	146,000	1,527	1.17
TOTAL UTILITIES		3,339	2.55
Portfolio of investments		123,869	94.52
Net other assets		7,185	5.48
Total net assets		131,054	100.00

All investments are ordinary shares unless otherwise stated.
All bonds are denominated in Sterling (unless otherwise indicated).
* Since the previous report country classifications have been updated. Comparative figures have been updated where appropriate.
^These stocks have either been suspended, delisted or are in liquidation. They are included at the Manager's valuation.

AXA Defensive Distribution Fund

Comparative Tables

As at 31 May 2025

	A Gross Accumulation			A Gross Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	117.12	111.36	123.21	100.91	100.08	113.65
Return before operating charges ^	1.19	6.35	(11.25)	1.05	5.57	(10.33)
Operating charges ^	(0.61)	(0.59)	(0.60)	(0.52)	(0.52)	(0.55)
Return after operating charges ^	0.58	5.76	(11.85)	0.53	5.05	(10.88)
Distributions	(2.94)	(4.77)	(2.94)	(2.51)	(4.22)	(2.69)
Retained distributions on accumulation shares	2.94	4.77	2.94	-	-	-
Closing net asset value per share †	117.70	117.12	111.36	98.93	100.91	100.08
*^ after direct transaction costs of:	0.02	0.02	0.03	0.01	0.02	0.02
Performance						
Return after operating charges	0.50%	5.17%	-9.62%	0.53%	5.05%	-9.57%
Other information						
Closing net asset value (£) †	1,363,284	1,810,534	2,147,061	51,625	52,659	52,227
Closing number of shares	1,158,265	1,545,913	1,928,097	52,186	52,186	52,186
Operating charges ^	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	121.30	118.90	122.70	103.80	103.50	113.20
Lowest share price #	112.10	107.90	102.20	95.03	95.93	93.82

	B Gross Accumulation			B Gross Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	132.28	125.65	138.88	106.35	105.37	119.55
Return before operating charges ^	1.35	7.17	(12.69)	1.11	5.87	(10.89)
Operating charges ^	(0.56)	(0.54)	(0.54)	(0.44)	(0.44)	(0.46)
Return after operating charges ^	0.79	6.63	(13.23)	0.67	5.43	(11.35)
Distributions	(3.32)	(5.38)	(3.32)	(2.65)	(4.45)	(2.83)
Retained distributions on accumulation shares	3.32	5.38	3.32	-	-	-
Closing net asset value per share †	133.07	132.28	125.65	104.37	106.35	105.37
*^ after direct transaction costs of:	0.02	0.02	0.03	0.02	0.02	0.03
Performance						
Return after operating charges	0.60%	5.28%	-9.53%	0.63%	5.15%	-9.49%
Other information						
Closing net asset value (£) †	105,610,307	118,603,526	131,193,686	1,046,465	1,174,048	1,286,737
Closing number of shares	79,365,580	89,661,931	104,412,922	1,002,697	1,103,950	1,221,126
Operating charges ^	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	137.00	134.30	138.30	109.50	109.10	119.10
Lowest share price #	126.70	121.80	115.30	100.20	101.00	98.72

AXA Defensive Distribution Fund

Comparative Tables

As at 31 May 2025

	D Gross Accumulation			D Gross Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	133.37	127.45	141.86	79.34	79.16	90.44
Return before operating charges ^	1.35	7.38	(12.94)	0.83	4.40	(8.22)
Operating charges ^	(1.49)	(1.46)	(1.47)	(0.88)	(0.89)	(0.93)
Return after operating charges ^	(0.14)	5.92	(14.41)	(0.05)	3.51	(9.15)
Distributions	(3.33)	(5.44)	(3.38)	(1.97)	(3.33)	(2.13)
Retained distributions on accumulation shares	3.33	5.44	3.38	-	-	-
Closing net asset value per share †	133.23	133.37	127.45	77.32	79.34	79.16
*^ after direct transaction costs of:	0.02	0.02	0.03	0.01	0.01	0.02
Performance						
Return after operating charges	-0.10%	4.64%	-10.16%	-0.06%	4.43%	-10.12%
Other information						
Closing net asset value (£) †	2,836,073	3,087,417	448,243	1,354,193	1,630,685	81,142
Closing number of shares	2,128,651	2,314,912	351,704	1,751,507	2,055,304	102,507
Operating charges ^	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	137.90	135.50	141.10	81.50	81.43	89.97
Lowest share price #	127.00	123.30	117.40	74.33	75.70	74.49

	R Gross Accumulation			R Gross Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	132.22	126.94	141.86	78.72	78.84	90.44
Return before operating charges ^	1.35	7.22	(12.92)	0.81	4.37	(8.49)
Operating charges ^	(2.01)	(1.94)	(2.00)	(1.18)	(1.18)	(0.98)
Return after operating charges ^	(0.66)	5.28	(14.92)	(0.37)	3.19	(9.47)
Distributions	(3.30)	(5.41)	(3.37)	(1.95)	(3.31)	(2.13)
Retained distributions on accumulation shares	3.30	5.41	3.37	-	-	-
Closing net asset value per share †	131.56	132.22	126.94	76.40	78.72	78.84
*^ after direct transaction costs of:	0.02	0.02	0.03	0.01	0.01	0.02
Performance						
Return after operating charges	-0.50%	4.16%	-10.52%	-0.47%	4.05%	-10.47%
Other information						
Closing net asset value (£) †	4,158,381	5,174,176	9,340,438	85,683	165,609	1,873,508
Closing number of shares	3,160,879	3,913,308	7,358,296	112,147	210,385	2,376,361
Operating charges ^	1.52%	1.52%	1.52%	1.52%	1.52%	1.52%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	136.50	134.30	141.00	80.76	80.93	89.91
Lowest share price #	125.50	122.60	117.20	73.50	75.29	74.38

AXA Defensive Distribution Fund

Comparative Tables

As at 31 May 2025

	Z Gross Accumulation			Z Gross Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	198.82	189.51	210.20	87.29	86.82	98.84
Return before operating charges ^	2.02	10.79	(19.19)	0.92	4.80	(8.98)
Operating charges ^	(1.53)	(1.48)	(1.50)	(0.67)	(0.67)	(0.70)
Return after operating charges ^	0.49	9.31	(20.69)	0.25	4.13	(9.68)
Distributions	(4.98)	(8.10)	(5.01)	(2.17)	(3.66)	(2.34)
Retained distributions on accumulation shares	4.98	8.10	5.01	-	-	-
Closing net asset value per share †	199.31	198.82	189.51	85.37	87.29	86.82
*^ after direct transaction costs of:	0.03	0.03	0.05	0.01	0.01	0.02
Performance						
Return after operating charges	0.25%	4.91%	-9.84%	0.29%	4.76%	-9.79%
Other information						
Closing net asset value (£) †	13,578,879	16,640,317	20,326,888	969,385	1,149,593	1,355,088
Closing number of shares	6,812,954	8,369,537	10,726,307	1,135,566	1,316,914	1,560,864
Operating charges ^	0.77%	0.77%	0.77%	0.77%	0.77%	0.77%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	205.80	201.90	209.20	89.76	89.58	98.39
Lowest share price #	189.90	183.50	174.20	82.03	83.12	81.52

† Valued at bid-market prices.
# High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.
^ Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return.
* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.
The figures used within the table have been calculated against the average net asset value for the accounting year.

AXA Defensive Distribution Fund

Statement of Total Return

For the year ended 31 May 2025

	Note	31/05/25 £'000	£'000	31/05/24 £'000	£'000
Income:					
Net capital (losses)/gains	2		(2,020)		1,893
Revenue	3	3,536		6,671	
Expenses	4	(736)		(839)	
Interest payable and similar charges		-		-	
Net revenue before taxation		2,800		5,832	
Taxation	5	(2)		11	
Net revenue after taxation			2,798		5,843
Total return before distributions			778		7,736
Distributions	6		(3,502)		(6,645)
Change in net assets attributable to Shareholders from investment activities			(2,724)		1,091

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2025

	31/05/25 £'000	£'000	31/05/24 £'000	£'000
Opening net assets attributable to Shareholders		149,489		168,105
Amounts receivable on issue of shares	504		442	
Amounts payable on cancellation of shares	(19,555)		(26,446)	
		(19,051)		(26,004)
Change in net assets attributable to Shareholders from investment activities (see above)		(2,724)		1,091
Retained distributions on accumulation shares		3,340		6,297
Closing net assets attributable to Shareholders		131,054		149,489

AXA Defensive Distribution Fund

Balance Sheet

As at 31 May

	Note	31/05/25 £'000	31/05/24 £'000
Assets:			
Fixed assets:			
Investments		123,869	141,215
Current assets:			
Debtors	7	376	645
Cash and bank balances	8	7,187	8,004
Total assets		131,432	149,864
Liabilities:			
Creditors:			
Distribution payable		(29)	(43)
Other creditors	9	(349)	(332)
Total liabilities		(378)	(375)
Net assets attributable to Shareholders		131,054	149,489

AXA Defensive Distribution Fund

Notes to the Financial Statements
For the year ended 31 May 2025

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 175 - 178.

2. Net capital (losses)/gains

	31/05/25 £'000	31/05/24 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(2,020)	2,410
Currency gains/(losses)	-	(517)
Net capital (losses)/gains	(2,020)	1,893

3. Revenue

	31/05/25 £'000	31/05/24 £'000
Bank interest	201	305
Interest on debt securities	1,910	4,821
Overseas dividends	27	25
UK dividends	1,381	1,519
Property revenue from REITs	16	-
Stock lending income	1	1
Total revenue	3,536	6,671

4. Expenses

	31/05/25 £'000	31/05/24 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	704	802
Registration fees	7	8
	711	810
Other expenses		
Audit fees*	11	11
Depositary's fees	14	16
Safe custody fees	-	2
	25	29
Total expenses	736	839

Expenses include irrecoverable VAT where applicable.

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

5. Taxation

	31/05/25 £'000	31/05/24 £'000
(a) Analysis of the tax charge/(credit) in the year		
Corporation tax	2	-
Irrecoverable overseas tax	-	(11)
Total taxation for the year	2	(11)

AXA Defensive Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

(b) Factors affecting current tax charge/(credit) for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2024: 20%) is applied to the net revenue before taxation. The differences are explained below:

	31/05/25 £'000	31/05/24 £'000
Net revenue before taxation	2,800	5,832
Net revenue for the year multiplied by the standard rate of corporation tax	560	1,166
Effects of:		
Irrecoverable overseas tax	-	(11)
Movement in excess management expenses	-	(320)
Relief for indexation on UK Gilts	(275)	(537)
Revenue not subject to corporation tax	(283)	(309)
Tax charge/(credit) for the year	2	(11)

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £24,536,659 (2024: £24,538,840) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

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

	31/05/25 £'000	31/05/24 £'000
First interim	956	1,762
Second interim	706	1,606
Third interim	686	1,575
Final	1,085	1,537
Add: Revenue paid on cancellation of shares	71	181
Deduct: Revenue received on creation of shares	(2)	(16)
Net distribution for the year	3,502	6,645
Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	2,798	5,843
Expenses charged to capital	704	802
Net distribution for the year	3,502	6,645

AXA Defensive Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

7. Debtors

	31/05/25 £'000	31/05/24 £'000
Amounts receivable for creation of shares	-	6
Sales awaiting settlement	-	214
Accrued revenue	376	425
Total debtors	376	645

8. Cash and bank balances

	31/05/25 £'000	31/05/24 £'000
Cash and bank balances	7,187	8,004
Total cash and bank balances	7,187	8,004

9. Other creditors

	31/05/25 £'000	31/05/24 £'000
Amounts payable for cancellation of shares	279	249
Corporation tax payable	2	-
Accrued annual management charge	54	65
Accrued other expenses	14	18
Total other creditors	349	332

10. Related party transactions

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

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

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

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

11. Share classes

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

	Annual Management Charge rate (%)	31/05/24	Issued	Cancelled	Converted	31/05/25
A Gross Accumulation	0.50	1,545,913	217,322	(604,970)	-	1,158,265
A Gross Income	0.50	52,186	44,731	(44,731)	-	52,186
B Gross Accumulation	0.40	89,661,931	1,076	(10,174,597)	(122,830)	79,365,580
B Gross Income	0.40	1,103,950	12,662	(113,915)	-	1,002,697
D Gross Accumulation	1.10	2,314,912	23,467	(206,177)	(3,551)	2,128,651
D Gross Income	1.10	2,055,304	-	(303,797)	-	1,751,507
R Gross Accumulation	1.50	3,913,308	8,679	(695,809)	(65,299)	3,160,879
R Gross Income	1.50	210,385	216	(47,190)	(51,264)	112,147
Z Gross Accumulation	0.75	8,369,537	55,416	(1,739,418)	127,419	6,812,954
Z Gross Income	0.75	1,316,914	44,252	(271,551)	45,951	1,135,566

AXA Defensive Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: nil).

13. Derivatives and other financial instruments

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

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 31 May 2024).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £12,386,855 (2024: £14,121,516). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

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

Interest rate risk

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

Changes in interest rates or changes in expectations of future interest rates may result in a move in bond yields, causing an increase or decrease in the market value of the investments held. Based on the fund's current duration, a 1% increase in the yield would have the effect of decreasing the value of the fund by £6,892,544 (2024: £8,116,247), representing 5.26% of net assets (2024: 5.43%). A 1% decrease would have an equal and opposite effect.

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

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	7,188	82,347	41,857	131,392
US dollar	-	-	40	40
Total	7,188	82,347	41,897	131,432
31/05/24				
Pound sterling	8,004	93,538	48,250	149,792
US dollar	-	-	72	72
Total	8,004	93,538	48,322	149,864

AXA Defensive Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	-	-	(378)	(378)
Total	-	-	(378)	(378)
31/05/24				
Pound sterling	-	-	(375)	(375)
Total	-	-	(375)	(375)

Credit risk

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

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

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

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

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

Credit Rating	31/05/25 Market Value £'000	%	31/05/24 Market Value £'000	%
Investment grade (BBB- credit rating and above)	82,347	62.83	93,538	62.57
Total value of bonds	82,347	62.83	93,538	62.57

14. Portfolio transaction costs

31/05/2025	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	18,079	-	-	-	-	18,079
Equities	3,850	1	0.04	15	0.38	3,866
Total	21,929	1		15		21,945

AXA Defensive Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

31/05/2025	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	27,498	-	-	-	-	27,498
Equities	10,965	(4)	(0.04)	-	-	10,961
Total	38,463	(4)		-		38,459

31/05/2024	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	28,176	-	-	-	-	28,176
Equities	4,311	2	0.04	21	0.50	4,334
Total	32,487	2		21		32,510

31/05/2024	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	42,164	-	-	-	-	42,164
Collective Investment Schemes	520	-	-	-	-	520
Equities	9,428	(4)	(0.04)	-	-	9,424
Total	52,112	(4)		-		52,108

Transaction costs as percentage of average net asset value	31/05/25 %	31/05/24 %
Commissions	0.00	0.01
Taxes	0.01	0.01

At the balance sheet date the average portfolio dealing spread was 0.12% (2024: 0.12%).

15. Stock Lending

The Fund enters into stock lending arrangements with various counterparties. At the balance sheet date the bid value of securities on loan was £1,489,868 (2024: £1,719,916). The value of collateral held in respect of securities on loan was £1,571,844 (2024: £1,753,779).

	31/05/25		31/05/24	
Counterparty	Value of stock on loan £'000	Cash collateral £'000	Value of stock on loan £'000	Cash collateral £'000
Goldman Sachs	1,490	-	-	-
United Kingdom of Great Britain and Northern Ireland	-	1,572	-	-
Merrill Lynch	-	-	1,720	-
European Union	-	-	-	1,309
Republique Francaise	-	-	-	355
European Financial Stability Facility	-	-	-	89
Bundesrepublik Deutschland	-	-	-	1
	1,490	1,572	1,720	1,754

AXA Defensive Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Collateral held	31/05/25	31/05/24
	£'000	£'000
Bonds	1,572	1,754
	1,572	1,754

16. Post balance sheet events

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

17. Fair value disclosure

	31/05/25		31/05/24	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	123,869	-	141,215	-
Level 2 ^^	-	-	-	-
Level 3 ^^^	-	-	-	-
	123,869	-	141,215	-

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

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

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

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

AXA Defensive Distribution Fund

Distribution Table

As at 31 May 2025

First Distribution in pence per share
Group 1 Shares purchased prior to 1 June 2024
Group 2 Shares purchased on or after 1 June 2024 to 31 August 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/24 (p)	Distribution paid 31/10/23 (p)
Share Class A Gross Accumulation				
Group 1	0.776	-	0.776	1.218
Group 2	0.415	0.361	0.776	1.218
Share Class A Gross Income				
Group 1	0.669	-	0.669	1.096
Group 2	0.634	0.035	0.669	1.096
Share Class B Gross Accumulation				
Group 1	0.876	-	0.876	1.375
Group 2	0.478	0.398	0.876	1.375
Share Class B Gross Income				
Group 1	0.705	-	0.705	1.153
Group 2	0.397	0.308	0.705	1.153
Share Class D Gross Accumulation				
Group 1	0.883	-	0.883	1.393
Group 2	0.539	0.344	0.883	1.393
Share Class D Gross Income				
Group 1	0.525	-	0.525	0.866
Group 2	0.525	-	0.525	0.866
Share Class R Gross Accumulation				
Group 1	0.875	-	0.875	1.387
Group 2	0.436	0.439	0.875	1.387
Share Class R Gross Income				
Group 1	0.521	-	0.521	0.862
Group 2	0.045	0.476	0.521	0.862
Share Class Z Gross Accumulation				
Group 1	1.316	-	1.316	2.072
Group 2	0.438	0.878	1.316	2.072
Share Class Z Gross Income				
Group 1	0.578	-	0.578	0.950
Group 2	0.202	0.376	0.578	0.950

AXA Defensive Distribution Fund

Distribution Table

As at 31 May 2025

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 September 2024
Group 2 Shares purchased on or after 1 September 2024 to 30 November 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/25 (p)	Distribution paid 31/01/24 (p)
Share Class A Gross Accumulation				
Group 1	0.593	-	0.593	1.161
Group 2	0.354	0.239	0.593	1.161
Share Class A Gross Income				
Group 1	0.509	-	0.509	1.033
Group 2	0.509	-	0.509	1.033
Share Class B Gross Accumulation				
Group 1	0.670	-	0.670	1.310
Group 2	0.317	0.353	0.670	1.310
Share Class B Gross Income				
Group 1	0.535	-	0.535	1.088
Group 2	0.272	0.263	0.535	1.088
Share Class D Gross Accumulation				
Group 1	0.674	-	0.674	1.326
Group 2	0.389	0.285	0.674	1.326
Share Class D Gross Income				
Group 1	0.398	-	0.398	0.816
Group 2	0.398	-	0.398	0.816
Share Class R Gross Accumulation				
Group 1	0.667	-	0.667	1.318
Group 2	0.323	0.344	0.667	1.318
Share Class R Gross Income				
Group 1	0.395	-	0.395	0.811
Group 2	0.048	0.347	0.395	0.811
Share Class Z Gross Accumulation				
Group 1	1.005	-	1.005	1.974
Group 2	0.562	0.443	1.005	1.974
Share Class Z Gross Income				
Group 1	0.439	-	0.439	0.895
Group 2	0.176	0.263	0.439	0.895

AXA Defensive Distribution Fund

Distribution Table

As at 31 May 2025

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 December 2024
Group 2 Shares purchased on or after 1 December 2024 to 28 February 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 30/04/25 (p)	Distribution paid 30/04/24 (p)
Share Class A Gross Accumulation				
Group 1	0.594	-	0.594	1.185
Group 2	0.357	0.237	0.594	1.185
Share Class A Gross Income				
Group 1	0.507	-	0.507	1.044
Group 2	0.507	-	0.507	1.044
Share Class B Gross Accumulation				
Group 1	0.671	-	0.671	1.338
Group 2	0.283	0.388	0.671	1.338
Share Class B Gross Income				
Group 1	0.534	-	0.534	1.100
Group 2	0.367	0.167	0.534	1.100
Share Class D Gross Accumulation				
Group 1	0.674	-	0.674	1.353
Group 2	0.378	0.296	0.674	1.353
Share Class D Gross Income				
Group 1	0.397	-	0.397	0.823
Group 2	0.397	-	0.397	0.823
Share Class R Gross Accumulation				
Group 1	0.666	-	0.666	1.343
Group 2	0.013	0.653	0.666	1.343
Share Class R Gross Income				
Group 1	0.393	-	0.393	0.818
Group 2	0.054	0.339	0.393	0.818
Share Class Z Gross Accumulation				
Group 1	1.007	-	1.007	2.014
Group 2	0.386	0.621	1.007	2.014
Share Class Z Gross Income				
Group 1	0.437	-	0.437	0.904
Group 2	0.203	0.234	0.437	0.904

AXA Defensive Distribution Fund

Distribution Table

As at 31 May 2025

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 March 2025
Group 2 Shares purchased on or after 1 March 2025 to 31 May 2025

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/25 (p)	Distribution paid 31/07/24 (p)
Share Class A Gross Accumulation				
Group 1	0.974	-	0.974	1.204
Group 2	0.426	0.548	0.974	1.204
Share Class A Gross Income				
Group 1	0.826	-	0.826	1.050
Group 2	0.564	0.262	0.826	1.050
Share Class B Gross Accumulation				
Group 1	1.101	-	1.101	1.359
Group 2	0.489	0.612	1.101	1.359
Share Class B Gross Income				
Group 1	0.871	-	0.871	1.106
Group 2	0.496	0.375	0.871	1.106
Share Class D Gross Accumulation				
Group 1	1.104	-	1.104	1.372
Group 2	0.368	0.736	1.104	1.372
Share Class D Gross Income				
Group 1	0.646	-	0.646	0.826
Group 2	0.646	-	0.646	0.826
Share Class R Gross Accumulation				
Group 1	1.090	-	1.090	1.361
Group 2	0.716	0.374	1.090	1.361
Share Class R Gross Income				
Group 1	0.639	-	0.639	0.820
Group 2	0.639	-	0.639	0.820
Share Class Z Gross Accumulation				
Group 1	1.650	-	1.650	2.044
Group 2	1.012	0.638	1.650	2.044
Share Class Z Gross Income				
Group 1	0.713	-	0.713	0.908
Group 2	0.325	0.388	0.713	0.908

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Investment Objective

The aim of this Fund is to achieve income and capital growth over a period of 5 years or more.

Investment Policy

The Fund invests in a mix of shares in UK listed companies, UK Government bonds (the majority of which are linked to the rate of inflation) and cash. The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in UK Government bonds and cash. The Manager selects shares in companies based upon their prospects for future growth of capital and dividend payments following an in depth analysis of the quality of their business model, financial status, and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government).

The Manager considers ESG risk by applying AXA Investment Manager's (AXA IM's) sector specific investment guidelines. Such guidelines 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). The Manager also applies the AXA IM's ESG Standards policy. This policy excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption 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. AXA IM's ESG Standards policy and AXA IM's sector specific investment guidelines are subject to change and the latest copies are accessible via the links provided in the “Responsible Investment” section of the prospectus and are available from the Manager on request.

The Manager will undertake engagements with investee companies with the aim of preserving or enhancing long-term value and creating better ESG outcomes for its investors over the long-term. More details on the Manager's approach to its engagement with companies are available on the website https://www.axa-im.co.uk/ under the heading “Responsible Investing”.

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

The 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 a composite benchmark made up of the following indices in the stated proportions: 55% FTSE All-Share Index; 17.5% FTSE Index Linked All Stocks; 17.5% FTSE Index Linked < 5 Years; 3.5% FTSE Gilts All Stocks; 3.5% FTSE Gilts < 5 Years; 3% SONIA Compounded Index (the “Benchmark”). This Benchmark best represents the types of bonds and companies in which the Fund predominantly invests.

The Fund may also invest at the Manager's discretion in other transferable securities, cash, deposits, units in collective investment schemes and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority rules.

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

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Risk and Reward Profile

As at 31 May 2025

By investing in a fund which can invest up to 60% in equities you are likely to be looking for an investment which has lower risk than a pure equity based fund but you are prepared to accept some risk for potential reward. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests predominantly in equities or overseas.

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 are subject to some level of variation which, may result in gains or losses.

Key Risks

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

• ESG risk - applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-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 a proprietary ESG scoring process or ban lists that rely partially on third party data. In certain cases, scores may not be available or the ACD may disagree with the score attributed by that third party and allocate the ACD's own score based on its own research. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria 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.

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

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

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

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

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

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

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

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

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

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

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

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

• Stock lending risk - the Fund may participate in a stock lending programme managed by an affiliate of the ACD (acting as stock lending agent) for the purpose of lending a Fund's securities via entering into a stock lending authorisation agreement. If a 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 a 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.

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

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

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

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

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The AXA Distribution range of funds (Defensive Distribution, Distribution, Ethical Distribution, Global Distribution and Lifetime Distribution) invest in a mix of shares in listed companies, government bonds (the majority of which are linked to the rate of inflation), and cash. The funds' (excluding the Defensive Distribution Fund) typical asset mix would range between 50-60% investment in shares and 40-50% in UK government bonds and cash. The common aim across the fund range is to provide unitholders income with some prospect for long-term capital growth.

Over the 12 months to 31st May 2025 global equity markets made solid, if unspectacular, progress. In sterling terms, the UK's FTSE All Share Index (+9.35%) outperformed all of the major global bourses over the period with the large cap FTSE 100 total return (+10.07%) comfortably exceeding that of the Mid Cap FTSE 250 ex-investment companies, (+4.83%) and the Small Cap exinvestment companies, (+6.32%). Fixed income markets continued to have a mixed time, with the FTSE UK Gilts All Stocks Total Return index generating a return of just +1.43%, while the FTSE UK Gilts Index-Linked all, Total Return index fell -7.51%.

In reviewing the past 12 months, 2024 was another good year for equity markets with the continuing strength of US equity markets in particular bolstering global equity returns. The rally towards the end of the calendar year by Chinese equities helped recover the year for Emerging Markets, while Europe, Japan, and the UK generated solid mid-high single digit returns. It is worthy of note that by the end of 2024 the US represented almost 70% of the MSCI All Companies World Index, with the mega cap US tech names dominating performance for a second consecutive year and US economic performance setting it apart from other major regions. The traditionally strong end to the year (the 'Santa Rally') was conspicuous by its absence caused by elevated US treasury yields weighing on equities as economic forecasts and concerns that president-elect Donald Trump's policies, including punitive trade tariffs, would prove inflationary.

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

A divergence in performance across global markets has presented itself over the first five months of 2025, with the US being the notable laggard. The year got off to a tense start that included a global bond rout with fears of higher for longer interest rates in the US. The inauguration of Donald Trump in January brought further woes as he set about imposing punitive trade tariffs that threatened to spark a global trade war. Trump's return to the White House had been lauded at first as pro-business and stock market-friendly but, by the end of the first quarter, US stocks had dragged global markets lower. The bond market rout saw yields surge as bond markets were rocked by fears of sticky inflation in the US and a more hawkish US Federal Reserve ('Fed') making fewer interest rate cuts this year. The resulting sell-off saw yields on 10-year US Treasuries spike to a 14-month high. In the UK, 10-year gilt yields also jumped to their highest levels since the global financial crisis in 2008, with Chancellor Rachel Reeves' Autumn Budget blamed.

Donald Trump's return to the White House has brought with it a new era of geopolitical tension, trade wars and economic concern. Trump started as he meant to go on, delivering a record number of executive orders to maximise oil production, curb immigration and impose trade tariffs. While markets were buoyed at first by hopes of deregulation and a business-friendly administration, the mood soured as Trump ramped up trade tariffs. In the UK, stock markets defied the steep sell-off in global markets over the first quarter, making modest gains and seeing the FTSE 100 Index cross the psychological 8,600 mark at the end of January. Gains were pared back in February but still remained in positive territory despite macroeconomic and political headwinds. By March, Donald Trump's tariff threats finally caught up with the UK market as his 'Liberation Day' approached and Downing Street officials scrambled to negotiate a trade deal. The overhang of concerns about spending cuts that would need to be made by the Treasury deteriorated somewhat after the Spring Statement, that saw the chancellor slash spending but not raise any more taxes.

European equities have been among the top-performing markets over 2025 as threat of trade tariffs from the US couldn't hold stocks back. The market closed at a record high in January, wrapping up the best monthly gain in over a year on solid earnings and another interest rate cut from the ECB. The rotation from US stocks into Europe was a theme that ran throughout the quarter as investors grew concerned over high US market valuations and sought cheaper alternatives, and a switch from tech stocks into defensives was also prevalent. Hopes for higher spending in Germany and peace talks in Ukraine also bolstered sentiment.

While April saw markets plunged into turmoil, May brought some solace to equity investors as the US and China called a tariffs truce – although Trump accused the superpower of violating the agreement at the end of the month. A trade deal with the UK was also inked and Trump saw fit to pause the implementation of his threatened 50% tariff on European Union imports, in order to strike a deal with the single bloc. A calming of fears over tariffs was also driven by US trade courts judging Trump did not have the authority to implement the sweeping tariffs, which gave hope for the global economy. The rally was broad based across the globe as investors sought safe havens away from US equities, although a tech rally at the end of the month made sure not to leave the US behind.

Portfolio Review

The equity portion of the Fund performed broadly in line with the FTSE All Share Index over the six-month period to 31st May 2025. By comparison, the average return generated by the IA All Companies peer group lagged the index by more than 2.5%.

The standout sector for positive performance in the UK stockmarket over the past year has been the Financials sector. In short it has benefitted from the normalising of the interest rate environment and more recently the maintained 'higher' level of interest rates following a sustained period of interest rate hikes. While expectations are high that interest rates should fall from current level the Banks in particular are enjoying something of a 'Goldilocks' situation with rates being neither too high nor too low. Indeed, Lloyds Banking Group was the most significant contributor to the fund's total return over the six- month period. It has not just been the Banks that have driven the Financials sector performance. Within the broader Financials sector is the Investment Banking and Brokerage Services sector one of whose constituents is 3i Plc. This is the UK's largest listed private equity group and a company that we have talked extensively about in recent years. The shares have risen by c.45% over the past year, driven largely by the success of their investment in the European discount retailer 'Action' which now represents c.70% of the Group's Net Asset Value.

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

The Fund also has meaningful exposure to another Financials sub-sector – Life Insurance. Holdings include Legal & General, Phoenix Group, Just Group, and Prudential. All four companies outperformed the FTSE All Share index over the past year, with Just Group and Phoenix generating total returns of over 40%. We had a good meeting with the management team of Phoenix following the company's full year results in March. CEO Andy Briggs has recently been joined by CFO (Chief Financial Officer) Nic Nicandrou who previously spent eight years as the CFO of Prudential Plc. The team want to de-mystify what is perceived to be a complicated business and more clearly demonstrate the scale of the growth opportunity that lies ahead of them in the UK Pensions and Savings market. Phoenix already handles pensions savings for 20% of the UK population and have ambitions to win further market share. The shares generate an attractive dividend of c.9% and with UK demographics suggesting that savings rates will have to increase in the coming year, Phoenix stands well-placed to benefit.

The main detractors to performance over the period were Industrials companies including Ashtead, Coats, and Essentra, all of which suffered as a consequence of the concerns raised by the imposition of international trade tariffs. Ashtead also confirmed its intention to move its main listing from the UK to the US which was disappointing for its UK shareholders.

Notable changes to the Fund include the acquisition of Howden Joinery Group, a firm that manufactures kitchens and joinery products. Howden is a high-quality, compounding growth company operating in a category that has been in sharp volume decline in the past couple of years. The shares have derated on the back of conditions in the UK kitchen market where trading volumes are at decade lows. We see this situation offering a potential upgrade and rerating opportunity. The company is well-invested having maintained significant levels of both operational and new capital expenditure in recent years, so the operating leverage is poised to recover sharply on any pick-up in demand. Chemring Group, an organisation that manufactures signalling materials and marine safety products for the global defence and security industries, was also added to the portfolio.

The Fund closed its positions in Loungers, an organisation that owns and operates café bars and café restaurants, following a takeover bid from private equity and Reckitt Benckiser Group, an organisation that manufactures and markets household cleaning, health and nutrition products.

For fixed income, UK government bond yields continue to reflect the higher inflation prevalent in the economy. Despite the disinflation period of the past few years which brought Consumer Price Index (CPI) off its high single digit peak, inflation still sits above the official 2% target. With the current expected range of 3 to 3.5%, the Bank of England are reluctant to accelerate modest rate cuts, despite weak underling growth. With this backdrop the MPC members have pushed through four 25 basis point cuts from the 2023 peak of 5.25, to current levels of 4.25%. Current expectations are for a steady pace of quarterly cuts to be continued, with divergent views for 2026.

10-year gilts rose from 4% to 4.6% over the period, although touched a low of 3.8% and high of 4.9% over the period under review. Short-dated bonds outperformed reflecting less duration sensitivity and moved from 4.3% to 3.8%. 10-year Inflation breakevens came off their highs of 3.7%, finishing at 3.2% in May 2025. Given these moves the Gilt market returned a negative 1% during the 12 months and the Index linked market, being longer dated and having sensitivity to both conventional yields and inflation breakevens returned a negative 10%.

Bonds returned a negative return of 3% during the period under review benefiting from the greater exposure to short-dated index linked bonds relative to the longer maturity of the overall market.

AXA Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Outlook

The outlook for the US market and the global economy is changing fast. The Trump administration has made a habit of proposing large trade tariffs and then walking back from the worst-case scenarios (China being the biggest example of this policy). Although this leaves us in an environment where a worst-case scenario does not necessarily transpire, it does add a large amount of uncertainty into the US and global economy. We have seen how consumers respond to the moderation in tariffs – while consumer sentiment had been very negative immediately after the 'Liberation Day' tariff announcement, sentiment has bounced back as the administration rowed back from the most extreme tariff rates and the hard economic data has remained reasonably positive. Similar has occurred with underlying earnings where the recent earnings season produced results that generally held up well although the outlook for 2025 has been revised down given the uncertain tariff outlook. This still represents a rapid turnaround in events from the start of the year, when US exceptionalism was expected to drive another year of decent economic growth and low double-digit earnings growth.

However, we need to remember that, at present, this situation is very much self-inflicted. The President prides himself on the 'art of the deal', so inflicting economic pain on trading partners as a way of negotiating a better trade deal is seen as a viable strategy. Although it clearly carries the potential of damaging domestic business and consumer confidence and hence their future investment/spending, the President and his team will be expecting that they can move on to the growth positive parts of their agenda, namely deregulation, possibly tax cuts as well as lower interest rates and better export opportunities. In addition, the benefits of several long-term trends such as AI adoption, digitalisation and electrification should continue to benefit US companies. US companies have a history of adopting new technologies early and private sector R&D intensity is amongst the highest of developed nations.

In the UK, on the whole companies are reporting robust underlying earnings, forecasts are prudently set and valuations remain attractive in the context of history and relative to global equity markets. Strong cash generation and robust balance sheet health is resulting in a lengthening list of UK companies buying in their own shares with surplus cashflow. This is supportive of equity prices. As highlighted in previous reports, we believe the stars are finally aligning for the UK equities. Some key foundation stones are falling into place for a sustained improvement in sentiment. There is no single specific catalyst for this shift, rather a range of factors coalescing to leave a more positive outlook than we have witnessed for some time. The improving macro with real income growth driving a pick-up in consumer and business sentiment is critical, but historically depressed valuations coupled with greater political clarity and scope for policy initiatives to support UK pension allocation and investment all contribute to a more constructive backdrop.

Our over-arching view remains that macro events cannot be accurately nor consistently predicted. As such, the Funds retain a preference for longer-term structural trends and quality companies that can deliver robust, reliable and consistent growth, supported by a simple Government bond and cash hedge.

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

Stocks are mentioned for illustrative purposes only and do not constitute investment advice or a recommendation.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● UK Treasury 0.125% 22/03/29	9,683	● UK Treasury 2.5% 17/07/24	16,893
● UK Treasury 0.125% 10/08/41	5,475	● UK Treasury 1.25% 22/11/27	7,784
● JTC	4,767	● Hargreaves Lansdown	7,149
● UK Treasury 1.25% 22/11/32	3,878	● UK Treasury 0.125% 22/03/26	6,424
● UK Treasury 1.125% 22/11/37	3,676	● Keywords Studios	6,044

Jamie Forbes-Wilson
AXA Investment Managers UK Limited

AXA Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 56.65% (31/05/24: 57.22%)			
BASIC MATERIALS 2.96% (31/05/24: 3.78%)			
Industrial Metals & Mining 2.96% (31/05/24: 3.78%)			
Central Asia Metals	1,200,000	1,949	0.45
Hill & Smith	175,000	3,237	0.74
Rio Tinto	175,000	7,703	1.77
TOTAL BASIC MATERIALS		12,889	2.96
CONSUMER DISCRETIONARY 5.78% (31/05/24: 6.57%)			
Household Goods & Home Construction 1.40% (31/05/24: 1.28%)			
Bellway	225,000	6,097	1.40
Leisure Goods 1.23% (31/05/24: 2.02%)			
Games Workshop Group	35,000	5,366	1.23
Media 0.00% (31/05/24: 0.32%)			
Retailers 1.82% (31/05/24: 1.42%)			
Dunelm Group	375,000	4,470	1.03
Howden Joinery Group	400,000	3,442	0.79
Travel & Leisure 1.33% (31/05/24: 1.53%)			
Whitbread	200,000	5,786	1.33
TOTAL CONSUMER DISCRETIONARY		25,161	5.78
CONSUMER STAPLES 3.82% (31/05/24: 3.24%)			
Food Producers 1.22% (31/05/24: 1.18%)			
Cranswick	100,000	5,310	1.22
Personal Care, Drug & Grocery 2.60% (31/05/24: 2.06%)			
Tesco	800,000	3,104	0.71
Unilever	175,000	8,237	1.89
TOTAL CONSUMER STAPLES		16,651	3.82
ENERGY 3.35% (31/05/24: 4.88%)			
Oil, Gas & Coal 3.35% (31/05/24: 4.88%)			
BP	1,400,000	5,036	1.16
Serica Energy	1,431,278	2,193	0.50
Shell	300,000	7,347	1.69
TOTAL ENERGY		14,576	3.35
FINANCIALS 15.29% (31/05/24: 13.57%)			
Banks 5.56% (31/05/24: 3.55%)			
HSBC	1,000,000	8,732	2.01
Lloyds Banking Group	11,000,000	8,492	1.95
Standard Chartered	600,000	6,948	1.60

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	Holding	Market Value £'000	% of Total Net Assets
Finance & Credit Services 1.55% (31/05/24: 1.37%)			
London Stock Exchange Group	60,000	6,762	1.55
Investment Banking & Brokerage 1.88% (31/05/24: 3.46%)			
3i Group	200,000	8,144	1.87
Argentex Group	1,800,000	43	0.01
Life Insurance 5.85% (31/05/24: 4.65%)			
Just Group	5,500,000	8,217	1.89
Legal & General Group	3,000,000	7,461	1.71
Phoenix Group	750,000	4,755	1.09
Prudential	600,000	5,069	1.16
Non-Life Insurance 0.45% (31/05/24: 0.54%)			
Sabre Insurance Group	1,500,000	1,977	0.45
TOTAL FINANCIALS		66,600	15.29
HEALTH CARE 6.52% (31/05/24: 7.45%)			
Medical Equipment & Services 1.60% (31/05/24: 1.32%)			
ConvaTec Group	2,400,000	6,950	1.60
Pharmaceuticals & Biotechnology 4.92% (31/05/24: 6.13%)			
AstraZeneca	110,000	11,790	2.71
Genus	160,000	3,224	0.74
GSK	425,000	6,403	1.47
TOTAL HEALTH CARE		28,367	6.52
INDUSTRIALS 9.15% (31/05/24: 8.27%)			
Aerospace & Defense 0.58% (31/05/24: 0.00%)			
Chemring Group	525,000	2,533	0.58
Construction & Materials 1.56% (31/05/24: 1.36%)			
Forterra	1,875,000	3,705	0.85
Marshalls	1,100,000	3,075	0.71
General Industrials 0.81% (31/05/24: 0.73%)			
Coats Group	4,500,000	3,546	0.81
Industrial Engineering 1.25% (31/05/24: 1.59%)			
Weir Group	225,000	5,459	1.25
Industrial Support Services 3.70% (31/05/24: 2.89%)			
Experian	250,000	9,230	2.12
JTC	500,000	4,185	0.96
Pagegroup	1,000,000	2,704	0.62

AXA Distribution Fund

Portfolio Statement
As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
Industrial Transportation 1.25% (31/05/24: 1.70%)			
Ashtead Group	125,000	5,419	1.25
TOTAL INDUSTRIALS		39,856	9.15
REAL ESTATE 4.63% (31/05/24: 4.08%)			
Real Estate Investment & Services 2.25% (31/05/24: 1.86%)			
Grainger	1,400,000	3,108	0.71
Rightmove	900,000	6,707	1.54
Real Estate Investment Trusts 2.38% (31/05/24: 2.22%)			
Great Portland Estates	1,680,000	5,687	1.31
PRS REIT	4,000,000	4,640	1.07
TOTAL REAL ESTATE		20,142	4.63
TECHNOLOGY 0.58% (31/05/24: 0.73%)			
Software & Computer Services 0.58% (31/05/24: 0.73%)			
Kainos Group	350,000	2,543	0.58
TOTAL TECHNOLOGY		2,543	0.58
TELECOMMUNICATIONS 0.00% (31/05/24: 0.00%*)			
Telecommunications Service Providers 0.00% (31/05/24: 0.00%*)			
UTILITIES 4.57% (31/05/24: 4.65%*)			
Electricity 2.89% (31/05/24: 2.85%*)			
SSE	400,000	7,044	1.62
Telecom Plus	275,000	5,541	1.27
Gas, Water & Multiutilities 1.68% (31/05/24: 1.80%)			
National Grid	700,000	7,322	1.68
TOTAL UTILITIES		19,907	4.57
GOVERNMENT BONDS 40.19% (31/05/24: 39.93%)			
Index Linked Government Bonds 33.32% (31/05/24: 33.28%)			
UK Treasury 0.125% IL 22/03/26	17,975,000	27,468	6.31
UK Treasury 0.125% IL 10/08/28	11,850,000	16,679	3.83
UK Treasury 0.125% IL 22/03/29	17,285,000	28,320	6.51
UK Treasury 0.125% IL 10/08/31	300,000	387	0.09
UK Treasury 0.125% IL 10/08/41	5,000,000	5,250	1.21
UK Treasury 0.125% IL 22/03/44	3,155,000	3,537	0.81
UK Treasury 0.125% IL 22/03/46	1,750,000	1,755	0.40
UK Treasury 0.125% IL 10/08/48	2,000,000	1,784	0.41
UK Treasury 0.125% IL 22/03/51	2,295,000	1,808	0.42
UK Treasury 0.125% IL 22/11/56	1,200,000	962	0.22
UK Treasury 0.125% IL 22/03/58	2,100,129	1,704	0.39
UK Treasury 0.125% IL 22/11/65	1,000,000	716	0.16
UK Treasury 0.125% IL 22/03/68	2,625,600	1,912	0.44
UK Treasury 0.25% IL 22/03/52	1,400,917	1,373	0.32

AXA Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
UK Treasury 0.375% IL 22/03/62	3,300,000	3,084	0.71
UK Treasury 0.5% IL 22/03/50	1,465,548	1,818	0.42
UK Treasury 0.625% IL 22/03/40	1,442,496	2,191	0.50
UK Treasury 0.625% IL 22/11/42	1,575,000	2,323	0.53
UK Treasury 0.625% IL 22/03/45	2,700,000	2,196	0.50
UK Treasury 0.75% IL 22/03/34	2,170,000	3,516	0.81
UK Treasury 0.75% IL 22/11/47	3,100,000	4,391	1.01
UK Treasury 1.125% IL 22/11/37	3,990,000	7,311	1.68
UK Treasury 1.25% IL 22/11/27	4,725,000	9,881	2.27
UK Treasury 1.25% IL 22/11/32	2,055,000	3,784	0.87
UK Treasury 1.25% IL 22/11/55	503,230	815	0.19
UK Treasury 2% IL 26/01/35	2,574,000	6,058	1.39
UK Treasury 4.125% IL 22/07/30	1,185,000	3,996	0.92
Traditional Government Bonds 6.87% (31/05/24: 6.65%)			
UK Treasury 0.125% 30/01/26	2,600,000	2,545	0.58
UK Treasury 0.5% 22/10/61	3,000,000	782	0.18
UK Treasury 0.875% 22/10/29	2,040,000	1,787	0.41
UK Treasury 0.875% 31/07/33	6,900,000	5,213	1.20
UK Treasury 1.5% 22/07/26	2,350,000	2,288	0.53
UK Treasury 1.5% 31/07/53	2,500,000	1,112	0.26
UK Treasury 2.5% 22/07/65	700,000	380	0.09
UK Treasury 3.25% 22/01/44	200,000	152	0.04
UK Treasury 3.5% 22/10/25	4,670,000	4,655	1.07
UK Treasury 3.5% 22/01/45	1,000,000	783	0.18
UK Treasury 3.5% 22/07/68	125,000	88	0.02
UK Treasury 3.75% 07/03/27	2,250,000	2,238	0.51
UK Treasury 3.75% 22/07/52	282,000	217	0.05
UK Treasury 4% 22/01/60	217,000	171	0.04
UK Treasury 4.125% 22/07/29	2,250,000	2,251	0.52
UK Treasury 4.25% 31/07/34	500,000	487	0.11
UK Treasury 4.25% 07/09/39	252,000	232	0.05
UK Treasury 4.25% 07/12/40	1,000,000	911	0.21
UK Treasury 4.25% 07/12/46	1,300,000	1,121	0.26
UK Treasury 4.25% 07/12/49	100,000	85	0.02
UK Treasury 4.25% 07/12/55	200,000	166	0.04
UK Treasury 4.5% 07/09/34	1,650,120	1,640	0.38

AXA Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
UK Treasury 4.5% 07/12/42	150,000	138	0.03
UK Treasury 4.75% 07/12/30	300,000	309	0.07
UK Treasury 6% 07/12/28	87,000	93	0.02
TOTAL GOVERNMENT BONDS		174,863	40.19
Portfolio of investments		421,555	96.84
Net other assets		13,758	3.16
Total net assets		435,313	100.00

All investments are ordinary shares unless otherwise stated.
All bonds are denominated in Sterling (unless otherwise indicated).
* Since the previous report industry classifications have been updated. Comparative figures have been updated where appropriate.

AXA Distribution Fund

Comparative Tables

As at 31 May 2025

	A Accumulation			A Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	138.09	126.73	132.84	109.91	105.11	113.72
Return before operating charges ^	7.32	12.03	(5.46)	5.79	9.76	(4.68)
Operating charges ^	(0.71)	(0.67)	(0.65)	(0.56)	(0.55)	(0.55)
Return after operating charges ^	6.61	11.36	(6.11)	5.23	9.21	(5.23)
Distributions	(4.47)	(5.39)	(4.00)	(3.52)	(4.41)	(3.38)
Retained distributions on accumulation shares	4.47	5.39	4.00	-	-	-
Closing net asset value per share †	144.70	138.09	126.73	111.62	109.91	105.11
*^ after direct transaction costs of:	0.05	0.06	0.06	0.04	0.05	0.05
Performance						
Return after operating charges	4.79%	8.96%	-4.60%	4.76%	8.76%	-4.60%
Other information						
Closing net asset value (£) †	3,454,483	3,856,898	4,396,437	151,883	164,592	352,799
Closing number of shares	2,387,291	2,793,010	3,469,157	136,075	149,756	335,644
Operating charges ^	0.51%	0.52%	0.51%	0.51%	0.52%	0.51%
Direct transaction costs *	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest share price #	144.90	140.50	132.80	113.70	113.20	113.70
Lowest share price #	132.30	123.50	112.70	103.30	101.30	95.69

	B Accumulation			B Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	160.98	147.59	154.55	118.26	112.98	122.11
Return before operating charges ^	8.54	14.03	(6.35)	6.24	10.50	(5.01)
Operating charges ^	(0.67)	(0.64)	(0.61)	(0.49)	(0.48)	(0.48)
Return after operating charges ^	7.87	13.39	(6.96)	5.75	10.02	(5.49)
Distributions	(5.21)	(6.29)	(4.65)	(3.79)	(4.74)	(3.64)
Retained distributions on accumulation shares	5.21	6.29	4.65	-	-	-
Closing net asset value per share †	168.85	160.98	147.59	120.22	118.26	112.98
*^ after direct transaction costs of:	0.06	0.07	0.06	0.04	0.05	0.05
Performance						
Return after operating charges	4.89%	9.07%	-4.50%	4.86%	8.87%	-4.50%
Other information						
Closing net asset value (£) †	269,771,946	283,092,905	292,538,762	1,433,427	1,518,658	1,748,308
Closing number of shares	159,767,183	175,859,157	198,213,910	1,192,378	1,284,214	1,547,398
Operating charges ^	0.41%	0.42%	0.41%	0.41%	0.42%	0.41%
Direct transaction costs *	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest share price #	169.10	163.80	154.60	122.40	121.80	122.10
Lowest share price #	154.40	143.80	131.10	111.30	108.90	102.80

AXA Distribution Fund

Comparative Tables

As at 31 May 2025

	D Accumulation			D Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	234.13	216.09	227.87	111.63	107.50	117.00
Return before operating charges ^	12.37	20.55	(9.36)	5.86	9.85	(4.80)
Operating charges ^	(2.63)	(2.51)	(2.42)	(1.24)	(1.22)	(1.23)
Return after operating charges ^	9.74	18.04	(11.78)	4.62	8.63	(6.03)
Distributions	(7.55)	(9.17)	(6.83)	(3.56)	(4.50)	(3.47)
Retained distributions on accumulation shares	7.55	9.17	6.83	-	-	-
Closing net asset value per share †	243.87	234.13	216.09	112.69	111.63	107.50
*^ after direct transaction costs of:	0.08	0.10	0.09	0.04	0.05	0.05
Performance						
Return after operating charges	4.16%	8.35%	-5.17%	4.14%	8.03%	-5.15%
Other information						
Closing net asset value (£) †	27,044,940	28,321,278	4,804,983	2,946,388	3,295,744	713,138
Closing number of shares	11,089,757	12,096,568	2,223,586	2,614,627	2,952,341	663,406
Operating charges ^	1.11%	1.12%	1.11%	1.11%	1.12%	1.11%
Direct transaction costs *	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest share price #	244.20	238.30	227.50	115.30	115.00	116.80
Lowest share price #	223.20	210.10	192.90	104.40	103.30	98.23

	R Accumulation			R Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	232.20	215.19	227.83	110.70	107.05	116.99
Return before operating charges ^	12.24	20.33	(9.36)	5.80	9.73	(4.81)
Operating charges ^	(3.53)	(3.32)	(3.28)	(1.67)	(1.61)	(1.67)
Return after operating charges ^	8.71	17.01	(12.64)	4.13	8.12	(6.48)
Distributions	(7.47)	(9.12)	(6.82)	(3.53)	(4.47)	(3.46)
Retained distributions on accumulation shares	7.47	9.12	6.82	-	-	-
Closing net asset value per share †	240.91	232.20	215.19	111.30	110.70	107.05
*^ after direct transaction costs of:	0.08	0.10	0.09	0.04	0.05	0.05
Performance						
Return after operating charges	3.75%	7.90%	-5.55%	3.73%	7.59%	-5.54%
Other information						
Closing net asset value (£) †	64,807,266	72,363,365	104,461,408	562,515	628,184	3,591,412
Closing number of shares	26,901,528	31,163,962	48,543,569	505,396	567,462	3,354,818
Operating charges ^	1.51%	1.52%	1.51%	1.51%	1.52%	1.51%
Direct transaction costs *	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest share price #	241.30	236.40	227.30	114.20	114.00	116.70
Lowest share price #	220.60	208.90	192.50	103.20	102.60	98.08

AXA Distribution Fund

Comparative Tables

As at 31 May 2025

	Z Accumulation			Z Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	268.22	246.75	259.29	127.58	122.32	132.66
Return before operating charges ^	14.20	23.41	(10.65)	6.71	11.34	(5.44)
Operating charges ^	(2.06)	(1.94)	(1.89)	(0.97)	(0.95)	(0.96)
Return after operating charges ^	12.14	21.47	(12.54)	5.74	10.39	(6.40)
Distributions	(8.67)	(10.49)	(7.79)	(4.08)	(5.13)	(3.94)
Retained distributions on accumulation shares	8.67	10.49	7.79	-	-	-
Closing net asset value per share †	280.36	268.22	246.75	129.24	127.58	122.32
*^ after direct transaction costs of:	0.09	0.11	0.11	0.04	0.05	0.05
Performance						
Return after operating charges	4.53%	8.70%	-4.84%	4.50%	8.49%	-4.82%
Other information						
Closing net asset value (£) †	54,409,221	62,911,342	71,350,285	10,730,960	13,996,814	15,503,586
Closing number of shares	19,406,997	23,455,464	28,915,654	8,303,008	10,970,893	12,675,130
Operating charges ^	0.76%	0.77%	0.76%	0.76%	0.77%	0.76%
Direct transaction costs *	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest share price #	280.80	273.00	259.10	131.90	131.40	132.60
Lowest share price #	256.50	240.20	219.70	119.70	117.70	111.50

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

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

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

The figures used within the table have been calculated against the average net asset value for the accounting year.

AXA Distribution Fund

Statement of Total Return

For the year ended 31 May 2025

	Note	31/05/25 £'000	£'000	31/05/24 £'000	£'000
Income:					
Net capital gains	2		8,858		23,030
Revenue	3	14,298		19,842	
Expenses	4	(3,076)		(3,343)	
Interest payable and similar charges		-		-	
Net revenue before taxation		11,222		16,499	
Taxation	5	-		-	
Net revenue after taxation			11,222		16,499
Total return before distributions			20,080		39,529
Distributions	6		(14,234)		(19,770)
Change in net assets attributable to Shareholders from investment activities			5,846		19,759

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2025

	31/05/25 £'000	£'000	31/05/24 £'000	£'000
Opening net assets attributable to Shareholders		470,150		499,461
Amounts receivable on issue of shares	1,856		1,328	
Amounts payable on cancellation of shares	(56,015)		(68,942)	
		(54,159)		(67,614)
Change in net assets attributable to Shareholders from investment activities (see above)		5,846		19,759
Retained distributions on accumulation shares		13,476		18,544
Closing net assets attributable to Shareholders		435,313		470,150

AXA Distribution Fund

Balance Sheet

As at 31 May

	Note	31/05/25 £'000	31/05/24 £'000
Assets:			
Fixed assets:			
Investments		421,555	456,739
Current assets:			
Debtors	7	2,230	3,057
Cash and bank balances	8	12,488	12,072
Total assets		436,273	471,868
Liabilities:			
Creditors:			
Distribution payable		(192)	(235)
Other creditors	9	(768)	(1,483)
Total liabilities		(960)	(1,718)
Net assets attributable to Shareholders		435,313	470,150

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 175 - 178.

2. Net capital gains

	31/05/25 £'000	31/05/24 £'000
The net capital gains comprise:		
Non-derivative securities	8,855	23,033
Currency gains/(losses)	2	(2)
Transaction charges	1	(1)
Net capital gains	8,858	23,030

3. Revenue

	31/05/25 £'000	31/05/24 £'000
Bank interest	187	426
Interest on debt securities	4,141	8,902
Overseas dividends	173	146
UK dividends	9,328	9,964
Property revenue from REITs	438	399
Stock lending income	31	5
Total revenue	14,298	19,842

4. Expenses

	31/05/25 £'000	31/05/24 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	3,012	3,271
Registration fees	33	36
	3,045	3,307
Other expenses		
Audit fees *	11	11
Depositary's fees	19	19
Safe custody fees	1	6
	31	36
Total expenses	3,076	3,343

Expenses include irrecoverable VAT where applicable.

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

5. Taxation

(a) *Analysis of the tax charge in the year*

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

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2024: 20%) is applied to the net revenue before taxation. The differences are explained below:

	31/05/25 £'000	31/05/24 £'000
Net revenue before taxation	11,222	16,499
Net revenue for the year multiplied by the standard rate of corporation tax	2,244	3,300
Effects of:		
Movement in excess management expenses	905	(252)
Relief for indexation on UK Gilts	(1,229)	(996)
Revenue not subject to corporation tax	(1,920)	(2,052)
Tax charge for the year	-	-

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £36,412,952 (2024: £35,507,979) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

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

	31/05/25 £'000	31/05/24 £'000
First interim	3,552	5,394
Second interim	3,032	4,739
Third interim	2,201	3,681
Final	5,231	5,565
Add: Revenue paid on cancellation of shares	228	456
Deduct: Revenue received on creation of shares	(10)	(65)
Net distribution for the year	14,234	19,770
Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	11,222	16,499
Expenses charged to capital	3,012	3,271
Net distribution for the year	14,234	19,770

7. Debtors

	31/05/25 £'000	31/05/24 £'000
Sales awaiting settlement	-	1,156
Accrued revenue	2,230	1,901
Total debtors	2,230	3,057

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

8. Cash and bank balances

	31/05/25 £'000	31/05/24 £'000
Cash and bank balances	12,488	12,072
Total cash and bank balances	12,488	12,072

9. Other creditors

	31/05/25 £'000	31/05/24 £'000
Amounts payable for cancellation of shares	512	1,179
Accrued annual management charge	238	271
Accrued other expenses	18	33
Total other creditors	768	1,483

10. Related party transactions

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

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

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

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

11. Share classes

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

	Annual Management Charge rate (%)	31/05/24	Issued	Cancelled	Converted	31/05/25
A Accumulation	0.50	2,793,010	491,158	(896,877)	-	2,387,291
A Income	0.50	149,756	12,856	(26,537)	-	136,075
B Accumulation	0.40	175,859,157	12,348	(15,930,044)	(174,278)	159,767,183
B Income	0.40	1,284,214	19,264	(111,100)	-	1,192,378
D Accumulation	1.10	12,096,568	72,251	(1,100,842)	21,780	11,089,757
D Income	1.10	2,952,341	9,580	(349,326)	2,032	2,614,627
R Accumulation	1.50	31,163,962	172,970	(4,412,404)	(23,000)	26,901,528
R Income	1.50	567,462	-	(49,420)	(12,646)	505,396
Z Accumulation	0.75	23,455,464	92,378	(4,246,592)	105,747	19,406,997
Z Income	0.75	10,970,893	220,509	(2,897,573)	9,179	8,303,008

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: nil).

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

13. Derivatives and other financial instruments

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

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 31 May 2024).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £42,155,478 (2024: £45,673,889). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

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

Interest rate risk

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

Changes in interest rates or changes in expectations of future interest rates may result in a move in bond yields, causing an increase or decrease in the market value of the investments held. Based on the fund's current duration, a 1% increase in the yield would have the effect of decreasing the value of the fund by £14,303,868 (2024: £15,862,319), representing 3.29% of net assets (2024: 3.37%). A 1% decrease would have an equal and opposite effect.

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

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	12,488	174,863	248,685	436,036
US dollar			237	237
Total	12,488	174,863	248,922	436,273
31/05/24				
Pound sterling	12,071	187,762	271,653	471,486
US dollar	-	-	382	382
Total	12,071	187,762	272,035	471,868

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	-	-	(960)	(960)
Total	-	-	(960)	(960)
31/05/24				
Pound sterling	-	-	(1,718)	(1,718)
Total	-	-	(1,718)	(1,718)

Credit risk

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

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

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

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

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

Credit Rating	31/05/25 Market Value £'000	%	31/05/24 Market Value £'000	%
Investment grade (BBB- credit rating and above)	174,863	40.19	187,762	39.93
Total value of bonds	174,863	40.19	187,762	39.93

Counterparty risk

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

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

14. Portfolio transaction costs

31/05/2025 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Bonds	34,221	-	-	-	-	34,221
Equities	32,330	12	0.04	112	0.35	32,454
Total	66,551	12		112		66,675

31/05/2025 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	43,637	-	-	-	-	43,637
Equities	69,610	(31)	(0.04)	-	-	69,579
Total	113,247	(31)		-		113,216

31/05/2024 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Bonds	50,562	-	-	-	-	50,562
Equities	35,641	18	0.05	157	0.44	35,816
Total	86,203	18		157		86,378

31/05/2024 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	64,896	-	-	-	-	64,896
Equities	70,541	(34)	(0.05)	-	-	70,507
Total	135,437	(34)		-		135,403

Transaction costs as percentage of average net asset value	31/05/25 %	31/05/24 %
Commissions	0.00	0.01
Taxes	0.03	0.03

At the balance sheet date the average portfolio dealing spread was 0.12% (2024: 0.14%).

AXA Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

15. Stock Lending

The Fund enters into stock lending arrangements with various counterparties. At the balance sheet date the bid value of securities on loan was £11,962,122 (2024: £11,380,587). The value of collateral held in respect of securities on loan was £12,479,404 (2024: £11,604,656).

	31/05/25		31/05/24	
Counterparty	Value of stock on loan £'000	Cash collateral £'000	Value of stock on loan £'000	Cash collateral £'000
Goldman Sachs	7,143	-	-	-
Merrill Lynch	4,819	-	11,381	-
European Union ^	-	-	-	8,660
Republique Francaise	-	-	-	2,348
European Financial Stability Facility	-	-	-	593
Bundesrepublik Deutschland	-	-	-	3
United Kingdom of Great Britain and Northern Ireland	-	12,427	-	1
United States of America	-	51	-	-
	11,962	12,478	11,381	11,605

^ The market value in current year is below £500 and is therefore rounded down to £0.

Collateral held	31/05/25 £'000	31/05/24 £'000
Bonds	12,478	11,605
	12,478	11,605

16. Post balance sheet events

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

17. Fair value disclosure

	31/05/25		31/05/24	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	421,555	-	456,739	-
Level 2 ^^	-	-	-	-
Level 3 ^^^	-	-	-	-
	421,555	-	456,739	-

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

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

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

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

AXA Distribution Fund

Distribution Table

As at 31 May 2025

First Distribution in pence per share
Group 1 Shares purchased prior to 1 June 2024
Group 2 Shares purchased on or after 1 June 2024 to 31 August 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/24 (p)	Distribution paid 31/10/23 (p)
Share Class A Accumulation				
Group 1	1.076	-	1.076	1.422
Group 2	0.411	0.665	1.076	1.422
Share Class A Income				
Group 1	0.857	-	0.857	1.181
Group 2	0.814	0.043	0.857	1.181
Share Class B Accumulation				
Group 1	1.254	-	1.254	1.656
Group 2	0.748	0.506	1.254	1.656
Share Class B Income				
Group 1	0.922	-	0.922	1.269
Group 2	0.922	-	0.922	1.269
Share Class D Accumulation				
Group 1	1.823	-	1.823	2.423
Group 2	1.144	0.679	1.823	2.423
Share Class D Income				
Group 1	0.869	-	0.869	1.207
Group 2	0.869	-	0.869	1.207
Share Class R Accumulation				
Group 1	1.807	-	1.807	2.411
Group 2	0.542	1.265	1.807	2.411
Share Class R Income				
Group 1	0.861	-	0.861	1.201
Group 2	0.861	-	0.861	1.201
Share Class Z Accumulation				
Group 1	2.089	-	2.089	2.768
Group 2	0.755	1.334	2.089	2.768
Share Class Z Income				
Group 1	0.994	-	0.994	1.374
Group 2	0.597	0.397	0.994	1.374

AXA Distribution Fund

Distribution Table

As at 31 May 2025

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 September 2024
Group 2 Shares purchased on or after 1 September 2024 to 30 November 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/25 (p)	Distribution paid 31/01/24 (p)
Share Class A Accumulation				
Group 1	0.947	-	0.947	1.297
Group 2	0.436	0.511	0.947	1.297
Share Class A Income				
Group 1	0.748	-	0.748	1.065
Group 2	0.465	0.283	0.748	1.065
Share Class B Accumulation				
Group 1	1.104	-	1.104	1.511
Group 2	0.619	0.485	1.104	1.511
Share Class B Income				
Group 1	0.806	-	0.806	1.146
Group 2	0.806	-	0.806	1.146
Share Class D Accumulation				
Group 1	1.601	-	1.601	2.207
Group 2	0.866	0.735	1.601	2.207
Share Class D Income				
Group 1	0.758	-	0.758	1.087
Group 2	0.758	-	0.758	1.087
Share Class R Accumulation				
Group 1	1.586	-	1.586	2.195
Group 2	1.172	0.414	1.586	2.195
Share Class R Income				
Group 1	0.751	-	0.751	1.080
Group 2	0.751	-	0.751	1.080
Share Class Z Accumulation				
Group 1	1.837	-	1.837	2.523
Group 2	1.009	0.828	1.837	2.523
Share Class Z Income				
Group 1	0.868	-	0.868	1.239
Group 2	0.122	0.746	0.868	1.239

AXA Distribution Fund

Distribution Table

As at 31 May 2025

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 December 2024
Group 2 Shares purchased on or after 1 December 2024 to 28 February 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 30/04/25 (p)	Distribution paid 30/04/24 (p)
Share Class A Accumulation				
Group 1	0.709	-	0.709	1.042
Group 2	0.163	0.546	0.709	1.042
Share Class A Income				
Group 1	0.557	-	0.557	0.848
Group 2	0.311	0.246	0.557	0.848
Share Class B Accumulation				
Group 1	0.827	-	0.827	1.215
Group 2	0.393	0.434	0.827	1.215
Share Class B Income				
Group 1	0.600	-	0.600	0.912
Group 2	0.404	0.196	0.600	0.912
Share Class D Accumulation				
Group 1	1.198	-	1.198	1.771
Group 2	0.670	0.528	1.198	1.771
Share Class D Income				
Group 1	0.564	-	0.564	0.863
Group 2	0.231	0.333	0.564	0.863
Share Class R Accumulation				
Group 1	1.185	-	1.185	1.759
Group 2	0.431	0.754	1.185	1.759
Share Class R Income				
Group 1	0.558	-	0.558	0.857
Group 2	0.558	-	0.558	0.857
Share Class Z Accumulation				
Group 1	1.375	-	1.375	2.026
Group 2	0.667	0.708	1.375	2.026
Share Class Z Income				
Group 1	0.646	-	0.646	0.985
Group 2	0.160	0.486	0.646	0.985

AXA Distribution Fund

Distribution Table

As at 31 May 2025

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 March 2025
Group 2 Shares purchased on or after 1 March 2025 to 31 May 2025

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/25 (p)	Distribution paid 31/07/24 (p)
Share Class A Accumulation				
Group 1	1.738	-	1.738	1.633
Group 2	0.735	1.003	1.738	1.633
Share Class A Income				
Group 1	1.357	-	1.357	1.317
Group 2	0.440	0.917	1.357	1.317
Share Class B Accumulation				
Group 1	2.027	-	2.027	1.904
Group 2	1.017	1.010	2.027	1.904
Share Class B Income				
Group 1	1.461	-	1.461	1.416
Group 2	1.130	0.331	1.461	1.416
Share Class D Accumulation				
Group 1	2.931	-	2.931	2.771
Group 2	1.333	1.598	2.931	2.771
Share Class D Income				
Group 1	1.371	-	1.371	1.338
Group 2	1.371	-	1.371	1.338
Share Class R Accumulation				
Group 1	2.897	-	2.897	2.750
Group 2	1.808	1.089	2.897	2.750
Share Class R Income				
Group 1	1.355	-	1.355	1.328
Group 2	1.355	-	1.355	1.328
Share Class Z Accumulation				
Group 1	3.368	-	3.368	3.173
Group 2	1.802	1.566	3.368	3.173
Share Class Z Income				
Group 1	1.572	-	1.572	1.529
Group 2	0.883	0.689	1.572	1.529

AXA Ethical Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Investment Objective

The aim of this Fund is to achieve income and capital growth over a period of 5 years or more.

Investment Policy

The Fund invests in a mix of shares in UK listed companies, UK Government Bonds, the majority of which are linked to the rate of inflation, and cash. The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in UK Government bonds and cash. In accordance with the Manager's ethical screening criteria, the Fund invests in companies identified in relation to their approach to: environmental issues (including biodiversity, ozone depleting substances, climate change, fossil fuels, energy intensive industries, mining and quarrying, nuclear power, pollution and sustainable timber); human rights violations; and, other corporate responsibility issues (including animal testing, gambling, intensive farming, military sales, pornography and adult entertainment services, activities deemed detrimental to developing economies and tobacco sale and production).

The latest ethical policy for the Fund can be found on:
https://funds.axa-im.co.uk/en/individual/fund/axa-ethical-distribution-fund-z-accumulation-gbp/#documents

The Manager considers ESG risk by applying AXA Investment Manager's (AXA IM's) sector specific investment guidelines. Such guidelines 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). The Manager also applies the AXA IM's ESG Standards policy. This policy excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption 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. AXA IM's ESG Standards policy and AXA IM's sector specific investment guidelines are subject to change and the latest copies are accessible via the links provided in the "Responsible Investment" section of the prospectus and are available from the Manager on request.

The Manager will undertake engagements with investee companies with the aim of preserving or enhancing long-term value and creating better ESG outcomes for its investors over the long-term. More details on the Manager's approach to its engagement with companies are available on the website https://www.axa-im.co.uk/ under the heading "Responsible Investing".

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

The 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 a composite benchmark made up of the following indices in the stated proportions: 55% FTSE All Share Index; 17.5% FTSE Index Linked All Stocks; 17.5% FTSE Index Linked < 5 Years 3.5% FTSE Gilts All Stocks; 3.5% FTSE Gilts < 5 Years; 3% SONIA Compounded Index (the "Benchmark"). This Benchmark best represents the types of bonds and companies in which the Fund predominantly invests.

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

AXA Ethical Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Risk and Reward Profile

As at 31 May 2025

Due to the ethical constraints placed on this Fund, which exclude over half of the FTSE All-Share Index, the value of the Fund may fluctuate more than a Fund which is invested in a more diversified portfolio of UK equities. The value of investments and the income from them is not guaranteed and can go down as well as up.

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 are subject to some level of variation which, may result in gains or losses.

Key Risks

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

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

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

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the individual 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 a proprietary ESG scoring process or ban lists that rely partially on third party data. In certain cases, scores may not be available or the ACD may disagree with the score attributed by that third party and allocate the ACD's own score based on its own research. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria 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.

AXA Ethical Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

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

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

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

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

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

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

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

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Investment Manager's Report

For the year ended 31 May 2025

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

• Stock lending risk - the Fund may participate in a stock lending programme managed by an affiliate of the ACD (acting as stock lending agent) for the purpose of lending a Fund's securities via entering into a stock lending authorisation agreement. If a 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 a 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.

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

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

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

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

AXA Ethical Distribution Fund

Investment Manager's Report

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

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

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

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The AXA Distribution range of funds (Defensive Distribution, Distribution, Ethical Distribution, Global Distribution and Lifetime Distribution) invest in a mix of shares in listed companies, government bonds (the majority of which are linked to the rate of inflation), and cash. The funds' (excluding the Defensive Distribution Fund) typical asset mix would range between 50-60% investment in shares and 40-50% in UK government bonds and cash. The common aim across the fund range is to provide unitholders income with some prospect for long-term capital growth.

Over the 12 months to 31st May 2025 global equity markets made solid, if unspectacular, progress. In sterling terms, the UK's FTSE All Share Index (+9.35%) outperformed all of the major global bourses over the period with the large cap FTSE 100 total return (+10.07%) comfortably exceeding that of the Mid Cap FTSE 250 ex-investment companies, (+4.83%) and the Small Cap exinvestment companies, (+6.32%). Fixed income markets continued to have a mixed time, with the FTSE UK Gilts All Stocks Total Return index generating a return of just +1.43%, while the FTSE UK Gilts Index-Linked all, Total Return index fell -7.51%.

In reviewing the past 12 months, 2024 was another good year for equity markets with the continuing strength of US equity markets in particular bolstering global equity returns. The rally towards the end of the calendar year by Chinese equities helped recover the year for Emerging Markets, while Europe, Japan, and the UK generated solid mid-high single digit returns. It is worthy of note that by the end of 2024 the US represented almost 70% of the MSCI All Companies World Index, with the mega cap US tech names dominating performance for a second consecutive year and US economic performance setting it apart from other major regions. The traditionally strong end to the year (the 'Santa Rally') was conspicuous by its absence caused by elevated US treasury yields weighing on equities as economic forecasts and concerns that president-elect Donald Trump's policies, including punitive trade tariffs, would prove inflationary.

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A divergence in performance across global markets has presented itself over the first five months of 2025, with the US being the notable laggard. The year got off to a tense start that included a global bond rout with fears of higher for longer interest rates in the US. The inauguration of Donald Trump in January brought further woes as he set about imposing punitive trade tariffs that threatened to spark a global trade war. Trump's return to the White House had been lauded at first as pro-business and stock market-friendly but, by the end of the first quarter, US stocks had dragged global markets lower. The bond market rout saw yields surge as bond markets were rocked by fears of sticky inflation in the US and a more hawkish US Federal Reserve ('Fed') making fewer interest rate cuts this year. The resulting sell-off saw yields on 10-year US Treasuries spike to a 14-month high. In the UK, 10-year gilt yields also jumped to their highest levels since the global financial crisis in 2008, with Chancellor Rachel Reeves' Autumn Budget blamed.

Donald Trump's return to the White House has brought with it a new era of geopolitical tension, trade wars and economic concern. Trump started as he meant to go on, delivering a record number of executive orders to maximise oil production, curb immigration and impose trade tariffs. While markets were buoyed at first by hopes of deregulation and a business-friendly administration, the mood soured as Trump ramped up trade tariffs. In the UK, stock markets defied the steep sell-off in global markets over the first quarter, making modest gains and seeing the FTSE 100 Index cross the psychological 8,600 mark at the end of January. Gains were pared back in February but still remained in positive territory despite macroeconomic and political headwinds. By March, Donald Trump's tariff threats finally caught up with the UK market as his 'Liberation Day' approached and Downing Street officials scrambled to negotiate a trade deal. The overhang of concerns about spending cuts that would need to be made by the Treasury deteriorated somewhat after the Spring Statement, that saw the chancellor slash spending but not raise any more taxes.

European equities have been among the top-performing markets over 2025 as threat of trade tariffs from the US couldn't hold stocks back. The market closed at a record high in January, wrapping up the best monthly gain in over a year on solid earnings and another interest rate cut from the ECB. The rotation from US stocks into Europe was a theme that ran throughout the quarter as investors grew concerned over high US market valuations and sought cheaper alternatives, and a switch from tech stocks into defensives was also prevalent. Hopes for higher spending in Germany and peace talks in Ukraine also bolstered sentiment.

While April saw markets plunged into turmoil, May brought some solace to equity investors as the US and China called a tariffs truce – although Trump accused the superpower of violating the agreement at the end of the month. A trade deal with the UK was also inked and Trump saw fit to pause the implementation of his threatened 50% tariff on European Union imports, in order to strike a deal with the single bloc. A calming of fears over tariffs was also driven by US trade courts judging Trump did not have the authority to implement the sweeping tariffs, which gave hope for the global economy. The rally was broad based across the globe as investors sought safe havens away from US equities, although a tech rally at the end of the month made sure not to leave the US behind.

Portfolio Review

As we have stated in prior reports, the Fund's investment philosophy and process remains unaltered. 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, Experian, 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 a number of high- profile cyber- attacks 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.

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A number of the new portfolio holdings that were detailed in the Interim Report provided attractive returns during the period. This included Telecom Plus, which continues to attract new clients as well as expanding its product offering. XPS Pensions highlighted better than expected demand for their pension consultancy services alongside an earnings enhancing acquisition of Polaris, all contributing to their share pricing being boosted. AJ Bell has proven a good replacement for Hargreaves Lansdown as it continues to add new clients and grow assets under management ahead of market expectations.

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 Mergers and Acquisitions (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 Future Plc provided more cautious guidance than the market had expected in the face of economic uncertainty following the introduction of Trump's tariffs. Oxford Instruments has been impacted by sentiment towards academic budgets in the US for their precision instrumentation as well as on China export controls. 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.

'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 and Tobacco companies, as well as 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 and whose medium-term prospects are still felt to be very attractive. Examples include Safestore and Spirax Group.

Over the period, the Fund sold out of Hargreaves Lansdown following the takeover bid as well as Diageo, Unite Group and Future. New positions were added in Compass Group, Telecom Plus, AJ Bell, Trustpilot Group, JTC PLC, Alpha Group, XPS Pensions, and Diploma.

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 provide confidence in its future prospects. The Group targets 5% per annum organic revenue growth and continued M&A, operating margins of over 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, inflation- linked fee model, low client attrition, well -diversified client base and 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.

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We also added JTC which is a global provider of fund, corporate and private client services, primarily providing fund and trust administration services. It has an excellent track record of delivering growth, has a strong corporate culture with high equity ownership and operates in a market with very attractive financial characteristics. It has all the hallmarks that we look for in an investment - high quality, growth, strong balance sheet, high recurring revenue, and a management team with a track record of under-promising and over- delivering.

Compass Group the contract catering specialist was also added thanks to its enviable track record of market share gains in an attractive and growing end market, strong client retention, impressive management team and a compelling ESG position.

Diageo was sold following concerns around the health of the US spirits market and their strategic position within it. Other worries include their inventory management outside of developed markets and the structural shift to non-alcoholic drinks. Unite was also sold due to concerns over its end market which is likely to be affected by rule changes and geopolitics around foreign students and the company's lack of capital discipline.

As responsible investors we recognise that we have a role to play to help encourage companies on their ESG 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 & Marshalls.

UK government bond yields continue to reflect the higher inflation prevalent in the economy. Despite the disinflation period of the past few years which brought Consumer Price Index (CPI) off its high single- digit peak, inflation still sits above the official 2% target. With the current expected range of 3 to 3.5%, the Bank of England are reluctant to accelerate modest rate cuts, despite weak underling growth. With this backdrop the MPC members have pushed through four 25 basis point cuts from the 2023 peak of 5.25, to current levels of 4.25%. Current expectations are for a steady pace of quarterly cuts to be continued, with divergent views for 2026.

10-year gilts rose from 4% to 4.6% over the period, although touched a low of 3.8% and high of 4.9% over the period under review. Short-dated bonds outperformed reflecting less duration sensitivity and moved from 4.3% to 3.8%. 10-year Inflation breakevens came off their highs of 3.7%, finishing at 3.2% in May 2025. Given these moves the Gilt market returned a negative 1% during the 12 months and the Index linked market, being longer dated and having sensitivity to both conventional yields and inflation breakevens returned a negative 10%.

Bonds returned a negative return of 3% during the period under review benefiting from the greater exposure to short-dated index linked-bonds relative to the longer maturity of the overall market.

Outlook

The outlook for the US market and the global economy is changing fast. The Trump administration has made a habit of proposing large trade tariffs and then walking back from the worst-case scenarios (China being the biggest example of this policy). Although this leaves us in an environment where a worst-case scenario does not necessarily transpire, it does add a large amount of uncertainty into the US and global economy. We have seen how consumers respond to the moderation in tariffs – while consumer sentiment had been very negative immediately after the 'Liberation Day' tariff announcement, sentiment has bounced back as the administration rowed back from the most extreme tariff rates and the hard economic data has remained reasonably positive. Similar has occurred with underlying earnings where the recent earnings season produced results that generally held up well although the outlook for 2025 has been revised down given the uncertain tariff outlook. This still represents a rapid turnaround in events from the start of the year, when US exceptionalism was expected to drive another year of decent economic growth and low double-digit earnings growth.

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However, we need to remember that, at present, this situation is very much self-inflicted. The President prides himself on the 'art of the deal', so inflicting economic pain on trading partners as a way of negotiating a better trade deal is seen as a viable strategy. Although it clearly carries the potential of damaging domestic business and consumer confidence and hence their future investment/spending, the President and his team will be expecting that they can move on to the growth positive parts of their agenda, namely deregulation, possibly tax cuts as well as lower interest rates and better export opportunities. In addition, the benefits of several long-term trends such as AI adoption, digitalisation and electrification should continue to benefit US companies. US companies have a history of adopting new technologies early and private sector R&D intensity is amongst the highest of developed nations.

In the UK, on the whole companies are reporting robust underlying earnings, forecasts are prudently set and valuations remain attractive in the context of history and relative to global equity markets. Strong cash generation and robust balance sheet health is resulting in a lengthening list of UK companies buying in their own shares with surplus cashflow. This is supportive of equity prices. As highlighted in previous reports, we believe the stars are finally aligning for the UK equities. Some key foundation stones are falling into place for a sustained improvement in sentiment. There is no single specific catalyst for this shift, rather a range of factors coalescing to leave a more positive outlook than we have witnessed for some time. The improving macro with real income growth driving a pick-up in consumer and business sentiment is critical, but historically depressed valuations coupled with greater political clarity and scope for policy initiatives to support UK pension allocation and investment all contribute to a more constructive backdrop.

Our over-arching view remains that macro events cannot be accurately nor consistently predicted. As such, the Funds retain a preference for longer-term structural trends and quality companies that can deliver robust, reliable and consistent growth, supported by a simple Government bond and cash hedge.

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

Stocks are mentioned for illustrative purposes only and do not constitute investment advice or a recommendation.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● UK Treasury 0.125% IL 22/03/29	3,389	● UK Treasury 2.5% IL 17/07/24	5,161
● UK Treasury 0.125% IL 10/08/41	1,733	● UK Treasury 0.125% IL 22/03/26	2,427
● Compass Group	1,428	● UK Treasury 1.25% IL 22/11/27	2,216
● UK Treasury 1.25% IL 22/11/32	1,086	● Hargreaves Lansdown	1,806
● Diploma	990	● Diageo	1,697

Nigel Yates
AXA Investment Managers UK Limited

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	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 57.46% (31/05/24: 57.26%)			
BASIC MATERIALS 1.17% (31/05/24: 1.18%)			
Industrial Metals & Mining 1.17% (31/05/24: 1.18%)			
Hill & Smith	68,801	1,273	1.17
TOTAL BASIC MATERIALS		1,273	1.17
CONSUMER DISCRETIONARY 8.96% (31/05/24: 9.97%*)			
Consumer Services 1.46% (31/05/24: 0.00%)			
Compass Group	60,950	1,588	1.46
Leisure Goods 0.84% (31/05/24: 1.21%)			
Games Workshop Group	5,967	915	0.84
Media 0.92% (31/05/24: 2.18%*)			
Bloomsbury Publishing	192,074	999	0.92
Retailers 3.19% (31/05/24: 3.58%)			
Dunelm Group	98,011	1,168	1.08
Howden Joinery Group	144,478	1,243	1.15
Pets at Home Group	393,282	1,048	0.96
Travel & Leisure 2.55% (31/05/24: 3.00%)			
Hollywood Bowl Group	415,838	1,102	1.01
SSP Group	482,052	786	0.72
Trainline	328,775	889	0.82
TOTAL CONSUMER DISCRETIONARY		9,738	8.96
CONSUMER STAPLES 1.32% (31/05/24: 2.23%)			
Beverages 0.00% (31/05/24: 1.36%)			
Personal Care, Drug & Grocery 1.32% (31/05/24: 0.87%)			
Tesco	369,051	1,432	1.32
TOTAL CONSUMER STAPLES		1,432	1.32
FINANCIALS 15.50% (31/05/24: 13.25%)			
Banks 3.73% (31/05/24: 2.13%)			
HSBC	212,204	1,853	1.71
NatWest Group	418,669	2,193	2.02
Finance & Credit Services 2.37% (31/05/24: 2.28%)			
London Stock Exchange Group	22,793	2,569	2.37
Investment Banking & Brokerage 5.32% (31/05/24: 4.62%)			
3i Group	55,159	2,246	2.07
AJ Bell	107,750	531	0.49
Alpha Group International	37,731	1,192	1.10
Intermediate Capital Group	43,213	867	0.80
XPS Pensions Group	236,500	938	0.86

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	Holding	Market Value £'000	% of Total Net Assets
Life Insurance 4.08% (31/05/24: 4.22%)			
Just Group	812,785	1,214	1.12
Legal & General Group	568,244	1,413	1.30
Prudential	212,964	1,799	1.66
TOTAL FINANCIALS		16,815	15.50
INDUSTRIALS 11.22% (31/05/24: 10.57%)			
Construction & Materials 2.12% (31/05/24: 2.20%)			
Genuit Group	297,670	1,198	1.10
Marshalls	394,346	1,102	1.02
Electronic & Electrical Equipment 3.20% (31/05/24: 3.60%)			
DiscoverIE Group	188,509	1,197	1.10
Oxford Instruments	52,833	945	0.87
Rotork	422,907	1,330	1.23
Industrial Engineering 0.59% (31/05/24: 0.62%)			
Spirax Group	11,120	636	0.59
Industrial Support Services 4.43% (31/05/24: 2.60%)			
Diploma	22,772	1,067	0.98
Experian	62,640	2,313	2.13
JTC	87,500	732	0.67
RWS	470,320	375	0.35
Wise	30,000	330	0.30
Industrial Transportation 0.88% (31/05/24: 1.55%)			
Ashtead Group	22,167	961	0.88
TOTAL INDUSTRIALS		12,186	11.22
REAL ESTATE 4.11% (31/05/24: 5.73%)			
Real Estate Investment & Services 2.25% (31/05/24: 2.51%)			
Grainger	530,000	1,177	1.08
Rightmove	170,800	1,273	1.17
Real Estate Investment Trusts 1.86% (31/05/24: 3.22%)			
Safestore	109,636	720	0.66
Segro	186,844	1,302	1.20
TOTAL REAL ESTATE		4,472	4.11
TECHNOLOGY 10.67% (31/05/24: 11.06%*)			
Software & Computer Services 10.67% (31/05/24: 11.06%*)			
Aptitude Software Group	317,433	898	0.83
Auction Technology Group	186,304	847	0.78
Auto Trader Group	162,151	1,287	1.19
Bytes Technology Group	211,845	1,111	1.02
GB Group	425,707	1,169	1.08
Kainos Group	130,238	946	0.87

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	Holding	Market Value £'000	% of Total Net Assets
MONY Group	346,133	723	0.67
NCC Group	743,178	1,159	1.07
RELX	73,398	2,932	2.70
Trustpilot Group	217,815	502	0.46
TOTAL TECHNOLOGY		11,574	10.67
UTILITIES 4.51% (31/05/24: 3.27%)			
Electricity 2.30% (31/05/24: 1.62%)			
SSE	98,744	1,739	1.60
Telecom Plus	37,713	760	0.70
Gas, Water & Multiutilities 2.21% (31/05/24: 1.65%)			
National Grid	228,897	2,394	2.21
TOTAL UTILITIES		4,893	4.51
GOVERNMENT BONDS 41.81% (31/05/24: 42.44%)			
Index Linked Government Bonds 34.98% (31/05/24: 35.61%)			
UK Treasury 0.125% IL 22/03/26	4,975,000	7,603	7.00
UK Treasury 0.125% IL 10/08/28	2,430,000	3,420	3.15
UK Treasury 0.125% IL 22/03/29	4,680,000	7,668	7.06
UK Treasury 0.125% IL 10/08/31	500,000	645	0.59
UK Treasury 0.125% IL 22/11/36	758,000	977	0.90
UK Treasury 0.125% IL 10/08/41	1,600,000	1,680	1.55
UK Treasury 0.125% IL 22/03/44	805,000	902	0.83
UK Treasury 0.125% IL 22/03/46	737,000	739	0.68
UK Treasury 0.125% IL 10/08/48	815,000	727	0.67
UK Treasury 0.125% IL 22/03/51	505,000	398	0.37
UK Treasury 0.125% IL 22/11/56	386,000	310	0.29
UK Treasury 0.125% IL 22/03/58	629,844	511	0.47
UK Treasury 0.125% IL 22/11/65	500,000	358	0.33
UK Treasury 0.125% IL 22/03/68	710,000	517	0.48
UK Treasury 0.25% IL 22/03/52	415,000	407	0.37
UK Treasury 0.375% IL 22/03/62	458,000	428	0.39
UK Treasury 0.5% IL 22/03/50	258,500	321	0.30
UK Treasury 0.625% IL 22/03/40	480,000	729	0.67
UK Treasury 0.625% IL 22/11/42	420,000	619	0.57
UK Treasury 0.625% IL 22/03/45	460,001	374	0.34
UK Treasury 0.75% IL 22/03/34	560,000	907	0.84
UK Treasury 0.75% IL 22/11/47	550,000	779	0.72
UK Treasury 1.125% IL 22/11/37	483,000	885	0.82
UK Treasury 1.25% IL 22/11/27	1,125,000	2,353	2.17
UK Treasury 1.25% IL 22/11/32	747,000	1,375	1.27
UK Treasury 1.25% IL 22/11/55	185,565	300	0.28
UK Treasury 2% IL 26/01/35	566,000	1,332	1.23
UK Treasury 4.125% IL 22/07/30	206,000	695	0.64

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	Holding	Market Value £'000	% of Total Net Assets
Traditional Government Bonds 6.83% (31/05/24: 6.83%)			
UK Treasury 0.5% 22/10/61	500,000	130	0.12
UK Treasury 0.875% 22/10/29	723,000	633	0.58
UK Treasury 0.875% 31/07/33	1,411,000	1,066	0.98
UK Treasury 1.5% 22/07/26	1,325,000	1,290	1.19
UK Treasury 1.5% 31/07/53	1,045,000	465	0.43
UK Treasury 2.5% 22/07/65	12,000	7	0.01
UK Treasury 3.25% 22/01/44	28,000	21	0.02
UK Treasury 3.5% 22/10/25	1,255,000	1,251	1.15
UK Treasury 3.5% 22/01/45	70,000	55	0.05
UK Treasury 3.5% 22/07/68	80,000	56	0.05
UK Treasury 3.75% 07/03/27	885,000	880	0.81
UK Treasury 3.75% 22/07/52	59,000	45	0.04
UK Treasury 4% 22/01/60	76,000	60	0.05
UK Treasury 4.125% 22/07/29	325,000	325	0.30
UK Treasury 4.25% 07/06/32	100,000	100	0.09
UK Treasury 4.25% 31/07/34	100,000	97	0.09
UK Treasury 4.25% 07/12/40	74,000	67	0.06
UK Treasury 4.25% 07/12/46	657,000	567	0.52
UK Treasury 4.25% 07/12/49	38,000	32	0.03
UK Treasury 4.25% 07/12/55	89,000	74	0.07
UK Treasury 4.5% 07/12/42	50,000	46	0.04
UK Treasury 4.75% 07/12/30	159,000	164	0.15
TOTAL GOVERNMENT BONDS		45,390	41.81
Portfolio of investments		107,773	99.27
Net other assets		792	0.73
Total net assets		108,565	100.00

All investments are ordinary shares unless otherwise stated.
All bonds are denominated in Sterling (unless otherwise indicated).
* Since the previous report industry classifications have been updated. Comparative figures have been updated where appropriate.

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Comparative Tables

As at 31 May 2025

	B Accumulation			B Income		
Change in net assets per share	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)
Opening net asset value per share †	129.40	120.22	130.14	108.61	104.48	116.18
Return before operating charges ^	3.50	9.81	(9.29)	2.96	8.41	(8.29)
Operating charges ^	(0.68)	(0.63)	(0.63)	(0.57)	(0.55)	(0.56)
Return after operating charges ^	2.82	9.18	(9.92)	2.39	7.86	(8.85)
Distributions	(3.48)	(4.32)	(3.21)	(2.90)	(3.73)	(2.85)
Retained distributions on accumulation shares	3.48	4.32	3.21	-	-	-
Closing net asset value per share †	132.22	129.40	120.22	108.10	108.61	104.48
*^ after direct transaction costs of:	0.05	0.05	0.03	0.05	0.04	0.03
Performance						
Return after operating charges	2.18%	7.64%	-7.62%	2.20%	7.52%	-7.62%
Other information						
Closing net asset value (£) †	7,129,652	7,492,848	7,773,387	22,412	22,569	21,763
Closing number of shares	5,392,350	5,790,466	6,465,893	20,732	20,780	20,829
Operating charges ^	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%
Direct transaction costs *	0.04%	0.04%	0.02%	0.04%	0.04%	0.02%
Prices						
Highest share price #	135.10	131.40	130.10	113.40	112.30	116.10
Lowest share price #	121.40	112.60	107.00	100.80	97.88	95.48

	D Accumulation			D Income		
Change in net assets per share	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)
Opening net asset value per share †	156.59	146.35	159.37	162.10	156.91	175.52
Return before operating charges ^	4.23	11.92	(11.35)	4.42	12.54	(12.48)
Operating charges ^	(1.77)	(1.68)	(1.67)	(1.82)	(1.77)	(1.83)
Return after operating charges ^	2.46	10.24	(13.02)	2.60	10.77	(14.31)
Distributions	(4.20)	(5.24)	(3.92)	(4.32)	(5.58)	(4.30)
Retained distributions on accumulation shares	4.20	5.24	3.92	-	-	-
Closing net asset value per share †	159.05	156.59	146.35	160.38	162.10	156.91
*^ after direct transaction costs of:	0.07	0.06	0.04	0.07	0.06	0.04
Performance						
Return after operating charges	1.57%	7.00%	-8.17%	1.60%	6.86%	-8.15%
Other information						
Closing net asset value (£) †	1,199,459	1,325,756	204,012	93,216	94,216	54,408
Closing number of shares	754,149	846,628	139,401	58,121	58,121	34,674
Operating charges ^	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%
Direct transaction costs *	0.04%	0.04%	0.02%	0.04%	0.04%	0.02%
Prices						
Highest share price #	163.20	159.00	159.10	169.00	167.70	175.20
Lowest share price #	146.20	136.80	130.70	149.70	146.70	143.90

AXA Ethical Distribution Fund

Comparative Tables

As at 31 May 2025

	R Accumulation			R Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	155.39	145.79	159.40	160.84	156.26	175.51
Return before operating charges ^	4.19	11.84	(11.35)	4.36	12.50	(12.49)
Operating charges ^	(2.38)	(2.24)	(2.26)	(2.44)	(2.37)	(2.47)
Return after operating charges ^	1.81	9.60	(13.61)	1.92	10.13	(14.96)
Distributions	(4.16)	(5.21)	(3.92)	(4.27)	(5.55)	(4.29)
Retained distributions on accumulation shares	4.16	5.21	3.92	-	-	-
Closing net asset value per share †	157.20	155.39	145.79	158.49	160.84	156.26
*^ after direct transaction costs of:	0.07	0.06	0.04	0.07	0.06	0.04
Performance						
Return after operating charges	1.16%	6.58%	-8.54%	1.19%	6.48%	-8.52%
Other information						
Closing net asset value (£) †	55,872,047	60,607,455	65,126,559	24,813	62,254	365,657
Closing number of shares	35,543,022	39,004,094	44,672,057	15,656	38,706	234,011
Operating charges ^	1.52%	1.52%	1.52%	1.52%	1.52%	1.52%
Direct transaction costs *	0.04%	0.04%	0.02%	0.04%	0.04%	0.02%
Prices						
Highest share price #	161.80	157.80	159.00	167.50	166.40	175.00
Lowest share price #	144.50	136.00	130.50	148.00	145.80	143.70

AXA Ethical Distribution Fund

Comparative Tables

As at 31 May 2025

	Z Accumulation			Z Income		
Change in net assets per share	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)
Opening net asset value per share †	182.04	169.54	183.99	178.67	172.31	192.08
Return before operating charges ^	4.91	13.82	(13.13)	4.87	13.83	(13.68)
Operating charges ^	(1.41)	(1.32)	(1.32)	(1.38)	(1.33)	(1.38)
Return after operating charges ^	3.50	12.50	(14.45)	3.49	12.50	(15.06)
Distributions	(4.89)	(6.09)	(4.54)	(4.77)	(6.14)	(4.71)
Retained distributions on accumulation shares	4.89	6.09	4.54	-	-	-
Closing net asset value per share †	185.54	182.04	169.54	177.39	178.67	172.31
*^ after direct transaction costs of:	0.08	0.07	0.04	0.08	0.07	0.04
Performance						
Return after operating charges	1.92%	7.37%	-7.85%	1.95%	7.25%	-7.84%
Other information						
Closing net asset value (£) †	37,688,823	45,781,214	67,036,540	6,534,678	8,847,634	10,902,527
Closing number of shares	20,312,668	25,148,688	39,539,168	3,683,704	4,951,959	6,327,108
Operating charges ^	0.77%	0.77%	0.77%	0.77%	0.77%	0.77%
Direct transaction costs *	0.04%	0.04%	0.02%	0.04%	0.04%	0.02%
Prices						
Highest share price #	189.90	184.80	183.80	186.40	184.80	191.80
Lowest share price #	170.40	158.70	151.10	165.40	161.30	157.70

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

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

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

The figures used within the table have been calculated against the average net asset value for the accounting year.

AXA Ethical Distribution Fund

Statement of Total Return

For the year ended 31 May 2025

	Note	31/05/25 £'000	31/05/25 £'000	31/05/24 £'000	31/05/24 £'000
Income:					
Net capital gains	2		66		5,186
Revenue	3	3,116		4,802	
Expenses	4	(1,329)		(1,484)	
Interest payable and similar charges		-		-	
Net revenue before taxation		1,787		3,318	
Taxation	5	-		-	
Net revenue after taxation			1,787		3,318
Total return before distributions			1,853		8,504
Distributions	6		(3,090)		(4,772)
Change in net assets attributable to Shareholders from investment activities			(1,237)		3,732

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2025

	31/05/25 £'000	31/05/25 £'000	31/05/24 £'000	31/05/24 £'000
Opening net assets attributable to Shareholders		124,234		151,485
Amounts receivable on issue of shares	2,167		3,221	
Amounts payable on cancellation of shares	(19,371)		(38,298)	
		(17,204)		(35,077)
Change in net assets attributable to Shareholders from investment activities (see above)		(1,237)		3,732
Retained distributions on accumulation shares		2,772		4,094
Closing net assets attributable to Shareholders		108,565		124,234

AXA Ethical Distribution Fund

Balance Sheet

As at 31 May

	Note	31/05/25 £'000	31/05/24 £'000
Assets:			
Fixed assets:			
Investments		107,773	123,855
Current assets:			
Debtors	7	449	461
Cash and bank balances	8	625	761
Total assets		108,847	125,077
Liabilities:			
Creditors:			
Distribution payable		(103)	(169)
Other creditors	9	(179)	(674)
Total liabilities		(282)	(843)
Net assets attributable to Shareholders		108,565	124,234

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 175 - 178.

2. Net capital gains

	31/05/25 £'000	31/05/24 £'000
The net capital gains comprise:		
Non-derivative securities	67	5,186
Transaction charges	(1)	-
Net capital gains	66	5,186

3. Revenue

	31/05/25 £'000	31/05/24 £'000
Bank interest	20	56
Interest on debt securities	1,080	2,559
Overseas dividends	39	51
UK dividends	1,887	2,007
Property revenue from REITs	88	128
Stock lending income	2	1
Total revenue	3,116	4,802

4. Expenses

	31/05/25 £'000	31/05/24 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	1,303	1,454
Registration fees	3	4
	1,306	1,458
Other expenses		
Audit fees *	11	11
Depositary's fees	12	13
Safe custody fees	-	2
	23	26
Total expenses	1,329	1,484

Expenses include irrecoverable VAT where applicable.

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

5. Taxation

(a) *Analysis of the tax charge in the year*

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

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2024: 20%) is applied to the net revenue before taxation. The differences are explained below:

	31/05/25 £'000	31/05/24 £'000
Net revenue before taxation	1,787	3,318
Net revenue for the year multiplied by the standard rate of corporation tax	357	664
Effects of:		
Movement in excess management expenses	362	59
Relief for indexation on UK Gilts	(328)	(310)
Revenue not subject to corporation tax	(391)	(413)
Tax charge for the year	-	-

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £9,453,632 (2024: £9,091,581) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

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

	31/05/25 £'000	31/05/24 £'000
Interim	1,314	2,143
Final	1,652	2,281
Add: Revenue paid on cancellation of shares	140	402
Deduct: Revenue received on creation of shares	(16)	(54)
Net distribution for the year	3,090	4,772
Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	1,787	3,318
Expenses charged to capital	1,303	1,454
Net distribution for the year	3,090	4,772

7. Debtors

	31/05/25 £'000	31/05/24 £'000
Amounts receivable for creation of shares	-	76
Accrued revenue	449	385
Total debtors	449	461

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

8. Cash and bank balances

	31/05/25 £'000	31/05/24 £'000
Cash and bank balances	625	761
Total cash and bank balances	625	761

9. Other creditors

	31/05/25 £'000	31/05/24 £'000
Amounts payable for cancellation of shares	65	539
Accrued annual management charge	101	117
Accrued other expenses	13	18
Total other creditors	179	674

10. Related party transactions

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

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

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

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

11. Share classes

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

	Annual Management Charge rate (%)	31/05/24	Issued	Cancelled	Converted	31/05/25
B Accumulation	0.50	5,790,466	26,494	(424,610)	-	5,392,350
B Income	0.50	20,780	-	(48)	-	20,732
D Accumulation	1.10	846,628	13,599	(106,078)	-	754,149
D Income	1.10	58,121	-	-	-	58,121
R Accumulation	1.50	39,004,094	915,082	(4,376,154)	-	35,543,022
R Income	1.50	38,706	157	(23,207)	-	15,656
Z Accumulation	0.75	25,148,688	254,688	(5,090,708)	-	20,312,668
Z Income	0.75	4,951,959	123,454	(1,391,709)	-	3,683,704

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: nil).

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

13. Derivatives and other financial instruments

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

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 31 May 2024).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £10,777,275 (2024: £12,385,533). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

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

Interest rate risk

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

Changes in interest rates or changes in expectations of future interest rates may result in a move in bond yields, causing an increase or decrease in the market value of the investments held. Based on the fund's current duration, a 1% increase in the yield would have the effect of decreasing the value of the fund by £3,731,179 (2024: £4,445,644), representing 3.44% of net assets (2024: 3.58%). A 1% decrease would have an equal and opposite effect.

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

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	625	45,390	62,816	108,831
US dollar	-	-	16	16
Total	625	45,390	62,832	108,847
31/05/24				
Pound sterling	761	52,710	71,606	125,077
Total	761	52,710	71,606	125,077

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	-	-	(282)	(282)
Total	-	-	(282)	(282)
31/05/24				
Pound sterling	-	-	(843)	(843)
Total	-	-	(843)	(843)

Credit risk

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

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

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

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

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

Credit Rating	31/05/25 Market Value £'000	%	31/05/24 Market Value £'000	%
Investment grade (BBB- credit rating and above)	45,390	41.81	52,710	42.44
Total value of bonds	45,390	41.81	52,710	42.44

14. Portfolio transaction costs

31/05/2025	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	9,327	-	-	-	-	9,327
Equities	8,807	4	0.04	37	0.42	8,848
Total	18,134	4		37		18,175

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

31/05/2025 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	15,737	-	-	-	-	15,737
Equities	19,255	(8)	(0.04)	-	-	19,247
Total	34,992	(8)		-		34,984

31/05/2024 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Bonds	16,893	-	-	-	-	16,893
Equities	7,577	3	0.04	37	0.49	7,617
Total	24,470	3		37		24,510

31/05/2024 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	31,583	-	-	-	-	31,583
Equities	26,409	(11)	(0.04)	-	-	26,398
Total	57,992	(11)		-		57,981

Transaction costs as percentage of average net asset value	31/05/25 %	31/05/24 %
Commissions	0.01	0.01
Taxes	0.03	0.03

At the balance sheet date the average portfolio dealing spread was 0.15% (2024: 0.18%).

15. Stock Lending

The Fund enters into stock lending arrangements with various counterparties. At the balance sheet date the bid value of securities on loan was £2,335,797 (2024: £1,319,233). The value of collateral held in respect of securities on loan was £2,464,317 (2024: £1,345,207).

	31/05/25		31/05/24	
Counterparty	Value of stock on loan £'000	Cash collateral £'000	Value of stock on loan £'000	Cash collateral £'000
Goldman Sachs	2,336	-	-	-
United Kingdom of Great Britain and Northern Ireland	-	2,464	-	-
Merrill Lynch	-	-	1,319	-
European Investment Bank	-	-	-	1,004
Republique Francaise	-	-	-	272
European Financial Stability Facility	-	-	-	69
	2,336	2,464	1,319	1,345

AXA Ethical Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Collateral held	31/05/25	31/05/24
	£'000	£'000
Bonds	2,464	1,345
	2,464	1,345

16. Post balance sheet events

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

17. Fair value disclosure

	31/05/25		31/05/24	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	107,773	-	123,855	-
Level 2 ^^	-	-	-	-
Level 3 ^^^	-	-	-	-
	107,773	-	123,855	-

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

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

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

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

AXA Ethical Distribution Fund

Distribution Table

As at 31 May 2025

Interim Distribution in pence per share
Group 1 Shares purchased prior to 1 June 2024
Group 2 Shares purchased on or after 1 June 2024 to 30 November 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/25 (p)	Distribution paid 31/01/24 (p)
Share Class B Accumulation				
Group 1	1.471	-	1.471	1.952
Group 2	0.211	1.260	1.471	1.952
Share Class B Income				
Group 1	1.232	-	1.232	1.699
Group 2	1.232	-	1.232	1.699
Share Class D Accumulation				
Group 1	1.778	-	1.778	2.373
Group 2	0.674	1.104	1.778	2.373
Share Class D Income				
Group 1	1.840	-	1.840	2.547
Group 2	1.840	-	1.840	2.547
Share Class R Accumulation				
Group 1	1.763	-	1.763	2.362
Group 2	0.667	1.096	1.763	2.362
Share Class R Income				
Group 1	1.824	-	1.824	2.533
Group 2	0.721	1.103	1.824	2.533
Share Class Z Accumulation				
Group 1	2.068	-	2.068	2.752
Group 2	0.735	1.333	2.068	2.752
Share Class Z Income				
Group 1	2.031	-	2.031	2.798
Group 2	1.048	0.983	2.031	2.798

AXA Ethical Distribution Fund

Distribution Table

As at 31 May 2025

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 December 2024

Group 2 Shares purchased on or after 1 December 2024 to 31 May 2025

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/25 (p)	Distribution paid 31/07/24 (p)
Share Class B Accumulation				
Group 1	2.007	-	2.007	2.368
Group 2	0.895	1.112	2.007	2.368
Share Class B Income				
Group 1	1.665	-	1.665	2.028
Group 2	1.665	-	1.665	2.028
Share Class D Accumulation				
Group 1	2.418	-	2.418	2.871
Group 2	1.428	0.990	2.418	2.871
Share Class D Income				
Group 1	2.478	-	2.478	3.032
Group 2	2.478	-	2.478	3.032
Share Class R Accumulation				
Group 1	2.392	-	2.392	2.852
Group 2	1.231	1.161	2.392	2.852
Share Class R Income				
Group 1	2.449	-	2.449	3.013
Group 2	1.474	0.975	2.449	3.013
Share Class Z Accumulation				
Group 1	2.818	-	2.818	3.334
Group 2	1.553	1.265	2.818	3.334
Share Class Z Income				
Group 1	2.739	-	2.739	3.339
Group 2	1.519	1.220	2.739	3.339

AXA Global Equity Income Fund

Investment Manager's Report

For the year ended 31 May 2025

Investment Objective

The aim of this Fund is to achieve a dividend yield greater than that of the MSCI World High Dividend Yield Index* (the "MSCI WHDY Index") over the long term (being a period of five years or more) with some prospects for capital growth over the long term.

Investment Policy

The Fund invests at least 80% of its Net Asset Value in shares in companies of any capitalisation (size), based anywhere in the world. To seek to achieve the Fund's objective, investment in shares will be made primarily (meaning a minimum of 70%) in large and mid capitalisation companies in developed markets. The Manager may however invest in small capitalisation companies or companies in emerging markets as it sees fit.

The Manager uses its proprietary quantitative model (the "Model") to analyse the financial data of a broad universe of global companies, including their dividend yield profile, historic earnings, profitability, earnings growth prospects, carbon and water intensity, environmental, social and governance ("ESG") characteristics and risk of financial distress. From the pool of securities analysed by the Manager's Model, the Manager seeks to construct a portfolio focusing on companies with an attractive dividend yield while considering quality and earnings growth, financial stability, industry, geographical location, ESG risk and stock-specific risks in order to aim to achieve the Fund's investment objective.

The Manager considers ESG risk by applying AXA Investment Manager's (AXA IM's) sector specific investment guidelines. Such guidelines 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). The Manager also applies the AXA IM's ESG Standards policy. This policy excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption 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. AXA IM's ESG Standards policy and AXA IM's sector specific investment guidelines are subject to change and the latest copies are accessible via the links provided in the "Responsible Investment" section of the prospectus and are available from the fund manager on request.

The Manager will undertake engagements with investee companies with the aim of preserving or enhancing long-term value and creating better ESG outcomes for its investors over the long-term. More details on the Manager's approach to its engagement with companies are available on the website https://www.axa-im.co.uk/ under the heading "Responsible Investing".

Further, in selecting investments, the Manager will, in addition to the application of the above policies, take into account the company's ESG score as one factor within its broader analysis of the issuer to make selections which are expected to generate a dividend yield and capital growth over the long term in line with the Fund's objective. The Manager will not invest in companies with the lowest ESG scores, save in exceptional circumstances, such as where it deems, through its own research, that the ESG scores of the company does not accurately or fully reflect its current ESG profile. If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy. In selecting the companies for the Fund, 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 composition of the MSCI WHDY Index, which is designed to measure the performance of large and mid capitalisation companies from a number of developed markets which generate high yield, as selected by the index provider.

The Fund may also invest in other transferable securities, cash, deposits, units in collective investment schemes (including funds that are managed by the Manager or its associates) and money market instruments. The Fund may use derivatives for Efficient Portfolio Management. Use may be made of stock lending, borrowing, cash holding and hedging techniques permitted in the applicable Financial Conduct Authority rules.

AXA Global Equity Income Fund

Investment Manager's Report

For the year ended 31 May 2025

This Fund is actively managed in reference to the MSCI WHDY Index Benchmark, which may be used by investors to compare the Fund's financial performance.

** The historic dividend yield of a fund or index is calculated by dividing the dividend per share over the last year by the current fund or index price.*

Risk and Reward Profile

As at 31 May 2025

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 are subject to some level of variation which, may result in gains or losses.

Key Risks

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

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

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

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

• Investment model risk - in seeking to achieve the relevant Funds' investment objectives, the ACD uses outcomes generated by proprietary quantitative analytical models owned and operated by the AXA Investment Managers group of companies. Quantitative modelling is a very complex process involving hundreds of thousands of data points and settings encoded in computer software, and the ACD and its affiliates review these codes and the various components to the models with a view to ensuring that they are appropriately adapted and calibrated to reflect the ACD's views as to the potential implications of evolving external events and factors, including constantly changing economic, financial market and other conditions. This process involves the exercise of judgments and a number of inherent uncertainties. The ACD's views, including those related to the optimal configuration, calibration and adaptation of the models, may change over time depending on evolving circumstances, on information that becomes available to the ACD and its affiliates and on other factors.

While the ACD attempts to ensure that the models are appropriately developed, operated and implemented on a continuing basis, suboptimal calibrations of the models and similar issues may arise from time to time, and neither the ACD nor any of its affiliates can guarantee that the models are in an optimal state of calibration and configuration at all times. Further, inadvertent human errors, trading errors, software development and implementation errors, and other types of errors are an inherent risk in complex quantitative investment management processes of the type that the ACD employs. While the ACD's policy is to promptly address any such errors when identified, there can be no guarantee that the overall investment process will be without error or that it will produce the desired results. There can be no guarantee that the ACD will be able to implement their quantitative strategies on an ongoing basis.

AXA Global Equity Income Fund

Investment Manager's Report

For the year ended 31 May 2025

• ESG risk - applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Fund, and the Fund's performance may at times be better or worse than the performance of relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring process or ban lists that rely partially on third party data. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria 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 ACD (acting as stock lending agent) for the purpose of lending a Fund's securities via entering into a stock lending authorisation agreement. If a 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 a 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.

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

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

AXA Global Equity Income Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

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

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

AXA Global Equity Income Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

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

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

Global equities delivered modest positive returns over the period under review. This period was marked by a significant evolution in market dynamics, transitioning from concentrated leadership dominated by technology stocks through much of 2024 to a broader, more defensive posture and a notable rotation away from US equities and technology in the first quarter of 2025. The rotation away from technology companies in Q1 2025 came following the release of Chinese AI app DeepSeek, challenging the dominance of the US tech giants and expectations for high end chip demand.

For much of 2024, US markets were buoyed by a combination of positive macro conditions, expectations of falling interest rates, and ongoing positive AI sentiment driving strong returns in technology and parts of the consumer discretionary market. This optimism was pared back in early 2025 as Donald Trump's return brought with it a new era of political tension, trade wars, and economic concern. While markets were buoyed at first by hopes of deregulation and a business-friendly administration, the mood soured as President Trump ramped up trade tariffs.

President Trump's 'Liberation Day' trade tariff announcement had widespread market impact. While April 2025 saw markets plunged into turmoil, May brought some solace as the US and China called a tariffs truce – although Trump accused the superpower of violating the agreement at the end of the month. A trade deal with the UK was also inked and Trump saw fit to pause the implementation of his threatened 50% tariff on European Union imports, in order to strike a deal with the single bloc. The market recovery was broad-based across the globe as investors sought safe havens away from US equities, although a tech rally at the end of the month made sure not to leave the US behind.

Portfolio Review

The Fund is designed to achieve a dividend yield above that of its benchmark, the MSCI World High Dividend Yield Index, with the prospect for capital growth over the long term. The Fund uses quantitative models to meet the above objective while taking account of ESG features such as ESG score and carbon and water intensity.

Over the past twelve months, the Fund has outperformed its benchmark index, gross of fees and expenses (measured by the ZI GBP Share class). High dividend yielding companies were in demand in a context where interest rates are expected to eventually fall, making them more attractive than bonds.

Sector allocation was rewarded over the period under review, with the portfolio's overweight positioning in the Financials sector being a very strong return contributor, driven by allocation to Banks and Insurance companies. However, being overweight the Chemicals industry and underweight the Aerospace and Defence industry was not rewarded.

AXA Global Equity Income Fund

Investment Manager's Report

For the year ended 31 May 2025

Stock selection weighed particularly negatively on returns. Stock selection was rewarded in the Communication Services, Energy, Healthcare, and IT sectors, but not in the Consumer Staples, Consumer Discretionary, Industrials, and Materials sectors. The Fund benefitted from not owning energy companies Exxon Mobil and ConocoPhillips. Taking positions in AT&T and Gilead Sciences, which are not in the benchmark, was rewarded, as were overweight positions in Kinder Morgan, IBM, and CME Group. Elsewhere, overweight positions in Materials companies LyondellBasell Industries and Fortescue detracted from returns. Exposure to global automobile manufacturers including Stellantis, Bayerische Motoren Werke Aktiengesellschaft, and Yamaha Motor Co., also hurt performance due to weak earnings outlooks in the context of weak global demand, increased competition from Chinese rivals, and the overhang of policy uncertainty in the US arising from President Trump’s protectionist rhetoric.

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

Stocks are mentioned for illustrative purposes only and do not constitute investment advice or a recommendation.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● Fastenal	401	● Chevron	360
● United Parcel Service	274	● ONEOK	259
● Merck & Co	203	● Kellanova	245
● Paychex	197	● Canadian Imperial Bank of Commer	220
● PepsiCo	194	● Kinder Morgan	207

EQI Team
AXA Investment Managers UK Limited

AXA Global Equity Income Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
AUSTRALIA 2.74% (31/05/24: 2.37%)			
Fortescue	24,511	180	1.57
Rio Tinto (AUD)	564	30	0.26
Woodside Energy Group	9,766	104	0.91
TOTAL AUSTRALIA		**314**	**2.74**
AUSTRIA 0.97% (31/05/24: 0.24%)			
OMV	2,801	111	0.97
TOTAL AUSTRIA		**111**	**0.97**
BELGIUM 0.21% (31/05/24: 0.80%)			
KBC Group	327	24	0.21
TOTAL BELGIUM		**24**	**0.21**
CANADA 1.49% (31/05/24: 3.12%)			
Bank of Nova Scotia	4,308	170	1.49
TOTAL CANADA		**170**	**1.49**
FINLAND 0.30% (31/05/24: 0.93%)			
Fortum	2,650	34	0.30
TOTAL FINLAND		**34**	**0.30**
FRANCE 5.11% (31/05/24: 2.04%)			
AXA	4,677	163	1.43
Engie	10,459	167	1.46
TotalEnergies	5,850	254	2.22
TOTAL FRANCE		**584**	**5.11**
GERMANY 4.74% (31/05/24: 4.37%)			
BASF	4,359	156	1.36
Evonik Industries	3,947	63	0.55
Mercedes-Benz Group	3,638	161	1.41
Volkswagen Preference Shares	2,023	162	1.42
TOTAL GERMANY		**542**	**4.74**
IRELAND 0.27% (31/05/24: 0.00%)			
DCC	657	30	0.27
TOTAL IRELAND		**30**	**0.27**
JAPAN 10.81% (31/05/24: 9.67%)			
Bridgestone	2,900	93	0.81
Canon	7,800	178	1.55
Daito Trust Construction	1,100	92	0.80

AXA Global Equity Income Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
Daiwa Securities	23,500	118	1.03
Honda Motor	10,700	81	0.71
Isuzu Motors	10,700	108	0.94
MS&AD Insurance Group	11,200	199	1.74
Oracle Corp Japan	700	60	0.53
SoftBank	177,400	202	1.76
Yamaha Motor	18,900	108	0.94
TOTAL JAPAN		1,239	10.81
JERSEY 0.00% (31/05/24: 1.39%)			
NETHERLANDS 2.53% (31/05/24: 3.89%)			
ABN AMRO Bank	3,823	73	0.64
Koninklijke Ahold Delhaize	1,389	43	0.38
LyondellBasell Industries	4,126	173	1.51
TOTAL NETHERLANDS		289	2.53
SPAIN 0.57% (31/05/24: 0.91%)			
Endesa	2,884	65	0.57
TOTAL SPAIN		65	0.57
SWEDEN 3.87% (31/05/24: 3.49%)			
Svenska Handelsbanken	14,207	140	1.23
Tele2	8,803	97	0.85
Volvo	9,964	205	1.79
TOTAL SWEDEN		442	3.87
SWITZERLAND 5.72% (31/05/24: 6.29%)			
Adecco Group	1,558	32	0.28
Bunge Global	1,727	100	0.88
Kuehne + Nagel International	339	57	0.49
Swiss	1,569	206	1.80
Zurich Insurance Group	499	260	2.27
TOTAL SWITZERLAND		655	5.72
UNITED KINGDOM 4.42% (31/05/24: 3.55%)			
Aberdeen Group	22,120	38	0.34
Admiral Group	1,630	55	0.48
Aviva	8,670	53	0.46
Phoenix Group	11,253	71	0.62
Rio Tinto (GBP)	4,860	214	1.87
Vodafone Group	96,795	74	0.65
TOTAL UNITED KINGDOM		505	4.42

AXA Global Equity Income Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
UNITED STATES 54.70% (31/05/24: 55.14%)			
AbbVie	1,691	233	2.04
American Financial Group	1,400	129	1.12
AT&T	4,978	102	0.90
Best Buy	3,524	173	1.51
Bristol-Myers Squibb	3,338	119	1.04
Cisco Systems	3,918	183	1.60
Clorox	104	10	0.09
CME Group	1,207	259	2.26
Coca-Cola	5,180	277	2.42
Conagra Brands	9,759	166	1.45
Consolidated Edison	1,107	86	0.75
EOG Resources	1,989	160	1.40
Fastenal	6,790	208	1.82
Ford Motor	1,000	8	0.07
Gaming and Leisure Properties #	4,754	165	1.44
General Mills	4,624	186	1.63
Gilead Sciences	2,286	186	1.63
Host Hotels & Resorts #	5,495	63	0.55
Huntington Bancshares	6,117	71	0.62
International Business Machines	1,844	354	3.09
International Paper	1,123	40	0.35
Johnson & Johnson	3,167	364	3.18
Kimberly-Clark	1,566	167	1.46
Kinder Morgan	4,774	99	0.87
Kraft Heinz	8,344	165	1.45
Merck & Co	3,243	185	1.62
Paychex	1,863	218	1.91
PepsiCo	1,664	162	1.42
Pfizer	15,515	270	2.36
Prudential Financial	2,191	169	1.47
Regions Financial	12,006	191	1.67
Simon Property Group #	1,432	173	1.51
Snap-on	86	20	0.18
T Rowe Price Group	2,781	193	1.69
United Parcel Service	3,069	222	1.94
Verizon Communications	9,563	311	2.72
VICI Properties #	7,149	168	1.47
TOTAL UNITED STATES		6,255	54.70
Portfolio of investments		11,259	98.45
Net other assets		177	1.55
Total net assets		11,436	100.00

All investments are ordinary shares unless otherwise stated.

Real Estate Investment Trust.

AXA Global Equity Income Fund

Comparative Tables

As at 31 May 2025

	D Accumulation~		D Income~	
	31/05/2025	31/05/2024	31/05/2025	31/05/2024
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	109.03	100.00	106.25	100.00
Return before operating charges ^	5.09	9.57	5.07	9.56
Operating charges ^	(0.87)	(0.54)	(0.86)	(0.54)
Return after operating charges ^	4.22	9.03	4.21	9.02
Distributions	(4.77)	(2.79)	(4.57)	(2.77)
Retained distributions on accumulation shares	4.77	2.79	-	-
Closing net asset value per share †	113.25	109.03	105.89	106.25
*^ after direct transaction costs of:	0.07	0.07	0.06	0.07
Performance				
Return after operating charges	3.87%	9.03%	3.96%	9.02%
Other information				
Closing net asset value (£) †	5,663	5,452	5,294	5,312
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges ^	0.77%	0.83%	0.77%	0.83%
Direct transaction costs *	0.06%	0.06%	0.06%	0.06%
Prices				
Highest share price #	120.60	112.50	115.80	111.60
Lowest share price #	106.20	97.22	101.30	97.22

	R Accumulation~		R Income~	
	31/05/2025	31/05/2024	31/05/2025	31/05/2024
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	108.97	100.00	106.18	100.00
Return before operating charges ^	5.09	9.58	5.06	9.56
Operating charges ^	(0.99)	(0.61)	(0.95)	(0.61)
Return after operating charges ^	4.10	8.97	4.11	8.95
Distributions	(4.77)	(2.79)	(4.58)	(2.77)
Retained distributions on accumulation shares	4.77	2.79	-	-
Closing net asset value per share †	113.07	108.97	105.71	106.18
*^ after direct transaction costs of:	0.07	0.07	0.06	0.07
Performance				
Return after operating charges	3.76%	8.97%	3.87%	8.95%
Other information				
Closing net asset value (£) †	5,653	5,449	5,286	5,309
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges ^	0.87%	0.93%	0.87%	0.93%
Direct transaction costs *	0.06%	0.06%	0.06%	0.06%
Prices				
Highest share price #	120.40	112.50	115.70	111.50
Lowest share price #	106.10	97.22	101.10	97.22

AXA Global Equity Income Fund

Comparative Tables

As at 31 May 2025

	S Accumulation~		S Income~	
	31/05/2025	31/05/2024	31/05/2025	31/05/2024
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	109.34	100.00	106.55	100.00
Return before operating charges ^	5.11	9.59	5.09	9.58
Operating charges ^	(0.36)	(0.25)	(0.35)	(0.25)
Return after operating charges ^	4.75	9.34	4.74	9.33
Distributions	(4.80)	(2.79)	(4.62)	(2.78)
Retained distributions on accumulation shares	4.80	2.79	-	-
Closing net asset value per share †	114.09	109.34	106.67	106.55
*^ after direct transaction costs of:	0.07	0.07	0.06	0.07
Performance				
Return after operating charges	4.34%	9.34%	4.45%	9.33%
Other information				
Closing net asset value (£) †	5,705	5,467	5,333	5,327
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges ^	0.32%	0.38%	0.32%	0.38%
Direct transaction costs *	0.06%	0.06%	0.06%	0.06%
Prices				
Highest share price #	121.40	112.80	116.50	111.80
Lowest share price #	106.90	97.23	102.00	97.23

	Z Accumulation~		Z Income~	
	31/05/2025	31/05/2024	31/05/2025	31/05/2024
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	109.17	100.00	106.38	100.00
Return before operating charges ^	5.10	9.58	5.08	9.56
Operating charges ^	(0.65)	(0.41)	(0.63)	(0.41)
Return after operating charges ^	4.45	9.17	4.45	9.15
Distributions	(4.79)	(2.79)	(4.60)	(2.77)
Retained distributions on accumulation shares	4.79	2.79	-	-
Closing net asset value per share †	113.62	109.17	106.23	106.38
*^ after direct transaction costs of:	0.07	0.07	0.06	0.07
Performance				
Return after operating charges	4.08%	9.17%	4.18%	9.15%
Other information				
Closing net asset value (£) †	5,681	5,458	5,311	5,319
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges ^	0.57%	0.63%	0.57%	0.63%
Direct transaction costs *	0.06%	0.06%	0.06%	0.06%
Prices				
Highest share price #	120.90	112.60	116.10	111.70
Lowest share price #	106.50	97.23	116.10	97.23

AXA Global Equity Income Fund

Comparative Tables

As at 31 May 2025

	ZI Accumulation~		ZI Income~	
	31/05/2025	31/05/2024	31/05/2025	31/05/2024
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	109.25	100.00	106.47	100.00
Return before operating charges ^	5.04	9.57	5.07	9.55
Operating charges ^	(0.48)	(0.32)	(0.46)	(0.31)
Return after operating charges ^	4.56	9.25	4.61	9.24
Distributions	(4.76)	(2.77)	(4.61)	(2.77)
Retained distributions on accumulation shares	4.76	2.77	-	-
Closing net asset value per share †	113.81	109.25	106.47	106.47
*^ after direct transaction costs of:	0.07	0.07	0.06	0.07
Performance				
Return after operating charges	4.17%	9.25%	4.33%	9.24%
Other information				
Closing net asset value (£) †	11,386,915	10,929,978	5,323	5,324
Closing number of shares	10,005,000	10,005,000	5,000	5,000
Operating charges ^	0.42%	0.48%	0.42%	0.48%
Direct transaction costs *	0.06%	0.06%	0.06%	0.06%
Prices				
Highest share price #	121.10	112.70	116.40	111.70
Lowest share price #	106.70	97.23	101.80	97.23

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

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

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

The figures used within the table have been calculated against the average net asset value for the accounting year.

~ Data shown since inception 19 October 2023, figures in the table have been annualised, where appropriate.

AXA Global Equity Income Fund

Statement of Total Return

For the year ended 31 May 2025

	Note	31/05/25 £'000	31/05/25 £'000	31/05/24 £'000	31/05/24 £'000
Income:					
Net capital gains	2		9		666
Revenue	3	570		335	
Expenses	4	(47)		(31)	
Interest payable and similar charges		-		-	
Net revenue before taxation		523		304	
Taxation	5	(73)		(42)	
Net revenue after taxation			450		262
Total return before distributions			459		928
Distributions	6		(478)		(279)
Change in net assets attributable to Shareholders from investment activities			(19)		649

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2025

	31/05/25 £'000	31/05/25 £'000	31/05/24 £'000	31/05/24 £'000
Opening net assets attributable to Shareholders		10,978		-
Amounts receivable on issue of shares	34		10,050	
Amounts payable on cancellation of shares	(34)		-	
		-		10,050
Change in net assets attributable to Shareholders from investment activities (see above)		(19)		649
Retained distributions on accumulation shares		477		278
Closing net assets attributable to Shareholders		11,436		10,978

AXA Global Equity Income Fund

Balance Sheet

As at 31 May

	Note	31/05/25 £'000	31/05/24 £'000
Assets:			
Fixed assets:			
Investments		11,259	10,781
Current assets:			
Debtors	7	58	47
Cash and bank balances	8	140	167
Total assets		11,457	10,995
Liabilities:			
Creditors:			
Distribution payable		(1)	-
Other creditors	9	(20)	(17)
Total liabilities		(21)	(17)
Net assets attributable to Shareholders		11,436	10,978

AXA Global Equity Income Fund

Notes to the Financial Statements

For the year ended 31 May 2025

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 175 - 178.

2. Net capital gains

	31/05/25 £'000	31/05/24 £'000
The net capital gains comprise:		
Non-derivative securities	13	664
Currency (losses)/gains	(5)	4
Transaction charges	-	(2)
Capital gains on US REIT	1	-
Net capital gains	**9**	**666**

3. Revenue

	31/05/25 £'000	31/05/24 £'000
Bank interest	2	2
Overseas dividends	535	323
Scrip dividends	1	-
UK dividends	32	10
Total revenue	**570**	**335**

4. Expenses

	31/05/25 £'000	31/05/24 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	29	17
	29	17
Other expenses		
Audit fees *	17	11
Depositary's fees	1	1
Safe custody fees	-	2
	18	14
Total expenses	**47**	**31**

Expenses include irrecoverable VAT where applicable.

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

5. Taxation

	31/05/25 £'000	31/05/24 £'000
(a) Analysis of the tax charge in the year		
Irrecoverable overseas tax	73	42

AXA Global Equity Income Fund

Notes to the Financial Statements

For the year ended 31 May 2025

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2024: 20%) is applied to the net revenue before taxation. The differences are explained below:

	31/05/25 £'000	31/05/24 £'000
Net revenue before taxation	523	304
Net revenue for the year multiplied by the standard rate of corporation tax	105	61
Effects of:		
Irrecoverable overseas tax	73	42
Movement in excess management expenses	5	3
Revenue not subject to corporation tax	(109)	(64)
Overseas tax expensed	(1)	-
Tax charge for the year	73	42

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,107 (2024: £3,485) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

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

	31/05/25 £'000	31/05/24 £'000
First interim	71	-
Second interim	94	20
Third interim	89	71
Final	224	188
Net distribution for the year	478	279

Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	449	262
Expenses charged to capital	29	17
Net distribution for the year	478	279

7. Debtors

	31/05/25 £'000	31/05/24 £'000
Accrued revenue	41	35
Overseas tax recoverable	17	12
Total debtors	58	47

AXA Global Equity Income Fund

Notes to the Financial Statements

For the year ended 31 May 2025

8. Cash and bank balances

	31/05/25 £'000	31/05/24 £'000
Cash and bank balances	140	167
Total cash and bank balances	140	167

9. Other creditors

	31/05/25 £'000	31/05/24 £'000
Accrued annual management charge	2	2
Accrued other expenses	18	15
Total other creditors	20	17

10. Related party transactions

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

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

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

11. Share classes

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

	Annual Management Charge rate (%)	31/05/24	Issued	Cancelled	Converted	31/05/25
D Accumulation	0.60	5,000	-	-	-	5,000
D Income	0.60	5,000	30,467	(30,467)	-	5,000
R Accumulation	0.70	5,000	-	-	-	5,000
R Income	0.70	5,000	-	-	-	5,000
S Accumulation	0.15	5,000	-	-	-	5,000
S Income	0.15	5,000	-	-	-	5,000
Z Accumulation	0.40	5,000	1	(1)	-	5,000
Z Income	0.40	5,000	1	(1)	-	5,000
ZI Accumulation	0.25	10,005,000	-	-	-	10,005,000
ZI Income	0.25	5,000	-	-	-	5,000

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: nil).

AXA Global Equity Income Fund

Notes to the Financial Statements

For the year ended 31 May 2025

13. Derivatives and other financial instruments

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

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 31 May 2024).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £1,125,916 (2024: £1,078,121). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

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

	Net foreign currency exposure	
Currency	31/05/25 £'000	31/05/24 £'000
Australian dollar	315	260
Canadian dollar	171	343
Danish krone	1	1
Euro	1,507	1,279
Hong Kong dollar	1	1
Japanese yen	1,253	1,064
New Israeli sheqel	1	1
New Zealand dollar	1	1
Norwegian krone	1	1
Singapore dollar	443	385
Swedish krona	3	3
Swiss franc	560	538
US dollar	6,550	6,550
Total	10,807	10,427

Foreign exchange risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 10% the resulting change in the net assets attributable to shareholders of the Fund would be a decrease of approximately £1,080,798 (2024: £1,042,734). A 10% weakening in GBP would have an equal but opposite effect.

AXA Global Equity Income Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Credit risk

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

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

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

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

14. Portfolio transaction costs

31/05/2025 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Equities	7,388	1	0.01	5	0.06	7,394
Total	7,388	1		5		7,394

31/05/2025 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Equities	6,927	(1)	(0.02)	-	-	6,926
Total	6,927	(1)		-		6,926

31/05/2024 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Equities	13,504	2	0.02	4	0.03	13,510
Total	13,504	2		4		13,510

AXA Global Equity Income Fund

Notes to the Financial Statements

For the year ended 31 May 2025

31/05/2024	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Equities	3,393	(1)	(0.01)	-	-	3,392
Total	3,393	(1)		-		3,392

Transaction costs as percentage of average net asset value	31/05/25 %	31/05/24 %
Commissions	0.02	0.03
Taxes	0.04	0.03

At the balance sheet date the average portfolio dealing spread was 0.07% (2024: 0.06%).

15. Post balance sheet events

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

16. Fair value disclosure

	31/05/25		31/05/24	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	11,259	-	10,781	-
Level 2 ^^	-	-	-	-
Level 3 ^^^	-	-	-	-
	11,259	-	10,781	-

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

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

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

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

AXA Global Equity Income Fund

Distribution Table

As at 31 May 2025

First Distribution in pence per share
Group 1 Shares purchased prior to 1 June 2024
Group 2 Shares purchased on or after 1 June 2024 to 31 August 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/24 (p)
Share Class D Accumulation~			
Group 1	0.715	-	0.715
Group 2	0.715	-	0.715
Share Class D Income~			
Group 1	0.696	-	0.696
Group 2	0.696	-	0.696
Share Class R Accumulation~			
Group 1	0.715	-	0.715
Group 2	0.715	-	0.715
Share Class R Income~			
Group 1	0.696	-	0.696
Group 2	0.696	-	0.696
Share Class S Accumulation~			
Group 1	0.717	-	0.717
Group 2	0.717	-	0.717
Share Class S Income~			
Group 1	0.699	-	0.699
Group 2	0.699	-	0.699
Share Class Z Accumulation~			
Group 1	0.716	-	0.716
Group 2	0.716	-	0.716
Share Class Z Income~			
Group 1	0.699	-	0.699
Group 2	0.699	-	0.699
Share Class ZI Accumulation~			
Group 1	0.707	-	0.707
Group 2	0.707	-	0.707
Share Class ZI Income~			
Group 1	0.699	-	0.699
Group 2	0.699	-	0.699

~ The Fund was launched on 19 October 2023, hence there are no comparative figures for first distribution.

AXA Global Equity Income Fund

Distribution Table

As at 31 May 2025

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 September 2024
Group 2 Shares purchased on or after 1 September 2024 to 30 November 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/25 (p)	Distribution paid 31/01/24 (p)
Share Class D Accumulation				
Group 1	0.941	-	0.941	0.206
Group 2	0.941	-	0.941	0.206
Share Class D Income				
Group 1	0.912	-	0.912	0.206
Group 2	0.912	-	0.912	0.206
Share Class R Accumulation				
Group 1	0.941	-	0.941	0.206
Group 2	0.941	-	0.941	0.206
Share Class R Income				
Group 1	0.911	-	0.911	0.206
Group 2	0.911	-	0.911	0.206
Share Class S Accumulation				
Group 1	0.945	-	0.945	0.206
Group 2	0.945	-	0.945	0.206
Share Class S Income				
Group 1	0.916	-	0.916	0.206
Group 2	0.916	-	0.916	0.206
Share Class Z Accumulation				
Group 1	0.943	-	0.943	0.206
Group 2	0.943	-	0.943	0.206
Share Class Z Income				
Group 1	0.914	-	0.914	0.206
Group 2	0.914	-	0.914	0.206
Share Class ZI Accumulation				
Group 1	0.932	-	0.932	0.204
Group 2	0.932	-	0.932	0.204
Share Class ZI Income				
Group 1	0.915	-	0.915	0.206
Group 2	0.915	-	0.915	0.206

AXA Global Equity Income Fund

Distribution Table

As at 31 May 2025

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 December 2024
Group 2 Shares purchased on or after 1 December 2024 to 28 February 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 30/04/25 (p)	Distribution paid 30/04/24 (p)
Share Class D Accumulation				
Group 1	0.893	-	0.893	0.707
Group 2	0.893	-	0.893	0.707
Share Class D Income				
Group 1	0.845	-	0.845	0.706
Group 2	0.281	0.564	0.845	0.706
Share Class R Accumulation				
Group 1	0.892	-	0.892	0.707
Group 2	0.892	-	0.892	0.707
Share Class R Income				
Group 1	0.858	-	0.858	0.706
Group 2	0.858	-	0.858	0.706
Share Class S Accumulation				
Group 1	0.899	-	0.899	0.708
Group 2	0.899	-	0.899	0.708
Share Class S Income				
Group 1	0.862	-	0.862	0.707
Group 2	0.862	-	0.862	0.707
Share Class Z Accumulation				
Group 1	0.895	-	0.895	0.708
Group 2	0.895	-	0.895	0.708
Share Class Z Income				
Group 1	0.861	-	0.861	0.706
Group 2	0.861	-	0.861	0.706
Share Class ZI Accumulation				
Group 1	0.889	-	0.889	0.703
Group 2	0.889	-	0.889	0.703
Share Class ZI Income				
Group 1	0.861	-	0.861	0.707
Group 2	0.861	-	0.861	0.707

AXA Global Equity Income Fund

Distribution Table

As at 31 May 2025

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 March 2025
Group 2 Shares purchased on or after 1 March 2025 to 31 May 2025

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/25 (p)	Distribution paid 31/07/24 (p)
Share Class D Accumulation				
Group 1	2.225	-	2.225	1.874
Group 2	2.225	-	2.225	1.874
Share Class D Income				
Group 1	2.118	-	2.118	1.859
Group 2	2.118	-	2.118	1.859
Share Class R Accumulation				
Group 1	2.222	-	2.222	1.874
Group 2	2.222	-	2.222	1.874
Share Class R Income				
Group 1	2.119	-	2.119	1.858
Group 2	2.119	-	2.119	1.858
Share Class S Accumulation				
Group 1	2.243	-	2.243	1.879
Group 2	2.243	-	2.243	1.879
Share Class S Income				
Group 1	2.138	-	2.138	1.863
Group 2	2.138	-	2.138	1.863
Share Class Z Accumulation				
Group 1	2.231	-	2.231	1.876
Group 2	2.231	-	2.231	1.876
Share Class Z Income				
Group 1	2.128	-	2.128	1.861
Group 2	2.128	-	2.128	1.861
Share Class ZI Accumulation				
Group 1	2.230	-	2.230	1.868
Group 2	2.230	-	2.230	1.868
Share Class ZI Income				
Group 1	2.133	-	2.133	1.861
Group 2	2.133	-	2.133	1.861

AXA Global Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Investment Objective

The aim of this Fund is to achieve income and long-term capital growth over a period of five years or more.

Investment Policy

The Fund invests in shares of listed companies worldwide and index-linked bonds issued by developed market governments. The Fund's typical asset mix ranges between 50-60% of it's Net Asset Value in shares with the remaining 40-50% being invested mostly in index-inked bonds and cash. The Manager invests in shares of listed companies based upon its analysis of a company's financial status, quality of management, expected profitability and prospects for growth and, while the Fund does not pursue specific sustainability goals, it seeks to avoid investing in companies which present excessive degrees of environmental, social and governance ("ESG") risk.

In selecting companies, the Manager will take into account the ESG score of the company (as appropriate) as one factor within its broader analysis of the company to identify investments which are expected to generate long-term capital growth. The Manager will only consider the lowest scoring companies for the Fund in exceptional circumstances. ESG scores are obtained from our selected external provider(s), as detailed in the "Responsible Investment" section of the Prospectus. To avoid investing in shares which present excessive degrees of ESG risk, the Manager applies AXA IM Group's sector specific investment guidelines relating to responsible investment to the Fund. Such guidelines exclude investment in soft commodity derivatives or exposure to certain companies based on their involvement in specific sectors (such as as tobacco production, natural ecosystem conversion and deforestation, controversial weapons and climate risks).

The Manager also applies the AXA Investment Managers' ESG Standards policy. This policy excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption 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 AXA Investment Managers' ESG Standards policy and AXA IM Group's sector specific investment guidelines are subject to change and the latest copies are available from the fund manager on request.

The Manager will undertake engagements with investee companies with the aim of preserving or enhancing long-term value and creating better ESG outcomes for its investors over the long-term. More details on the Manager's approach to its engagement with companies are available on the website https://www.axa-im.co.uk/ under the heading "Responsible Investing".

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

The Manager has full discretion to select investments for the Fund in line with its investment policy and in doing so may take into consideration a composite benchmark made up of the following indices in the stated proportions: 55% MSCI All Country World Index, 45% ICE BofA Global Inflation- Linked Government Index (GBP Hedged) (the "Benchmark"). The Benchmark is designed to measure the financial performance of medium to large-cap stocks from a number of developed and emerging markets as selected by the Benchmark provider and index-linked bonds issued by developed market governments. This Benchmark best represents the types of bonds and companies in which the Fund predominantly invests.

The Fund may also invest in other transferable securities, deposits, units in collective investment schemes (including those that are managed by the fund manager or its associates) and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority rules. The Benchmark may be used by investors to compare the Fund's financial performance.

AXA Global Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Risk and Reward Profile

As at 31 May 2025

By investing in a fund which can invest up to 60% in equities you are likely to be looking for an investment which has lower risk than a pure equity based fund but you are prepared to accept some risk for potential reward. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests predominantly in equities. You are aware that investing in a fund which has a global remit can increase risk because of currency movements in return for greater potential reward.

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 are subject to some levels of variation which, may result in gains or losses.

Key Risks

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

• ESG risk - applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Fund, and the Fund's performance may at times be better or worse than the performance of relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring process or ban lists that rely partially on third party data. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Companies in emerging markets may not be subject to:

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

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

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

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

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

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

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

• Stock lending risk - the Fund may participate in a stock lending programme managed by an affiliate of the ACD (acting as stock lending agent) for the purpose of lending a Fund's securities via entering into a stock lending authorisation agreement. If a 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 a 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.

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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.

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

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

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

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

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

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

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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.

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

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

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

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

Over the 12 months to 31st May 2025 global equity markets made solid, if unspectacular, progress. In sterling terms, the MSCI All Countries World Index returned 7.78%, with the UK's FTSE All Share Index (+9.35%) modestly outperforming all of the major global bourses over the period. Fixed income markets continued to have a mixed time, especially with respect to inflation-linked bonds which underperformed conventional bonds both in the UK and globally.

In reviewing the past 12 months, 2024 was another good year for equity markets with the continuing strength of US equity markets in particular bolstering global equity returns. The rally towards the end of the calendar year by Chinese equities helped recover the year for emerging markets, while Europe, Japan and the UK generated solid mid-high single digit returns. It is worthy of note that by the end of 2024 the US represented almost 70% of the MSCI All Companies World Index, with the mega cap US tech names dominating performance for a second consecutive year and US economic performance setting it apart from other major regions. The traditionally strong end to the year (the 'Santa Rally') was conspicuous by its absence caused elevated US treasury yields weighing on equities as economic forecasts and concerns that president-elect Donald Trump's policies, including punitive trade tariffs, would prove inflationary.

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A divergence in performance across global markets has presented itself over the first 5 months of 2025, with the US being the notable laggard. The year got off to a tense start that included a global bond rout with fears of higher for longer interest rates in the US. The inauguration of Donald Trump in January brought further woes as he set about imposing punitive trade tariffs that threatened to spark a global trade war. Trump's return to the White House had been lauded at first as pro-business and stock market-friendly but, by the end of the first quarter, US stocks had dragged global markets lower. The bond market rout saw yields surge as bond markets were rocked by fears of sticky inflation in the US and a more hawkish Federal Reserve (Fed) making fewer interest rate cuts this year. The resulting sell-off saw yields on 10-year US Treasuries spike to a 14-month high. In the UK, 10-year gilt yields also jumped to their highest levels since the global financial crisis in 2008, with Chancellor Rachel Reeves' Autumn Budget blamed.

Donald Trump's return to the White House has brought with it a new era of geopolitical tension, trade wars and economic concern. Trump started as he meant to go on, delivering a record number of executive orders to maximise oil production, curb immigration and impose trade tariffs. While markets were buoyed at first by hopes of deregulation and a business-friendly administration, the mood soured as Trump ramped up trade tariffs. In the UK, stock markets defied the steep sell-off in global markets over the first quarter, making modest gains and seeing the FTSE 100 Index cross the psychological 8,600 mark at the end of January. Gains were pared back in February but still remained in positive territory despite macroeconomic and political headwinds. By March, Donald Trump's tariff threats finally caught up with the UK market as his 'Liberation Day' approached and Downing Street officials scrambled to negotiate a trade deal. The overhang of concerns about spending cuts that would need to be made by the Treasury deteriorated somewhat after the Spring Statement, that saw the chancellor slash spending but not raise any more taxes.

European equities have been among the top-performing markets over 2025 as threat of trade tariffs from the US couldn't hold stocks back. The market closed at a record high in January, wrapping up the best monthly gain in over a year on solid earnings and another interest rate cut from the European Central Bank . The rotation from US stocks into Europe was a theme that ran throughout the quarter as investors grew concerned over high US market valuations and sought cheaper alternatives, and a switch from tech stocks into defensives was also prevalent. Hopes for higher spending in Germany and peace talks in Ukraine also bolstered sentiment.

While April saw markets plunged into turmoil, May brought some solace to equity investors as the US and China called a tariffs truce – although Trump accused the superpower of violating the agreement at the end of the month. A trade deal with the UK was also inked and Trump saw fit to pause the implementation of his threatened 50% tariff on European Union imports, in order to strike a deal with the single bloc. A calming of fears over tariffs was also driven by US trade courts judging that Trump did not have the authority to implement the sweeping tariffs, which gave hope for the global economy. The rally was broad based across the globe as investors sought safe havens away from US equities, although a tech rally at the end of the month made sure not to leave the US behind.

For fixed income, global inflation remains above target albeit higher in the UK and US than the eurozone. Employment and corporate earnings have navigated the higher interest rate world well. Central banks are cutting interest rates although slower than many expected and rates will be higher in the cycle than we have witnessed since the global financial crisis.

10-Year US treasuries have traded in a 100bp range over the 12 months hitting a low of 3.6% and high of 4.8% reflecting the uncertainty in interest rate policy. Over the period, bonds yields ended marginally lower and benefitted from the attractive carry in a higher yield environment. US Treasuries outperformed UK and German government bonds and inflation US breakevens were broadly flat over the 12 months at around 230bp.

Bonds returns were -1% during the year with a positive contribution from US TIPS; UK inflation linked bonds were a drag on performance as sterling assets underperformed. Higher than expected inflation pushed yields higher with a more hawkish Bank of England.

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Portfolio Review

Over the past 12 months (all performance numbers in sterling terms), equity markets delivered solid rather than spectacular returns. The MSCI All Countries World Index returned 7.78%, while returns from other developed markets were all relatively close to each other – although the UK led the way with the FTSE All Share up 9.35% (led by the FTSE 100). In the US, the S&P 500 index rose 7.18% and the Nasdaq up 8.59%. Japan was a relative laggard up +5.75% (FTSE World Japan (TR) while Europe ex UK rose 7.14%. Finally, Asia ex Japan gained 9.94% and the MSCI Emerging market index up 7.29%.

In the last twelve months to end May, we have seen a couple of spells of significant market volatility as broad expectations have been challenged and a new market dynamic has had to be digested. Over the period, changes to the Fund included eleven new securities and a similar number exited. We continue to look for names that have long term structural themes to support them and provide a tailwind with which to grow sales and earnings. Similarly, names where competition is getting more intense, where execution is lacking, or structural tailwinds are moderating have been exited.

In terms of new names, we have added names like Uber Technologies where ride sharing continues to grow while Uber has an extensive platform to enable adoption of autonomous vehicles and National Grid which is a key support for broad electrification as well as a key connection for any new renewable energy projects. In Asia, we added a holding in Trip.com – whereas broad consumptions trends have been depressed in China, the desire for experiences/travel that we have seen elsewhere in the world is also strong in China. Trip.com is a key enabler in helping Chinese/Asian consumers find and book their travel arrangements much like Booking.com in developed markets.

Amongst the names that we have exited are Neste, where the progress in terms of increasing its sustainable fuels capacity have been beset by delays while demand has been somewhat weaker than expected, BP where the strategic shift to a portfolio of more renewable energy assets has effectively been scraped (we switched our exposure in to TotalEnergies where the commitment to less carbon intensive fuels and renewables remains strong). We also exited Yum China where local competition is getting more intense, with low price being used to drive sales in a difficult Chinese consumer environment. We also exited Ball Corporation – although there has been a tailwind for Ball from the conversion of beverages packaged in plastic bottles into aluminium cans, the industry generally added too much capacity in cans (depressing prices) while trends in beverage consumption has also moderated post covid.

During the period, the sustainability objective of the Fund was changed, given the complexity of trying to meet the UK's SDR standards within a fund that targets an approximate 45% exposure to inflation linked sovereign bonds (it is difficult to evidence sustainability of inflation linked sovereign bonds).

The equity sleeve of the portfolio underperformed the MSCI All Countries World Index (TR) over the past year. Our overweight exposure to the US hurt at a country level (the overweight partially compensates for zero exposure to Canada). At sector level, the largest drivers of the underperformance were the information technology and industrials sectors. Within information technology, our overweight positions in AI- exposed names like AMD, Micron and TSMC did not compensate us for the underweight position in Nvidia. With the industrial sector Ashtead and Ingersoll Rand were poor performers. The largest positive contributors to performance were the energy and financial sectors – our underweight in energy helped performance while, within the financials sector, names like Progressive Insurance and Hong Kong Exchanges were strong outperformers. Other standouts were information technology names like Cienna (optical networking equipment) and SAP – one of the key business and enterprise software providers globally.

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Outlook

The outlook for the US market and the global economy is changing fast, driven by the policy uncertainty coming out of the US. The Trump administration has made a habit of proposing large trade tariffs and then walking back from the worst-case scenarios (China being the biggest example of this policy). Although this leaves us in an environment where a worst-case scenario does not necessarily transpire, it does add a large amount of uncertainty into the US and global economy. We have seen how consumers respond to the moderation in tariffs – while consumer sentiment had been very negative immediately after the 'Liberation Day' tariff announcement, sentiment has bounced back as the administration rowed back from the most extreme tariff rates and the hard economic data has remained reasonably positive. Similar has occurred with underlying earnings where the recent earnings season produced results that generally held up well although the outlook for 2025 has been revised down given the uncertain tariff outlook. This still represents a rapid turnaround in events from the start of the year, when US exceptionalism was expected to drive another year of decent economic growth and low double-digit earnings growth.

However, we need to remember that, at present, this situation is very much self-inflicted. The President prides himself on the 'art of the deal', so inflicting economic pain on trading partners as a way of negotiating a better trade deal is seen as a viable strategy. Although it clearly carries the potential of damaging domestic business and consumer confidence and hence their future investment/spending, the President and his team will be expecting that they can move on to the growth positive parts of their agenda, namely deregulation, further tax cuts within the current tax bill as well as lower interest rates and better export opportunities. In addition, the benefits of several long-term trends such as AI adoption, digitalisation and electrification should continue to benefit US companies. US companies have a history of adopting new technologies early and private sector R&D intensity is amongst the highest of developed nations. Additionally, as previously mentioned, companies generally have had a good start to the year in terms of earnings but guided to a cautious outlook for the full year – this does present an opportunity for the earnings outlook to improve from here should we see more certainty return to markets.

In the UK, on the whole, companies are reporting robust underlying earnings, forecasts are prudently set and valuations remain attractive in the context of history and relative to global equity markets. Strong cash generation and robust balance sheet health is resulting in a lengthening list of UK companies buying in their own shares with surplus cashflow. This is supportive of equity prices. As highlighted in previous reports, we believe the stars are finally aligning for the UK equities. Some key foundation stones are falling into place for a sustained improvement in sentiment. There is no single specific catalyst for this shift, rather a range of factors coalescing to leave a more positive outlook than we have witnessed for some time. The improving macro with real income growth driving a pick-up in consumer and business sentiment is critical, but historically depressed valuations coupled with greater political clarity and scope for policy initiatives to support UK pension allocation and investment all contribute to a more constructive backdrop. Meanwhile, European financial markets are looking forward to a more expansive fiscal policy out of its largest economy, namely Germany, although there still remains policy risk in terms of trade (more specifically, the current lack of a trade deal with the US) as well as politically uncertainty (potentially another general election in France).

Our over-arching view remains that macro events cannot be accurately nor consistently predicted. As such, the Funds retains a preference for longer-term structural trends and quality companies that can deliver robust, reliable and consistent growth, supported by a simple government bond and cash hedge.

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

Stocks are mentioned for illustrative purposes only and do not constitute investment advice or a recommendation.

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Major Purchases	Cost (£'000)
● US Treasury 1.375% IL 15/07/33	7,496
● US Treasury 0.625% IL 15/07/32	5,437
● UK Treasury 0.125% IL 10/08/48	2,632
● NVIDIA	2,203
● Zoetis	1,738

Major Sales	Proceeds (£'000)
● US Treasury 0.25% 15/01/25	8,124
● US Treasury 0.125% 15/04/25	6,933
● UK Treasury 0.125% 10/08/28	3,738
● Union Pacific	2,772
● US Treasury 0.125% IL 15/01/2030	2,380

David Shaw
AXA Investment Managers UK Limited

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	Holding	Market Value £'000	% of Total Net Assets
AUSTRALIA 2.05% (31/05/24: 1.76%)			
Goodman Group #	115,462	1,812	0.75
Macquarie Group	17,156	1,754	0.73
Sandfire Resources	248,902	1,370	0.57
TOTAL AUSTRALIA		4,936	2.05
CANADA 0.65% (31/05/24: 0.55%)			
Canada (Government of) 1.5% IL 01/12/44	CAD 268,000	203	0.08
Canada (Government of) 2% IL 01/12/41	CAD 282,000	239	0.10
Canada (Government of) 3% IL 01/12/36	CAD 169,000	169	0.07
Canada (Government of) 4% IL 01/12/31	CAD 93,000	106	0.04
Canada (Government of) 4.25% IL 01/12/26	CAD 813,000	860	0.36
TOTAL CANADA		1,577	0.65
CAYMAN ISLANDS 0.22% (31/05/24: 0.54%)			
Trip.com Group	11,350	530	0.22
TOTAL CAYMAN ISLANDS		530	0.22
CHINA (INCLUDING HONG KONG) 1.61% (31/05/24: 1.16%)			
AIA Group	272,200	1,690	0.70
Hong Kong Exchanges & Clearing	58,400	2,186	0.91
TOTAL CHINA (INCLUDING HONG KONG)		3,876	1.61
DENMARK 0.38% (31/05/24: 0.39%)			
Novo Nordisk	18,014	927	0.38
TOTAL DENMARK		927	0.38
FINLAND 0.00% (31/05/24: 0.34%)			
FRANCE 5.24% (31/05/24: 5.34%)			
EQUITIES 1.82% (31/05/24: 1.95%)			
L'Oreal	4,302	1,344	0.56
Schneider Electric	9,709	1,809	0.75
TotalEnergies	28,295	1,231	0.51
INDEX LINKED GOVERNMENT BONDS 3.42% (31/05/24: 3.39%)			
France OAT 0.1% IL 25/07/36	EUR 500,000	461	0.19
France OAT 0.1% IL 25/07/38	EUR 7,974,000	6,733	2.79
France OAT 0.1% IL 25/07/47	EUR 490,000	374	0.16
France OAT 1.75% IL 25/06/39	EUR 980,000	669	0.28
TOTAL FRANCE		12,621	5.24

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	Holding	Market Value £'000	% of Total Net Assets
GERMANY 3.87% (31/05/24: 3.59%)			
EQUITIES 1.73% (31/05/24: 1.50%)			
Infineon Technologies	50,292	1,458	0.60
SAP	12,102	2,711	1.13
INDEX LINKED GOVERNMENT BONDS 2.14% (31/05/24: 2.09%)			
Deutsche Bundesrepublik 0.1% IL 15/04/26	EUR 3,145,000	3,359	1.39
Deutsche Bundesrepublik 0.5% IL 15/04/30	EUR 1,665,000	1,803	0.75
TOTAL GERMANY		9,331	3.87
IRELAND 0.79% (31/05/24: 0.84%)			
Linde	5,463	1,892	0.79
TOTAL IRELAND		1,892	0.79
ITALY 0.66% (31/05/24: 0.74%)			
Prysmian	33,339	1,589	0.66
TOTAL ITALY		1,589	0.66
JAPAN 2.86% (31/05/24: 3.17%)			
FUJIFILM	107,700	1,818	0.75
Hoya	13,800	1,213	0.50
Keyence	2,100	656	0.27
Toyota Motor	143,500	2,035	0.84
Yaskawa Electric	69,300	1,215	0.50
TOTAL JAPAN		6,937	2.86
MEXICO 0.62% (31/05/24: 0.63%)			
Wal-Mart de Mexico	619,000	1,502	0.62
TOTAL MEXICO		1,502	0.62
SOUTH AFRICA 0.59% (31/05/24: 0.31%)			
Capitec Bank	10,033	1,420	0.59
TOTAL SOUTH AFRICA		1,420	0.59
SOUTH KOREA 0.35% (31/05/24: 0.71%)			
Classys	27,250	833	0.35
TOTAL SOUTH KOREA		833	0.35
SPAIN 0.96% (31/05/24: 0.81%)			
Iberdrola	170,684	2,310	0.96
TOTAL SPAIN		2,310	0.96

AXA Global Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
TAIWAN 1.42% (31/05/24: 1.31%)			
Taiwan Semiconductor Manufacturing	144,000	3,431	1.42
TOTAL TAIWAN		3,431	1.42
UNITED KINGDOM 18.37% (31/05/24: 18.01%)			
EQUITIES 2.69% (31/05/24: 2.20%)			
Ashtead Group	37,521	1,627	0.67
ConvaTec Group	565,709	1,638	0.68
National Grid	176,637	1,848	0.77
Weir Group	56,534	1,372	0.57
INDEX LINKED GOVERNMENT BONDS 15.68% (31/05/24: 15.81%)			
UK Treasury 0.125% IL 22/03/26	GBP 6,755,000	10,323	4.28
UK Treasury 0.125% IL 10/08/28	GBP 500,000	704	0.29
UK Treasury 0.125% IL 22/03/29	GBP 3,005,000	4,923	2.04
UK Treasury 0.125% IL 10/08/31	GBP 500,000	645	0.27
UK Treasury 0.125% IL 22/11/36	GBP 820,000	1,057	0.44
UK Treasury 0.125% IL 10/08/41	GBP 760,000	798	0.33
UK Treasury 0.125% IL 22/03/44	GBP 523,503	587	0.24
UK Treasury 0.125% IL 22/03/46	GBP 795,711	798	0.33
UK Treasury 0.125% IL 10/08/48	GBP 4,065,000	3,626	1.50
UK Treasury 0.125% IL 22/03/58	GBP 342,915	278	0.12
UK Treasury 0.125% IL 22/11/65	GBP 905,000	648	0.27
UK Treasury 0.125% IL 22/03/68	GBP 930,000	677	0.28
UK Treasury 0.25% IL 22/03/52	GBP 692,455	679	0.28
UK Treasury 0.375% IL 22/03/62	GBP 865,701	809	0.34
UK Treasury 0.5% IL 22/03/50	GBP 775,054	961	0.40
UK Treasury 0.625% IL 22/03/40	GBP 690,817	1,049	0.44
UK Treasury 0.625% IL 22/11/42	GBP 339,479	501	0.21
UK Treasury 0.75% IL 22/03/34	GBP 490,000	794	0.33
UK Treasury 0.75% IL 22/11/47	GBP 582,517	825	0.34
UK Treasury 0.875% IL 31/07/33	GBP 2,490,000	1,881	0.78
UK Treasury 1.125% IL 22/11/37	GBP 532,394	976	0.40
UK Treasury 1.25% IL 22/11/27	GBP 328,331	687	0.28
UK Treasury 1.25% IL 22/11/32	GBP 109,093	201	0.08
UK Treasury 1.25% IL 22/11/54	GBP 1,565,000	1,280	0.53
UK Treasury 1.25% IL 22/11/55	GBP 162,413	263	0.11
UK Treasury 1.5% IL 31/07/53	GBP 980,000	436	0.18
UK Treasury 2% IL 26/01/35	GBP 419,411	987	0.41
UK Treasury 4.125% IL 22/07/30	GBP 125,000	422	0.18
TOTAL UNITED KINGDOM		44,300	18.37
UNITED STATES 57.70% (31/05/24: 58.64%)			
EQUITIES 35.63% (31/05/24: 36.64%)			
Advanced Micro Devices	10,864	892	0.37
Alphabet	46,080	5,863	2.43
Amazon.com	34,177	5,186	2.15
American Express	10,072	2,195	0.91
American Tower #	13,165	2,096	0.87

AXA Global Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
Apple	31,189	4,640	1.93
Boston Scientific	33,595	2,619	1.09
Chart Industries	13,557	1,577	0.65
Ciena	34,374	2,040	0.85
Cirrus Logic	12,329	899	0.37
Costco Wholesale	3,509	2,702	1.12
Edwards Lifesciences	20,423	1,184	0.49
Elevance Health	3,281	934	0.39
Exact Sciences	37,213	1,553	0.64
Ingersoll Rand	20,897	1,265	0.52
Intercontinental Exchange	17,929	2,389	0.99
Martin Marietta Materials	2,589	1,050	0.44
Merck & Co	22,974	1,309	0.54
Meta Platforms	2,606	1,249	0.52
Micron Technology	18,185	1,273	0.53
Microsoft	21,898	7,463	3.10
Mondelez International	25,667	1,284	0.53
Morgan Stanley	26,115	2,477	1.03
MSA Safety	13,075	1,581	0.66
NextEra Energy	35,911	1,878	0.78
NVIDIA	53,816	5,381	2.23
Planet Fitness	28,990	2,210	0.92
Progressive	11,849	2,502	1.04
Prologis #	20,729	1,668	0.69
QUALCOMM	8,658	931	0.39
S&P Global	6,036	2,295	0.95
Salesforce	9,017	1,773	0.74
Thermo Fisher Scientific	4,359	1,302	0.54
TJX	23,073	2,168	0.90
Tractor Supply	46,794	1,678	0.70
Uber Technologies	25,896	1,614	0.67
Visa	11,850	3,207	1.33
Zoetis	12,090	1,512	0.63
INDEX LINKED GOVERNMENT BONDS 22.07% (31/05/24: 22.00%)			
US Treasury 0.125% IL 15/07/26	5,230,000	5,128	2.13
US Treasury 0.125% IL 15/01/30	10,610,000	9,168	3.80
US Treasury 0.125% IL 15/01/31	9,490,000	7,942	3.30
US Treasury 0.375% IL 15/01/27	2,890,000	2,796	1.16
US Treasury 0.375% IL 15/07/27	2,935,000	2,802	1.16
US Treasury 0.625% IL 15/07/32	7,100,000	5,350	2.22
US Treasury 0.625% IL 15/02/43	3,376,300	2,539	1.05
US Treasury 0.75% IL 15/02/42	3,392,300	2,713	1.13
US Treasury 0.75% IL 15/02/45	3,365,000	2,432	1.01
US Treasury 0.875% IL 15/02/47	5,435,000	3,793	1.57
US Treasury 1.375% IL 15/07/33	8,030,000	6,022	2.50
US Treasury 1.375% IL 15/02/44	1,336,100	1,123	0.47
US Treasury 1.5% IL 15/02/53	2,215,000	1,367	0.57
TOTAL UNITED STATES		139,014	57.70

AXA Global Distribution Fund

Portfolio Statement

As at 31 May 2025

	Holding	Market Value £'000	% of Total Net Assets
FORWARD FX 1.55% (31/05/24: 0.18%)			
Bought EUR120,000 for GBP100,813 Settlement 03/06/2025^		-	-
Bought EUR120,000 for GBP101,337 Settlement 03/06/2025^		-	-
Bought EUR120,000 for GBP103,185 Settlement 03/06/2025		(2)	-
Bought EUR140,000 for GBP120,025 Settlement 03/06/2025		(2)	-
Bought EUR150,000 for GBP126,013 Settlement 03/06/2025^		-	-
Bought EUR250,000 for GBP210,843 Settlement 03/06/2025		(1)	-
Bought EUR285,000 for GBP242,399 Settlement 03/06/2025		(3)	-
Bought USD1,100,000 for GBP819,548 Settlement 03/06/2025		(3)	-
Bought USD1,200,000 for GBP899,721 Settlement 03/06/2025		(9)	-
Bought USD1,350,000 for GBP1,006,673 Settlement 03/06/2025		(5)	-
Bought USD200,000 for GBP149,917 Settlement 03/06/2025		(1)	-
Bought USD410,000 for GBP304,130 Settlement 03/06/2025^		-	-
Bought USD460,000 for GBP346,639 Settlement 03/06/2025		(5)	-
Bought USD520,000 for GBP400,575 Settlement 03/06/2025		(15)	(0.01)
Bought USD550,000 for GBP410,901 Settlement 03/06/2025		(3)	-
Bought USD650,000 for GBP503,758 Settlement 03/06/2025		(21)	(0.01)
Bought USD665,000 for GBP519,454 Settlement 03/06/2025		(26)	(0.01)
Bought USD700,000 for GBP542,545 Settlement 03/06/2025		(23)	(0.01)
Bought USD800,000 for GBP611,907 Settlement 03/06/2025		(18)	(0.01)
Sold CAD2,800,000 for GBP1,510,277 Settlement 03/09/2025		(1)	-
Sold CAD2,800,000 for GBP1,546,413 Settlement 03/06/2025		42	0.02
Sold EUR16,400,000 for GBP13,868,683 Settlement 03/09/2025		(1)	-
Sold EUR17,600,000 for GBP14,610,429 Settlement 03/06/2025		(189)	(0.08)
Sold USD71,300,000 for GBP52,871,336 Settlement 03/09/2025		(32)	(0.01)
Sold USD79,000,000 for GBP62,672,747 Settlement 03/06/2025		4,033	1.67
Sold USD900,000 for GBP675,296 Settlement 03/06/2025		7	-
TOTAL FORWARD FX		3,722	1.55
Portfolio of investments		240,748	99.89
Net other assets		268	0.11
Total net assets		241,016	100.00

All investments are ordinary shares unless otherwise stated.
All bonds are denominated in US dollars (unless otherwise indicated).
Real Estate Investment Trust.
^The market value of the holdings is below £500 and is therefore rounded down to £0.

AXA Global Distribution Fund

Comparative Tables

As at 31 May 2025

	B Accumulation			B Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	176.25	163.43	169.16	156.82	148.00	155.29
Return before operating charges ^	3.77	13.69	(4.89)	3.42	12.31	(4.49)
Operating charges ^	(0.92)	(0.87)	(0.84)	(0.81)	(0.79)	(0.77)
Return after operating charges ^	2.85	12.82	(5.73)	2.61	11.52	(5.26)
Distributions	(3.30)	(2.99)	(2.21)	(2.93)	(2.70)	(2.03)
Retained distributions on accumulation shares	3.30	2.99	2.21	-	-	-
Closing net asset value per share †	179.10	176.25	163.43	156.50	156.82	148.00
*^ after direct transaction costs of:	0.03	0.03	0.03	0.02	0.02	0.02
Performance						
Return after operating charges	1.62%	7.84%	-3.39%	1.66%	7.78%	-3.39%
Other information						
Closing net asset value (£) †	25,993,234	28,326,686	29,594,288	87,530	179,182	169,218
Closing number of shares	14,512,890	16,071,870	18,107,918	55,930	114,257	114,335
Operating charges ^	0.51%	0.52%	0.51%	0.51%	0.52%	0.51%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	189.30	180.50	175.70	167.20	162.20	161.30
Lowest share price #	165.10	156.80	153.30	145.80	142.00	140.80

	D Accumulation			D Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	325.74	303.96	316.51	200.99	190.72	201.31
Return before operating charges ^	6.99	25.31	(9.16)	4.37	15.94	(5.82)
Operating charges ^	(3.69)	(3.53)	(3.39)	(2.27)	(2.21)	(2.15)
Return after operating charges ^	3.30	21.78	(12.55)	2.10	13.73	(7.97)
Distributions	(5.71)	(5.53)	(4.12)	(3.51)	(3.46)	(2.62)
Retained distributions on accumulation shares	5.71	5.53	4.12	-	-	-
Closing net asset value per share †	329.04	325.74	303.96	199.58	200.99	190.72
*^ after direct transaction costs of:	0.05	0.05	0.05	0.03	0.03	0.03
Performance						
Return after operating charges	1.01%	7.17%	-3.97%	1.04%	7.20%	-3.96%
Other information						
Closing net asset value (£) †	2,439,800	2,538,217	577,589	417,826	469,510	92,104
Closing number of shares	741,480	779,204	190,024	209,350	233,604	48,293
Operating charges ^	1.11%	1.12%	1.11%	1.11%	1.12%	1.11%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	348.60	333.70	328.30	213.60	208.00	208.80
Lowest share price #	303.50	290.90	286.30	186.00	182.50	182.10

AXA Global Distribution Fund

Comparative Tables

As at 31 May 2025

	R Accumulation			R Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	323.27	302.71	316.47	199.40	189.98	201.34
Return before operating charges ^	6.94	25.25	(9.16)	4.36	15.77	(5.83)
Operating charges ^	(4.97)	(4.69)	(4.60)	(3.06)	(2.91)	(2.92)
Return after operating charges ^	1.97	20.56	(13.76)	1.30	12.86	(8.75)
Distributions	(6.02)	(5.51)	(4.12)	(3.70)	(3.44)	(2.61)
Retained distributions on accumulation shares	6.02	5.51	4.12	-	-	-
Closing net asset value per share †	325.24	323.27	302.71	197.00	199.40	189.98
*^ after direct transaction costs of:	0.05	0.05	0.05	0.03	0.03	0.03
Performance						
Return after operating charges	0.61%	6.79%	-4.35%	0.65%	6.77%	-4.35%
Other information						
Closing net asset value (£) †	13,391,002	16,125,384	19,989,380	222,509	291,167	1,111,159
Closing number of shares	4,117,246	4,988,248	6,603,397	112,950	146,023	584,895
Operating charges ^	1.51%	1.52%	1.51%	1.51%	1.52%	1.51%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	345.00	331.30	328.00	211.20	206.40	208.60
Lowest share price #	300.20	289.30	285.80	183.80	181.60	181.80

AXA Global Distribution Fund

Comparative Tables

As at 31 May 2025

	Z Accumulation			Z Income		
Change in net assets per share	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)	31/05/2025 (p)	31/05/2024 (p)	31/05/2023 (p)
Opening net asset value per share †	372.27	346.05	359.07	230.55	218.12	229.43
Return before operating charges ^	7.98	28.94	(10.38)	5.02	18.11	(6.64)
Operating charges ^	(2.89)	(2.72)	(2.64)	(1.78)	(1.71)	(1.68)
Return after operating charges ^	5.09	26.22	(13.02)	3.24	16.40	(8.32)
Distributions	(6.96)	(6.32)	(4.69)	(4.30)	(3.97)	(2.99)
Retained distributions on accumulation shares	6.96	6.32	4.69	-	-	-
Closing net asset value per share †	377.36	372.27	346.05	229.49	230.55	218.12
*^ after direct transaction costs of:	0.06	0.05	0.05	0.03	0.03	0.03
Performance						
Return after operating charges	1.37%	7.58%	-3.63%	1.41%	7.52%	-3.63%
Other information						
Closing net asset value (£) †	177,750,361	221,551,298	276,488,401	20,713,655	26,032,805	29,706,299
Closing number of shares	47,104,022	59,513,537	79,899,519	9,025,880	11,291,711	13,619,452
Operating charges ^	0.76%	0.77%	0.76%	0.76%	0.77%	0.76%
Direct transaction costs *	0.01%	0.02%	0.02%	0.01%	0.02%	0.02%
Prices						
Highest share price #	399.30	381.40	372.70	245.40	238.50	238.10
Lowest share price #	347.90	331.60	325.20	213.90	209.00	207.80

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

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

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

The figures used within the table have been calculated against the average net asset value for the accounting year.

AXA Global Distribution Fund

Statement of Total Return

For the year ended 31 May 2025

	Note	31/05/25 £'000	£'000	31/05/24 £'000	£'000
Income:					
Net capital gains	2		1,620		19,727
Revenue	3	5,233		6,093	
Expenses	4	(2,137)		(2,570)	
Interest payable and similar charges		(6)		(6)	
Net revenue before taxation		3,090		3,517	
Taxation	5	(210)		(263)	
Net revenue after taxation			2,880		3,254
Total return before distributions			4,500		22,981
Distributions	6		(4,980)		(5,773)
Change in net assets attributable to Shareholders from investment activities			**(480)**		**17,208**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2025

	31/05/25 £'000	£'000	31/05/24 £'000	£'000
Opening net assets attributable to Shareholders		295,514		357,728
Amounts receivable on issue of shares	1,798		2,572	
Amounts payable on cancellation of shares	(60,054)		(86,864)	
		(58,256)		(84,292)
Change in net assets attributable to Shareholders from investment activities (see above)		(480)		17,208
Retained distributions on accumulation shares		4,238		4,870
Closing net assets attributable to Shareholders		**241,016**		**295,514**

AXA Global Distribution Fund

Balance Sheet

As at 31 May

	Note	31/05/25 £'000	31/05/24 £'000
Assets:			
Fixed assets:			
Investments		241,108	292,645
Current assets:			
Debtors	7	652	536
Cash and bank balances	8	573	3,787
Total assets		242,333	296,968
Liabilities:			
Investment liabilities		(360)	(29)
Creditors:			
Distribution payable		(229)	(268)
Other creditors	9	(728)	(1,157)
Total liabilities		(1,317)	(1,454)
Net assets attributable to Shareholders		241,016	295,514

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 175 - 178.

2. Net capital gains

	31/05/25 £'000	31/05/24 £'000
The net capital gains comprise:		
Non-derivative securities	(2,269)	17,436
Currency losses	(714)	(941)
Forward currency contracts	4,594	3,235
Transaction charges	3	(7)
Capital gains on US REIT	6	4
Net capital gains	1,620	19,727

3. Revenue

	31/05/25 £'000	31/05/24 £'000
Bank interest	47	81
Interest on debt securities	3,169	3,478
Overseas dividends	1,845	2,324
UK dividends	172	209
Stock lending income	-	1
Total revenue	5,233	6,093

4. Expenses

	31/05/25 £'000	31/05/24 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	2,102	2,520
Registration fees	6	7
	2,108	2,527
Other expenses		
Audit fees*	11	11
Depositary's fees	19	19
Printing fees	3	-
Safe custody fees	(4)	12
ADR fee	-	1
	29	43
Total expenses	2,137	2,570

Expenses include irrecoverable VAT where applicable.

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

5. Taxation

	31/05/25 £'000	31/05/24 £'000
(a) *Analysis of the tax charge in the year*		
Irrecoverable overseas tax	209	262
US REIT capital tax	1	1
Total taxation for the year	210	263

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

(b) *Factors affecting current tax charge for the year*

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2024: 20%) is applied to the net revenue before taxation. The differences are explained below:

	31/05/25 £'000	31/05/24 £'000
Net revenue before taxation	3,090	3,517
Net revenue for the year multiplied by the standard rate of corporation tax	618	703
Effects of:		
Capital income subject to taxation	1	1
Irrecoverable overseas tax	209	262
Movement in excess management expenses	91	71
Relief for indexation on UK Gilts	(327)	(289)
Revenue not subject to corporation tax	(379)	(481)
Overseas tax expensed	(4)	(5)
US REIT capital tax	1	1
Tax charge for the year	210	263

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

(c) *Deferred taxation:*

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

(d) *Factors that may affect future tax charges*

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £7,170,230 (2024: £7,079,022) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

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

	31/05/25 £'000	31/05/24 £'000
Interim	2,108	2,439
Final	2,553	2,911
Add: Revenue paid on cancellation of shares	327	452
Deduct: Revenue received on creation of shares	(8)	(29)
Net distribution for the year	4,980	5,773
Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	2,879	3,254
Expenses charged to capital	2,102	2,520
US REIT capital tax	(1)	(1)
Net distribution for the year	4,980	5,773

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

7. Debtors

	31/05/25 £'000	31/05/24 £'000
Amounts receivable for creation of shares	-	12
Sales awaiting settlement	189	-
Accrued revenue	388	412
Overseas tax recoverable	75	112
Total debtors	652	536

8. Cash and bank balances

	31/05/25 £'000	31/05/24 £'000
Cash and bank balances	573	3,787
Total cash and bank balances	573	3,787

9. Other creditors

	31/05/25 £'000	31/05/24 £'000
Amounts payable for cancellation of shares	519	913
Purchases awaiting settlement	39	-
Accrued annual management charge	154	198
Accrued other expenses	16	46
Total other creditors	728	1,157

10. Related party transactions

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

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

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

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

11. Share classes

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

	Annual Management Charge rate (%)	31/05/24	Issued	Cancelled	Converted	31/05/25
B Accumulation	0.50	16,071,870	21,271	(1,561,654)	(18,597)	14,512,890
B Income	0.50	114,257	-	(58,327)	-	55,930
D Accumulation	1.10	779,204	19,610	(57,334)	-	741,480
D Income	1.10	233,604	-	(24,254)	-	209,350
R Accumulation	1.50	4,988,248	163,568	(1,034,570)	-	4,117,246
R Income	1.50	146,023	917	(33,990)	-	112,950
Z Accumulation	0.75	59,513,537	142,584	(12,560,917)	8,818	47,104,022
Z Income	0.75	11,291,711	250,312	(2,516,143)	-	9,025,880

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: nil).

13. Derivatives and other financial instruments

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

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 31 May 2024).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £23,702,531 (2024: £29,211,049). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

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

	Net foreign currency exposure	
Currency	31/05/25 £'000	31/05/24 £'000
Australian dollar	4,971	5,234
Canadian dollar	(1,365)	(1,595)
Danish krone	934	1,156
Euro	(1,285)	(1,006)
Hong Kong dollar	4,439	5,031
Japanese yen	6,963	9,429
Mexican peso	1,502	1,853
New Israeli shekel	-	2
New Taiwan dollar	3,431	3,865
South African rand	1,420	929
South Korean won	833	2,103
US dollar	35,429	47,427
Total	57,272	74,428

Foreign exchange risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 10% the resulting change in the net assets attributable to shareholders of the Fund would be a decrease of approximately £5,727,242 (2024: £7,442,726). A 10% weakening in GBP would have an equal but opposite effect.

As at balance sheet date, there was no significant exposure to foreign currency therefore no foreign exchange rate sensitivity analysis is disclosed.

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Interest rate risk

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

Changes in interest rates or changes in expectations of future interest rates may result in a move in bond yields, causing an increase or decrease in the market value of the investments held. Based on the fund's current duration, a 1% increase in the yield would have the effect of decreasing the value of the fund by £9,528,735 (2024: £11,834,275), representing 3.94% of net assets (2024: 4.00%). A 1% decrease would have an equal and opposite effect.

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

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	38	37,815	146,810	184,663
Australian dollar	-	-	4,971	4,971
Canadian dollar	46	1,577	25	1,648
Danish krone	-	-	934	934
Euro	296	13,399	12,732	26,427
Hong Kong dollar	-	-	4,439	4,439
Japanese yen	-	-	6,963	6,963
Mexican peso	-	-	1,502	1,502
New Taiwan dollar	-	-	3,431	3,431
South African rand	-	-	1,420	1,420
South Korean won	-	-	833	833
US dollar	160	53,175	87,917	141,252
Total	540	105,966	271,977	378,483
31/05/24				
Pound sterling	3,050	46,703	172,757	222,510
Australian dollar	-	-	5,234	5,234
Canadian dollar	112	1,612	26	1,750
Danish krone	-	-	1,156	1,156
Euro	92	16,190	15,924	32,206
Hong Kong dollar	-	-	5,031	5,031
Japanese yen	-	-	9,429	9,429
Mexican peso	-	-	1,853	1,853
New Israeli shekel	-	-	2	2
New Taiwan dollar	-	-	3,865	3,865
South African rand	-	-	929	929
South Korean won	-	-	2,103	2,103
US dollar	566	65,006	111,020	176,592
Total	3,820	129,511	329,329	462,660

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	-	-	(919)	(919)
Canadian dollar	-	-	(3,013)	(3,013)
Euro	-	-	(27,712)	(27,712)
US dollar	-	-	(105,823)	(105,823)
Total	-	-	(137,467)	(137,467)
31/05/24				
Pound sterling	-	-	(1,424)	(1,424)
Canadian dollar	-	-	(3,345)	(3,345)
Euro	-	-	(33,212)	(33,212)
US dollar	-	-	(129,165)	(129,165)
Total	-	-	(167,146)	(167,146)

Credit risk

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

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

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

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

Credit Rating	31/05/25 Market Value £'000	%	31/05/24 Market Value £'000	%
Investment grade (BBB- credit rating and above)	105,966	43.96	129,511	43.84
Total value of bonds	105,966	43.96	129,511	43.84

Financial derivative instrument risk exposure

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

	31/05/25			31/05/24		
	Exposure £'000	Cash Collateral £'000	Stock Collateral £'000	Exposure £'000	Cash Collateral £'000	Stock Collateral £'000
Forwards						
Goldman Sachs	4,016	-	-	-	-	-
Merrill Lynch	-	-	-	525	-	-
Total	4,016	-	-	525	-	-

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

14. Portfolio transaction costs

31/05/2025 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Bonds	16,468	-	-	-	-	16,468
Equities	18,894	4	0.02	19	0.10	18,917
Total	35,362	4		19		35,385

31/05/2025 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	37,999	-	-	-	-	37,999
Equities	52,729	(9)	(0.02)	(9)	(0.02)	52,711
Total	90,728	(9)		(9)		90,710

31/05/2024 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Bonds	12,580	-	-	-	-	12,580
Equities	32,078	7	0.02	15	0.05	32,100
Total	44,658	7		15		44,680

31/05/2024 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	40,242	-	-	-	-	40,242
Equities	86,414	(17)	(0.02)	(11)	(0.01)	86,386
Total	126,656	(17)		(11)		126,628

Transaction costs as percentage of average net asset value	31/05/25 %	31/05/24 %
Commissions	0.00	0.01
Taxes	0.01	0.01

At the balance sheet date the average portfolio dealing spread was 0.12% (2024: 0.10%).

AXA Global Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

15. Stock Lending

The Fund enters into stock lending arrangements with various counterparties. At the balance sheet date the bid value of securities on loan was £1,802,499 (2024: £nil). The value of collateral held in respect of securities on loan was £1,901,676 (2024: £nil).

	31/05/25		31/05/24	
Counterparty	Value of stock on loan £'000	Cash collateral £'000	Value of stock on loan £'000	Cash collateral £'000
Goldman Sachs	1,802	-	-	-
United Kingdom of Great Britain and Northern Ireland	-	1,902	-	-
	1,802	1,902	-	-

Collateral held	31/05/25	31/05/24
Bonds	1,902	3,537
	1,902	3,537

16. Post balance sheet events

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

17. Fair value disclosure

	31/05/25		31/05/24	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	237,026	-	292,111	-
Level 2 ^^	4,082	(360)	534	(29)
Level 3 ^^^	-	-	-	-
	241,108	(360)	292,645	(29)

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

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

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

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

AXA Global Distribution Fund

Distribution Table

As at 31 May 2025

Interim Distribution in pence per share
Group 1 Shares purchased prior to 1 June 2024
Group 2 Shares purchased on or after 1 June 2024 to 30 November 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/25 (p)	Distribution paid 31/01/24 (p)
Share Class B Accumulation				
Group 1	1.406	-	1.406	1.257
Group 2	0.449	0.957	1.406	1.257
Share Class B Income				
Group 1	1.252	-	1.252	1.138
Group 2	1.252	-	1.252	1.138
Share Class D Accumulation				
Group 1	2.360	-	2.360	2.333
Group 2	0.868	1.492	2.360	2.333
Share Class D Income				
Group 1	1.457	-	1.457	1.466
Group 2	1.457	-	1.457	1.466
Share Class R Accumulation				
Group 1	2.572	-	2.572	2.322
Group 2	1.349	1.223	2.572	2.322
Share Class R Income				
Group 1	1.588	-	1.588	1.458
Group 2	0.972	0.616	1.588	1.458
Share Class Z Accumulation				
Group 1	2.967	-	2.967	2.659
Group 2	1.331	1.636	2.967	2.659
Share Class Z Income				
Group 1	1.839	-	1.839	1.676
Group 2	0.803	1.036	1.839	1.676

AXA Global Distribution Fund

Distribution Table

As at 31 May 2025

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 December 2024
Group 2 Shares purchased on or after 1 December 2024 to 31 May 2025

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/25 (p)	Distribution paid 31/07/24 (p)
Share Class B Accumulation				
Group 1	1.895	-	1.895	1.733
Group 2	0.982	0.913	1.895	1.733
Share Class B Income				
Group 1	1.675	-	1.675	1.559
Group 2	1.675	-	1.675	1.559
Share Class D Accumulation				
Group 1	3.354	-	3.354	3.199
Group 2	1.423	1.931	3.354	3.199
Share Class D Income				
Group 1	2.056	-	2.056	1.995
Group 2	2.056	-	2.056	1.995
Share Class R Accumulation				
Group 1	3.451	-	3.451	3.188
Group 2	1.684	1.767	3.451	3.188
Share Class R Income				
Group 1	2.115	-	2.115	1.987
Group 2	1.246	0.869	2.115	1.987
Share Class Z Accumulation				
Group 1	3.995	-	3.995	3.664
Group 2	1.872	2.123	3.995	3.664
Share Class Z Income				
Group 1	2.458	-	2.458	2.293
Group 2	1.299	1.159	2.458	2.293

AXA Lifetime Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Investment Objective

The aim of this Fund is to achieve income with some prospects for capital growth over the long term (being a period of 5 years or more).

Investment Policy

The Fund invests in a mix of shares in UK listed companies and UK Government bonds (the majority of which are linked to the rate of inflation). The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in UK Government bonds. The Manager selects shares in companies based upon their prospects for future growth and dividend payments following an in depth analysis of their financial status, quality of business model and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government), with a bias towards bonds with longer maturities.

The Manager considers ESG risk by applying AXA Investment Manager's (AXA IM's) sector specific investment guidelines. Such guidelines 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). The Manager also applies the AXA IM's ESG Standards policy. This policy excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption 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. AXA IM's ESG Standards policy and AXA IM's sector specific investment guidelines are subject to change and the latest copies are accessible via the links provided in the “Responsible Investment” section of the prospectus and are available from the Manager on request.

The Manager will undertake engagements with investee companies with the aim of preserving or enhancing long-term value and creating better ESG outcomes for its investors over the long-term. More details on the Manager's approach to its engagement with companies are available on the website https://www.axa-im.co.uk/ under the heading “Responsible Investing”.

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

The 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 a composite benchmark made up of the following indices in the stated proportions: 55% FTSE All-Share Index; 45% FTSE Index Linked Govt All Stocks (the “Benchmark”). This Benchmark best represents the types of bonds and companies in which the Fund predominantly invests.

The Fund may also invest at the Manager's discretion in other transferable securities, cash, deposits, units in collective investment schemes and money market instruments. The Fund may invest in derivatives for the purposes of Efficient Portfolio Management. Use may be made of cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority rules.

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

AXA Lifetime Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

Risk and Reward Profile

As at 31 May 2025

By investing in a fund which can invest up to 60% in equities you are likely to be looking for an investment which has lower risk than a pure equity based fund but you are prepared to accept some risk for potential reward. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests predominantly in equities or overseas.

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 are subject to some levels of variation which, may result in gains or losses.

Key Risks

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

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

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

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

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

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

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

AXA Lifetime Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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

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

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

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

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

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

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

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

• 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 a proprietary ESG scoring process or ban lists that rely partially on third party data. In certain cases, scores may not be available or the ACD may disagree with the score attributed by that third party and allocate the ACD’s own score based on its own research. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria 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.

AXA Lifetime Distribution Fund

Investment Manager's Report

For the year ended 31 May 2025

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 ACD (acting as stock lending agent) for the purpose of lending a Fund's securities via entering into a stock lending authorisation agreement. If a 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 a 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.

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

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

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

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

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

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

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

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The AXA Distribution range of funds (Defensive Distribution, Distribution, Ethical Distribution, Global Distribution and Lifetime Distribution) invest in a mix of shares in listed companies, government bonds (the majority of which are linked to the rate of inflation), and cash. The funds' (excluding the Defensive Distribution Fund) typical asset mix would range between 50-60% investment in shares and 40-50% in UK government bonds and cash. The common aim across the fund range is to provide unitholders income with some prospect for long-term capital growth.

Over the 12 months to 31st May 2025 global equity markets made solid, if unspectacular, progress. In sterling terms, the UK's FTSE All Share Index (+9.35%) outperformed all of the major global bourses over the period with the large cap FTSE 100 total return (+10.07%) comfortably exceeding that of the Mid Cap FTSE 250 ex-investment companies, (+4.83%) and the Small Cap exinvestment companies, (+6.32%). Fixed income markets continued to have a mixed time, with the FTSE UK Gilts All Stocks Total Return index generating a return of just +1.43%, while the FTSE UK Gilts Index-Linked all, Total Return index fell -7.51%.

In reviewing the past 12 months, 2024 was another good year for equity markets with the continuing strength of US equity markets in particular bolstering global equity returns. The rally towards the end of the calendar year by Chinese equities helped recover the year for Emerging Markets, while Europe, Japan, and the UK generated solid mid-high single digit returns. It is worthy of note that by the end of 2024, the US represented almost 70% of the MSCI All Companies World Index, with the mega cap US tech names dominating performance for a second consecutive year and US economic performance setting it apart from other major regions. The traditionally strong end to the year (the 'Santa Rally') was conspicuous by its absence caused by elevated US treasury yields weighing on equities as economic forecasts and concerns that president-elect Donald Trump's policies, including punitive trade tariffs, would prove inflationary.

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A divergence in performance across global markets has presented itself over the first five months of 2025, with the US being the notable laggard. The year got off to a tense start that included a global bond rout with fears of higher for longer interest rates in the US. The inauguration of Donald Trump in January brought further woes as he set about imposing punitive trade tariffs that threatened to spark a global trade war. Trump's return to the White House had been lauded at first as pro-business and stock market-friendly but, by the end of the first quarter, US stocks had dragged global markets lower. The bond market rout saw yields surge as bond markets were rocked by fears of sticky inflation in the US and a more hawkish US Federal Reserve ('Fed') making fewer interest rate cuts this year. The resulting sell-off saw yields on 10-year US Treasuries spike to a 14-month high. In the UK, 10-year gilt yields also jumped to their highest levels since the global financial crisis in 2008, with Chancellor Rachel Reeves' Autumn Budget blamed.

Donald Trump's return to the White House has brought with it a new era of geopolitical tension, trade wars, and economic concern. Trump started as he meant to go on, delivering a record number of executive orders to maximise oil production, curb immigration, and impose trade tariffs. While markets were buoyed at first by hopes of deregulation and a business-friendly administration, the mood soured as Trump ramped up trade tariffs. In the UK, stock markets defied the steep sell-off in global markets over the first quarter, making modest gains and seeing the FTSE 100 Index cross the psychologically-important 8,600 mark at the end of January. Gains were pared back in February but still remained in positive territory despite macroeconomic and political headwinds. By March, Donald Trump's tariff threats finally caught up with the UK market as his 'Liberation Day' approached and Downing Street officials scrambled to negotiate a trade deal. The overhang of concerns about spending cuts that would need to be made by the Treasury deteriorated somewhat after the Spring Statement, that saw the chancellor slash spending but not raise any more taxes.

European equities have been among the top-performing markets over 2025 as threat of trade tariffs from the US couldn't hold stocks back. The market closed at a record high in January, wrapping up the best monthly gain in over a year on solid earnings and another interest rate cut from the ECB. The rotation from US stocks into Europe was a theme that ran throughout the quarter as investors grew concerned over high US market valuations and sought cheaper alternatives, and a switch from tech stocks into defensives was also prevalent. Hopes for higher spending in Germany and peace talks in Ukraine also bolstered sentiment.

While April saw markets plunged into turmoil, May brought some solace to equity investors as the US and China called a tariffs truce – although Trump accused the superpower of violating the agreement at the end of the month. A trade deal with the UK was also inked and Trump saw fit to pause the implementation of his threatened 50% tariff on European Union imports, in order to strike a deal with the single bloc. A calming of fears over tariffs was also driven by US trade courts judging Trump did not have the authority to implement the sweeping tariffs, which gave hope for the global economy. The rally was broad based across the globe as investors sought safe havens away from US equities, although a tech rally at the end of the month made sure not to leave the US behind.

Portfolio Review

The equity portion of the Fund marginally outperformed its comparative benchmark in the period, rising 9.6% in contrast to a benchmark that was up 9.4%. The Fund has seen an element of restructuring over the period as it's limited exposure to small cap names was eliminated. Holdings in AIM listed names such as Argentex, Hilton Foods and Loungers, as well as FTSE SmallCap listed Sabre Insurance were all sold. Proceeds were reinvested in larger, more liquid holdings.

Over the course of the year under review the standout performance driver was the Financials sector. Looking specifically and the Banking sub-sector, Barclays, which was added to the portfolio last November, saw its shares rise over 25% as its investment banking arm benefited from a pick-up in activity. On a single -stock basis Standard & Chartered, the international bank with operations in Asia Pacific, Middle East and Africa, was the most material contributor to performance rising almost 50% over the year. The company saw sustained revenue outperformance over the year and particular strength in its Wealth Solutions business, which grew 28% over its 2024 financial year, with client numbers up 18% to 325,000. More broadly the sector has benefited from the normalising of interest rate environment and more recently from the 'higher for longer' rate environment. While there are expectations that interest rates will fall from current levels, the Banks are enjoying a 'Goldilocks' scenario, with rates currently at 4.25% neither too high to stifle growth, or too low that there is material net interest margin pressure.

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The Fund also has meaningful exposure to another Financials sub-sector – Life Insurance. Holdings include Legal & General, Phoenix Group, Just Group, and Prudential. All four companies outperformed the FTSE All Share index over the past year, with Just Group and Phoenix generating total returns of over 40%. We had a good meeting with the management team of Phoenix following the company's full year results in March. CEO Andy Briggs has recently been joined by CFO (Chief Financial Officer) Nic Nicandrou who previously spent 8 years as the CFO of Prudential Plc. The team want to de-mystify what is perceived to be a complicated business and more clearly demonstrate the scale of the growth opportunity that lies ahead of them in the UK Pensions and Savings market. Phoenix already handles pensions savings for 20% of the UK population and have ambitions to win further market share. The shares generate an attractive dividend of c.9% and with UK demographics suggesting that savings rates will have to increase in the coming year, Phoenix stands well-placed to benefit.

As the UK market has continued to languish on valuations well below long-term averages it is unsurprising that Mergers and Acquisitions (M&A) was a persistent feature over the course of the year. Hargreaves Lansdown, the online consumer wealth platform, was taken over by a consortium of private equity players for £5.4bn. At other end of the market cap spectrum Loungers, an all-day café-restaurant offer, that has been held since its flotation in 2019, was also taken private. Fortress Investment Group acquired the company for £354m. Also departing the market was TI Fluids, bought yet another private equity player at a 54% premium to the company's 90- day average share price prior to the approach.

The main detractors to performance over the period included Ashtead Group and Melrose who both suffered as a consequence of the concerns raised by the imposition of international trade tariffs. Ashtead also confirmed its intention to move its main listing from the UK to the US which was disappointing for its UK shareholders. Future plc, which owns and operates various media brands and websites which reach one in three adults online in the US and UK, suffered as the advertising and ecommerce markets remained subdued as consumer confidence remained depressed on both sides of the Atlantic. The company currently trades at a double- digit free cash flow yield and is buying back £110m of its equity, or almost 15% of its total equity, via a share buyback program. While recent performance is frustrating, we believe the company is well placed to benefit as and when a sustained pick-up in consumer confidence is seen.

Notable additions to the Fund included the acquisition of Rolls Royce. The management turnaround has yielded exceptional results to date, however, we think further improvements in large engine flying hours can be achieved as continued engineering efficiencies in Commercial Aerospace are delivered. Meanwhile, Power Systems business continues to enjoy a positive outlook with book to bill of 1.5x, as the outlook for data centre and defence related spend is robust. There is also optimism around a pending decision around the UK Small Modular Reactor (SMR) project that would be a powerful endorsement of the company's capability in this emerging and highly sought after technology. Tesco was also added to the Fund. 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. Despite this positive outlook the company is trading within its recent historic PE range whilst offering very attractive mid double digit Earnings Per Share (EPS) growth over each of the next three years.

UK Government bond yields continue to reflect the higher inflation prevalent in the economy. Despite the disinflation period of the plast few years which brought Consumer Price Index (CPI) off its high single- digit peak, inflation still sits above the official 2% target. With the current expected range of 3 to 3.5%, the Bank of England are reluctant to accelerate modest rate cuts, despite weak underling growth. With this backdrop the MPC members have pushed through four 25 basis point cuts from the 2023 peak of 5.25, to current levels of 4.25%. Current expectations are for a steady pace of quarterly cuts to be continued, with divergent views for 2026.

10-year gilts rose from 4% to 4.6% over the period, although touched a low of 3.8% and high of 4.9%. Short-dated bonds outperformed reflecting less duration sensitivity and moved from 4.3% to 3.8%. 10-year Inflation breakevens came off their highs of 3.7%, finishing at 3.2% in May 2025. Given these moves the Gilt market returned a negative 1% during the 12 months and the Index linked market, being longer dated and having sensitivity to both conventional yields and inflation breakevens returned a negative 10%.

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Bonds returned a negative return of 12% during the period under review, benefiting from the greater exposure to longer dated index linked bonds relative to the maturity of the overall market.

Outlook

The outlook for the US market and the global economy is changing fast. The Trump administration has made a habit of proposing large trade tariffs and then walking back from the worst-case scenarios (China being the biggest example of this policy). Although this leaves us in an environment where a worst-case scenario does not necessarily transpire, it does add a large amount of uncertainty into the US and global economy. We have seen how consumers respond to the moderation in tariffs – while consumer sentiment had been very negative immediately after the 'Liberation Day' tariff announcement, sentiment has bounced back as the administration rowed back from the most extreme tariff rates and the hard economic data has remained reasonably positive. Similar has occurred with underlying earnings where the recent earnings season produced results that generally held up well although the outlook for 2025 has been revised down given the uncertain tariff outlook. This still represents a rapid turnaround in events from the start of the year, when US exceptionalism was expected to drive another year of decent economic growth and low double-digit earnings growth.

However, we need to remember that, at present, this situation is very much self-inflicted. The President prides himself on the 'art of the deal', so inflicting economic pain on trading partners as a way of negotiating a better trade deal is seen as a viable strategy. Although it clearly carries the potential of damaging domestic business and consumer confidence and hence their future investment/spending, the President and his team will be expecting that they can move on to the growth positive parts of their agenda, namely deregulation, possibly tax cuts as well as lower interest rates and better export opportunities. In addition, the benefits of several long-term trends such as AI adoption, digitalisation, and electrification should continue to benefit US companies. US companies have a history of adopting new technologies early and private sector R&D intensity is amongst the highest of developed nations.

In the UK, on the whole companies are reporting robust underlying earnings, forecasts are prudently set and valuations remain attractive in the context of history and relative to global equity markets. Strong cash generation and robust balance sheet health is resulting in a lengthening list of UK companies buying in their own shares with surplus cashflow. This is supportive of equity prices. As highlighted in previous reports, we believe the stars are finally aligning for the UK equities. Some key foundation stones are falling into place for a sustained improvement in sentiment. There is no single specific catalyst for this shift, rather a range of factors coalescing to leave a more positive outlook than we have witnessed for some time. The improving macro with real income growth driving a pick-up in consumer and business sentiment is critical, but historically depressed valuations coupled with greater political clarity and scope for policy initiatives to support UK pension allocation and investment all contribute to a more constructive backdrop.

Our over-arching view remains that macro events cannot be accurately nor consistently predicted. As such, the Funds retain a preference for longer-term structural trends and quality companies that can deliver robust, reliable, and consistent growth, supported by a simple Government bond and cash hedge.

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

Stocks are mentioned for illustrative purposes only and do not constitute investment advice or a recommendation.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● RELX	9,668	● UK Treasury 0.125% IL 22/03/26	10,215
● Barclays	7,999	● Lloyds Banking	9,945
● Lloyds Banking	6,838	● BP	8,236
● Tesco	6,052	● Diageo	7,037
● Rolls-Royce	6,046	● Hargreaves Lansdown	6,583

Dan Harlow
AXA Investment Managers UK Limited

AXA Lifetime Distribution Fund

Portfolio Statement

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	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 52.81% (31/05/24: 52.40%)			
BASIC MATERIALS 2.55% (31/05/24: 3.56%)			
Industrial Metals & Mining 2.55% (31/05/24: 3.56%)			
Antofagasta	203,204	3,596	0.67
Hill & Smith	182,299	3,373	0.62
Rio Tinto	154,565	6,804	1.26
TOTAL BASIC MATERIALS		13,773	2.55
CONSUMER DISCRETIONARY 4.68% (31/05/24: 6.37%*)			
Automobiles & Parts 0.00% (31/05/24: 0.23%)			
Household Goods & Home Construction 0.93% (31/05/24: 1.22%)			
Bellway	185,693	5,032	0.93
Leisure Goods 0.69% (31/05/24: 0.97%)			
Games Workshop Group	24,263	3,720	0.69
Media 0.37% (31/05/24: 0.29%*)			
Future	298,304	2,005	0.37
Retailers 1.64% (31/05/24: 1.68%)			
B&M European Value Retail	1,037,573	3,546	0.66
Dunelm Group	444,567	5,299	0.98
Teachers Media^	670,000	-	-
Travel & Leisure 1.05% (31/05/24: 1.98%)			
Whitbread	195,920	5,668	1.05
TOTAL CONSUMER DISCRETIONARY		25,270	4.68
CONSUMER STAPLES 4.26% (31/05/24: 3.57%)			
Beverages 0.00% (31/05/24: 1.28%)			
Food Producers 0.64% (31/05/24: 0.73%)			
Cranswick	65,428	3,474	0.64
Personal Care, Drug & Grocery 3.62% (31/05/24: 1.56%)			
Marks & Spencer	880,911	3,296	0.61
Reckitt Benckiser Group	57,412	2,888	0.53
Tesco	1,671,598	6,486	1.20
Unilever	147,395	6,938	1.28
TOTAL CONSUMER STAPLES		23,082	4.26

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	Holding	Market Value £'000	% of Total Net Assets
ENERGY 3.46% (31/05/24: 5.93%)			
Oil, Gas & Coal 3.46% (31/05/24: 5.93%)			
BP	1,489,660	5,358	0.99
Serica Energy	2,000,000	3,064	0.57
Shell	419,361	10,270	1.90
TOTAL ENERGY		18,692	3.46
FINANCIALS 14.16% (31/05/24: 12.59%)			
Banks 6.88% (31/05/24: 4.53%)			
Barclays	3,087,036	10,108	1.87
HSBC	1,356,943	11,849	2.19
Lloyds Banking	10,578,967	8,167	1.51
Standard Chartered	611,961	7,087	1.31
Finance & Credit Services 1.70% (31/05/24: 1.05%)			
London Stock Exchange Group	81,561	9,192	1.70
Investment Banking & Brokerage 1.63% (31/05/24: 2.41%)			
3i Group	165,487	6,739	1.25
Alpha Group International	65,339	2,065	0.38
MJ Hudson Group	9,000,000	-	
Life Insurance 3.95% (31/05/24: 3.69%)			
Just Group	3,126,752	4,671	0.86
Legal & General Group	2,488,390	6,189	1.15
Phoenix Group	898,459	5,696	1.05
Prudential	568,448	4,802	0.89
Non-Life Insurance 0.00% (31/05/24: 0.91%)			
TOTAL FINANCIALS		76,565	14.16
HEALTH CARE 7.77% (31/05/24: 7.67%)			
Medical Equipment & Services 1.12% (31/05/24: 1.14%)			
ConvaTec Group	2,088,437	6,048	1.12
Pharmaceuticals & Biotechnology 6.65% (31/05/24: 6.53%)			
AstraZeneca	206,795	22,164	4.10
Genus	145,473	2,931	0.54
GSK	722,704	10,888	2.01
TOTAL HEALTH CARE		42,031	7.77
INDUSTRIALS 6.23% (31/05/24: 6.12%)			
Aerospace & Defense 1.49% (31/05/24: 1.05%)			
Babcock International	207,301	1,940	0.36
Rolls-Royce	703,900	6,090	1.13
Construction & Materials 0.62% (31/05/24: 0.62%)			
Marshalls	1,200,000	3,354	0.62

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	Holding	Market Value £'000	% of Total Net Assets
Electronic & Electrical Equipment 0.54% (31/05/24: 0.00%)			
Rotork	936,082	2,945	0.54
Industrial Engineering 1.07% (31/05/24: 1.40%)			
Spirax	9,549	546	0.10
Weir Group	215,585	5,230	0.97
Industrial Support Services 2.15% (31/05/24: 1.88%)			
Experian	213,497	7,882	1.46
Rentokil Initial	1,060,406	3,728	0.69
Industrial Transportation 0.36% (31/05/24: 1.17%)			
Ashtead Group	44,427	1,926	0.36
TOTAL INDUSTRIALS		33,641	6.23
REAL ESTATE 3.17% (31/05/24: 2.68%)			
Real Estate Investment & Services 1.64% (31/05/24: 1.18%)			
Grainger	1,288,175	2,860	0.53
Rightmove	801,724	5,974	1.11
Real Estate Investment Trusts 1.53% (31/05/24: 1.50%)			
Great Portland Estates	1,483,200	5,021	0.93
PRS REIT	2,782,649	3,228	0.60
TOTAL REAL ESTATE		17,083	3.17
TECHNOLOGY 2.96% (31/05/24: 0.27%*)			
Software & Computer Services 2.96% (31/05/24: 0.27%*)			
RELX	308,322	12,314	2.28
Sage Group	300,731	3,663	0.68
TOTAL TECHNOLOGY		15,977	2.96
TELECOMMUNICATIONS 0.00% (31/05/24: 0.00%*)			
Telecommunications Service Providers 0.00% (31/05/24: 0.00%*)			
UTILITIES 3.57% (31/05/24: 3.64%*)			
Electricity 1.64% (31/05/24: 1.99%*)			
SSE	313,799	5,526	1.02
Telecom Plus	165,000	3,325	0.62
Gas, Water & Multiutilities 1.93% (31/05/24: 1.65%)			
National Grid	998,994	10,449	1.93
TOTAL UTILITIES		19,300	3.57

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	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 43.84% (31/05/24: 41.90%)			
Index Linked Government Bonds 43.84% (31/05/24: 41.90%)			
UK Treasury 0.125% IL 22/03/26	10,400,000	15,893	2.94
UK Treasury 0.125% IL 10/08/28	2,000,000	2,815	0.52
UK Treasury 0.125% IL 22/03/29	5,000,490	8,193	1.52
UK Treasury 0.125% IL 10/08/31	2,000,000	2,580	0.48
UK Treasury 0.125% IL 22/11/36	9,000,000	11,598	2.15
UK Treasury 0.125% IL 22/03/39	7,000,000	7,351	1.36
UK Treasury 0.125% IL 10/08/41	10,700,000	11,234	2.08
UK Treasury 0.125% IL 22/03/44	9,000,000	10,089	1.87
UK Treasury 0.125% IL 22/03/46	8,925,000	8,948	1.66
UK Treasury 0.125% IL 10/08/48	11,500,000	10,257	1.90
UK Treasury 0.125% IL 22/03/51	13,600,000	10,712	1.98
UK Treasury 0.125% IL 22/11/56	7,000,000	5,614	1.04
UK Treasury 0.125% IL 22/03/58	11,700,000	9,496	1.76
UK Treasury 0.25% IL 22/03/52	7,000,000	6,863	1.27
UK Treasury 0.375% IL 22/03/62	9,800,000	9,159	1.69
UK Treasury 0.5% IL 22/03/50	6,350,000	7,877	1.46
UK Treasury 0.625% IL 22/03/40	5,000,000	7,593	1.40
UK Treasury 0.625% IL 22/11/42	7,002,080	10,328	1.91
UK Treasury 0.625% IL 22/03/45	6,800,000	5,529	1.02
UK Treasury 0.75% IL 22/11/33	7,200,000	7,346	1.36
UK Treasury 0.75% IL 22/03/34	4,000,000	6,480	1.20
UK Treasury 0.75% IL 22/11/47	7,000,000	9,916	1.83
UK Treasury 1.125% IL 22/11/37	4,302,140	7,883	1.46
UK Treasury 1.25% IL 22/11/27	2,000,000	4,182	0.77
UK Treasury 1.25% IL 22/11/32	5,200,000	9,575	1.77
UK Treasury 1.25% IL 22/11/54	9,730,000	7,956	1.47
UK Treasury 1.25% IL 22/11/55	7,800,000	12,631	2.34
UK Treasury 2% IL 26/01/35	1,795,000	4,224	0.78
UK Treasury 4.125% IL 22/07/30	1,358,000	4,580	0.85
TOTAL GOVERNMENT BONDS		236,902	43.84
Portfolio of investments		522,316	96.65
Net other assets		18,087	3.35
Total net assets		540,403	100.00

All investments are ordinary shares unless otherwise stated.
All bonds are denominated in Sterling (unless otherwise indicated).
* Since the previous report industry classifications have been updated. Comparative figures have been updated where appropriate.
^ These stocks have either been suspended, delisted or are in liquidation.

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Comparative Tables

As at 31 May 2025

	A Accumulation			A Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	134.18	125.20	138.99	109.31	105.09	119.70
Return before operating charges ^	1.63	9.38	(13.41)	1.34	7.74	(11.48)
Operating charges ^	(0.42)	(0.40)	(0.38)	(0.34)	(0.33)	(0.33)
Return after operating charges ^	1.21	8.98	(13.79)	1.00	7.41	(11.81)
Distributions	(3.54)	(3.84)	(3.28)	(2.86)	(3.19)	(2.80)
Retained distributions on accumulation shares	3.54	3.84	3.28	-	-	-
Closing net asset value per share †	135.39	134.18	125.20	107.45	109.31	105.09
*^ after direct transaction costs of:	0.12	0.01	0.04	0.10	0.01	0.03
Performance						
Return after operating charges	0.90%	7.17%	-9.92%	0.91%	7.05%	-9.87%
Other information						
Closing net asset value (£) †	303,258	484,141	665,913	16,904	18,981	18,760
Closing number of shares	223,990	360,815	531,885	15,732	17,364	17,852
Operating charges ^	0.31%	0.31%	0.30%	0.31%	0.31%	0.30%
Direct transaction costs *	0.09%	0.01%	0.03%	0.09%	0.01%	0.03%
Prices						
Highest share price #	140.20	137.30	138.00	113.50	112.20	118.80
Lowest share price #	124.20	120.00	109.20	99.26	99.70	93.19

	I Accumulation		
	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)
Opening net asset value per share †	131.81	122.73	135.97
Return before operating charges ^	1.60	9.21	(13.13)
Operating charges ^	(0.13)	(0.13)	(0.11)
Return after operating charges ^	1.47	9.08	(13.24)
Distributions	(3.48)	(3.77)	(3.21)
Retained distributions on accumulation shares	3.48	3.77	3.21
Closing net asset value per share †	133.28	131.81	122.73
*^ after direct transaction costs of:	0.12	0.01	0.04
Performance			
Return after operating charges	1.12%	7.40%	-9.74%
Other information			
Closing net asset value (£) †	540,073,635	611,844,678	635,904,145
Closing number of shares	405,224,893	464,186,535	518,131,895
Operating charges ^	0.10%	0.10%	0.09%
Direct transaction costs *	0.09%	0.01%	0.03%
Prices			
Highest share price #	137.80	134.80	135.00
Lowest share price #	122.20	117.80	106.90

AXA Lifetime Distribution Fund

Comparative Tables

As at 31 May 2025

	Z Accumulation			Z Income		
	31/05/2025	31/05/2024	31/05/2023	31/05/2025	31/05/2024	31/05/2023
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	105.61	98.68	109.73	91.28	87.88	100.26
Return before operating charges ^	1.31	7.39	(10.59)	1.12	6.47	(9.63)
Operating charges ^	(0.49)	(0.46)	(0.46)	(0.42)	(0.41)	(0.42)
Return after operating charges ^	0.82	6.93	(11.05)	0.70	6.06	(10.05)
Distributions	(2.80)	(3.04)	(2.58)	(2.39)	(2.66)	(2.33)
Retained distributions on accumulation shares	2.80	3.04	2.58	-	-	-
Closing net asset value per share †	106.43	105.61	98.68	89.59	91.28	87.88
*^ after direct transaction costs of:	0.10	0.01	0.03	0.08	0.01	0.03
Performance						
Return after operating charges	0.78%	7.02%	-10.07%	0.77%	6.90%	-10.02%
Other information						
Closing net asset value (£) †	4,949	4,911	4,589	4,479	4,564	4,394
Closing number of shares	4,650	4,650	4,650	5,000	5,000	5,000
Operating charges ^	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%
Direct transaction costs *	0.09%	0.01%	0.03%	0.09%	0.01%	0.03%
Prices						
Highest share price #	110.30	108.10	108.90	94.69	93.67	99.51
Lowest share price #	97.65	94.55	86.16	82.78	83.33	78.01

† Valued at bid-market prices.
# High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.
^ Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return.
* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.
The figures used within the table have been calculated against the average net asset value for the accounting year.

AXA Lifetime Distribution Fund

Statement of Total Return

For the year ended 31 May 2025

	Note	31/05/25 £'000	31/05/25 £'000	31/05/24 £'000	31/05/24 £'000
Income:					
Net capital (losses)/gains	2		(8,059)		25,832
Revenue	3	15,101		18,576	
Expenses	4	(548)		(594)	
Interest payable and similar charges		-		-	
Net revenue before taxation		14,553		17,982	
Taxation	5	(65)		(82)	
Net revenue after taxation			14,488		17,900
Total return before distributions			6,429		43,732
Distributions	6		(15,004)		(18,457)
Change in net assets attributable to Shareholders from investment activities			(8,575)		25,275

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2025

	31/05/25 £'000	31/05/25 £'000	31/05/24 £'000	31/05/24 £'000
Opening net assets attributable to Shareholders		612,357		636,598
Amounts receivable on issue of shares	46		247	
Amounts payable on cancellation of shares	(78,323)		(68,122)	
		(78,277)		(67,875)
Change in net assets attributable to Shareholders from investment activities (see above)		(8,575)		25,275
Retained distributions on accumulation shares		14,898		18,359
Closing net assets attributable to Shareholders		540,403		612,357

AXA Lifetime Distribution Fund

Balance Sheet

As at 31 May

	Note	31/05/25 £'000	31/05/24 £'000
Assets:			
Fixed assets:			
Investments		522,316	577,456
Current assets:			
Debtors	7	3,178	7,192
Cash and bank balances	8	15,329	28,566
Total assets		540,823	613,214
Liabilities:			
Creditors:			
Other creditors	9	(420)	(857)
Total liabilities		(420)	(857)
Net assets attributable to Shareholders		540,403	612,357

AXA Lifetime Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 175 - 178.

2. Net capital (losses)/gains

	31/05/25 £'000	31/05/24 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(8,064)	25,838
Currency gains/(losses)	4	(4)
Transaction charges	1	(2)
Net capital (losses)/gains	(8,059)	25,832

3. Revenue

	31/05/25 £'000	31/05/24 £'000
Bank interest	438	591
Interest on debt securities	3,352	4,068
Overseas dividends	186	338
UK dividends	10,795	13,113
Property revenue from REITs	318	462
Stock lending income	12	4
Total revenue	15,101	18,576

4. Expenses

	31/05/25 £'000	31/05/24 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	516	557
	516	557
Other expenses		
Audit fees*	11	11
Depositary's fees	19	19
Safe custody fees	2	7
	32	37
Total expenses	548	594

Expenses include irrecoverable VAT where applicable.

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

5. Taxation

	31/05/25 £'000	31/05/24 £'000
(a) Analysis of the tax charge in the year		
Irrecoverable overseas tax	65	82

AXA Lifetime Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2024: 20%) is applied to the net revenue before taxation. The differences are explained below:

	31/05/25 £'000	31/05/24 £'000
Net revenue before taxation	14,553	17,982
Net revenue for the year multiplied by the standard rate of corporation tax	2,911	3,596
Effects of:		
Irrecoverable overseas tax	65	82
Movement in excess management expenses	1,360	718
Relief for indexation on UK Gilts	(2,057)	(1,592)
Revenue not subject to corporation tax	(2,214)	(2,722)
Tax charge for the year	65	82

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £28,474,294 (2024: £27,114,226) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

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

	31/05/25 £'000	31/05/24 £'000
First interim	1,130	1,762
Second interim	619	961
Third interim	2,345	2,750
Fourth interim	606	1,097
Fifth interim	1,184	981
Sixth interim	1,333	2,207
Seventh interim	482	597
Eighth interim	667	584
Ninth interim	1,227	1,492
Tenth interim	1,470	1,564
Eleventh interim	1,815	2,523
Final	2,021	1,842
Add: Revenue paid on cancellation of shares	105	97
Deduct: Revenue received on creation of shares	-	-
Net distribution for the year	15,004	18,457

Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	14,488	17,900
Expenses charged to capital	516	557
Net distribution for the year	15,004	18,457

AXA Lifetime Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

7. Debtors

	31/05/25 £'000	31/05/24 £'000
Sales awaiting settlement	1,028	4,960
Accrued revenue	2,150	2,232
Total debtors	3,178	7,192

8. Cash and bank balances

	31/05/25 £'000	31/05/24 £'000
Cash and bank balances	15,329	28,566
Total cash and bank balances	15,329	28,566

9. Other creditors

	31/05/25 £'000	31/05/24 £'000
Amounts payable for cancellation of shares	364	780
Accrued annual management charge	40	47
Accrued other expenses	16	30
Total other creditors	420	857

10. Related party transactions

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

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

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

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

11. Share classes

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

	Annual Management Charge rate (%)	31/05/24	Issued	Cancelled	Converted	31/05/25
A Accumulation	0.30	360,815	17,254	(154,079)	-	223,990
A Income	0.30	17,364	-	(1,632)	-	15,732
I Accumulation	0.09	464,186,535	16,388	(58,978,030)	-	405,224,893
Z Accumulation	0.45	4,650	1	(1)	-	4,650
Z Income	0.45	5,000	1	(1)	-	5,000

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: nil).

AXA Lifetime Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

13. Derivatives and other financial instruments

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

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 31 May 2024).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £52,231,582 (2024: £57,745,560). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

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

Interest rate risk

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

Changes in interest rates or changes in expectations of future interest rates may result in a move in bond yields, causing an increase or decrease in the market value of the investments held. Based on the fund's current duration, a 1% increase in the yield would have the effect of decreasing the value of the fund by £38,543,837 (2024: £43,182,176), representing 7.13% of net assets (2024: 7.05%). A 1% decrease would have an equal and opposite effect.

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

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	15,329	236,902	288,291	540,522
US dollar	-	-	301	301
Total	15,329	236,902	288,592	540,823
31/05/24				
Pound sterling	28,566	256,609	327,511	612,686
Euro	-	-	39	39
US dollar			489	489
Total	28,566	256,609	328,039	613,214

AXA Lifetime Distribution Fund

Notes to the Financial Statements
For the year ended 31 May 2025

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31/05/25				
Pound sterling	-	-	(420)	(420)
Total	-	-	(420)	(420)
31/05/24				
Pound sterling	-	-	(857)	(857)
Total	-	-	(857)	(857)

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

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

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

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

Credit Rating	31/05/25 Market Value £'000	%	31/05/24 Market Value £'000	%
Investment grade (BBB- credit rating and above)	236,902	43.84	256,609	41.90
Total value of bonds	236,902	43.84	256,609	41.90

14. Portfolio transaction costs

31/05/2025	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	25,930	-	-	-	-	25,930
Equities	94,566	41	0.04	423	0.45	95,030
Total	120,496	41		423		120,960

AXA Lifetime Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

31/05/2025 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	23,731	-	-	-	-	23,731
Equities	146,201	(67)	(0.05)	-	-	146,134
Total	169,932	(67)		-		169,865

31/05/2024 Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Bonds	51,445	-	-	-	-	51,445
Equities	3,386	1	0.05	17	0.50	3,404
Total	54,831	1		17		54,849

31/05/2024 Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Bonds	51,786	-	-	-	-	51,786
Equities	70,398	(28)	(0.04)	-	-	70,370
Total	122,184	(28)		-		122,156

Transaction costs as percentage of average net asset value	31/05/25 %	31/05/24 %
Commissions	0.02	0.01
Taxes	0.07	0.00

At the balance sheet date the average portfolio dealing spread was 0.13% (2024: 0.14%).

AXA Lifetime Distribution Fund

Notes to the Financial Statements

For the year ended 31 May 2025

15. Stock Lending

The Fund enters into stock lending arrangements with various counterparties. At the balance sheet date the bid value of securities on loan was £10,194,269 (2024: £9,943,043). The value of collateral held in respect of securities on loan was £10,755,242 (2024: £10,138,810).

	31/05/25		31/05/24	
Counterparty	Value of stock on loan £'000	Cash collateral £'000	Value of stock on loan £'000	Cash collateral £'000
Morgan Stanley	10,194	-	-	-
United States of America	-	10,756	-	-
BNP Paribas	-	-	9,943	-
Republique Francaise	-	-	-	6,197
Bundesrepublik Deutschland	-	-	-	3,747
Kingdom of the Netherlands	-	-	-	131
European Financial Stability Facility	-	-	-	30
European Union	-	-	-	30
European Investment Bank	-	-	-	4
	10,194	10,756	9,943	10,139

Collateral held	31/05/25 £'000	31/05/24 £'000
Bonds	10,756	10,139
	10,756	10,139

16. Post balance sheet events

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

17. Fair value disclosure

	31/05/25		31/05/24	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	522,316	-	577,456	-
Level 2 ^^	-	-	-	-
Level 3 ^^^	-	-	-	-
	522,316	-	577,456	-

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

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

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

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

AXA Lifetime Distribution Fund

Distribution Table

As at 31 May 2025

First Distribution in pence per share
Group 1 Shares purchased prior to 1 June 2024
Group 2 Shares purchased on or after 1 June 2024 to 30 June 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/07/24 (p)	Distribution paid 31/07/23 (p)
Share Class A Accumulation				
Group 1	0.250	-	0.250	0.350
Group 2	0.250	-	0.250	0.350
Share Class A Income				
Group 1	0.204	-	0.204	0.294
Group 2	0.204	-	0.204	0.294
Share Class I Accumulation				
Group 1	0.246	-	0.246	0.343
Group 2	0.105	0.141	0.246	0.343
Share Class Z Accumulation				
Group 1	0.197	-	0.197	0.278
Group 2	0.197	-	0.197	0.278
Share Class Z Income				
Group 1	0.171	-	0.171	0.247
Group 2	0.171	-	0.171	0.247

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2024
Group 2 Shares purchased on or after 1 July 2024 to 31 July 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 30/08/24 (p)	Distribution paid 31/08/23 (p)
Share Class A Accumulation				
Group 1	0.139	-	0.139	0.192
Group 2	0.139	-	0.139	0.192
Share Class A Income				
Group 1	0.114	-	0.114	0.162
Group 2	0.114	-	0.114	0.162
Share Class I Accumulation				
Group 1	0.137	-	0.137	0.189
Group 2	0.137	-	0.137	0.189
Share Class Z Accumulation				
Group 1	0.109	-	0.109	0.154
Group 2	0.109	-	0.109	0.154
Share Class Z Income				
Group 1	0.096	-	0.096	0.133
Group 2	0.096	-	0.096	0.133

AXA Lifetime Distribution Fund

Distribution Table

As at 31 May 2025

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 August 2024
Group 2 Shares purchased on or after 1 August 2024 to 31 August 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 30/09/24 (p)	Distribution paid 29/09/23 (p)
Share Class A Accumulation				
Group 1	0.533	-	0.533	0.556
Group 2	0.533	-	0.533	0.556
Share Class A Income				
Group 1	0.434	-	0.434	0.465
Group 2	0.434	-	0.434	0.465
Share Class I Accumulation				
Group 1	0.524	-	0.524	0.545
Group 2	0.524	-	0.524	0.545
Share Class Z Accumulation				
Group 1	0.421	-	0.421	0.440
Group 2	0.421	-	0.421	0.440
Share Class Z Income				
Group 1	0.361	-	0.361	0.388
Group 2	0.361	-	0.361	0.388

Fourth Distribution in pence per share
Group 1 Shares purchased prior to 1 September 2024
Group 2 Shares purchased on or after 1 September 2024 to 30 September 2024

		Net revenue (p)	Equalisation (p)	Distribution paid 31/10/24 (p)	Distribution paid 31/10/23 (p)
Share Class A Accumulation					
Group 1	-	0.139	-	0.139	0.224
Group 2	-	0.139	-	0.139	0.224
Share Class A Income					
Group 1		0.113	-	0.113	0.187
Group 2		0.113	-	0.113	0.187
Share Class I Accumulation					
Group 1		0.137	-	0.137	0.219
Group 2		0.036	0.101	0.137	0.219
Share Class Z Accumulation					
Group 1		0.110	-	0.110	0.179
Group 2		0.110	-	0.110	0.179
Share Class Z Income					
Group 1		0.096	-	0.096	0.155
Group 2		0.096	-	0.096	0.155

AXA Lifetime Distribution Fund

Distribution Table

As at 31 May 2025

Fifth Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2024
Group 2 Shares purchased on or after 1 October 2024 to 31 October 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 29/11/24 (p)	Distribution paid 30/11/23 (p)
Share Class A Accumulation				
Group 1	0.275	-	0.275	0.202
Group 2	0.275	-	0.275	0.202
Share Class A Income				
Group 1	0.223	-	0.223	0.169
Group 2	0.223	-	0.223	0.169
Share Class I Accumulation				
Group 1	0.271	-	0.271	0.198
Group 2	0.216	0.055	0.271	0.198
Share Class Z Accumulation				
Group 1	0.218	-	0.218	0.160
Group 2	0.111	0.107	0.218	0.160
Share Class Z Income				
Group 1	0.188	-	0.188	0.143
Group 2	0.096	0.092	0.188	0.143

Sixth Distribution in pence per share
Group 1 Shares purchased prior to 1 November 2024
Group 2 Shares purchased on or after 1 November 2024 to 30 November 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/12/24 (p)	Distribution paid 29/12/23 (p)
Share Class A Accumulation				
Group 1	0.313	-	0.313	0.459
Group 2	0.313	-	0.313	0.459
Share Class A Income				
Group 1	0.253	-	0.253	0.381
Group 2	0.253	-	0.253	0.381
Share Class I Accumulation				
Group 1	0.308	-	0.308	0.451
Group 2	0.308	-	0.308	0.451
Share Class Z Accumulation				
Group 1	0.250	-	0.250	0.363
Group 2	0.250	-	0.250	0.363
Share Class Z Income				
Group 1	0.213	-	0.213	0.318
Group 2	0.213	-	0.213	0.318

AXA Lifetime Distribution Fund

Distribution Table

As at 31 May 2025

Seventh Distribution in pence per share

Group 1 Shares purchased prior to 1 December 2024

Group 2 Shares purchased on or after 1 December 2024 to 31 December 2024

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/25 (p)	Distribution paid 31/01/24 (p)
Share Class A Accumulation				
Group 1	0.115	-	0.115	0.125
Group 2	0.115	-	0.115	0.125
Share Class A Income				
Group 1	0.093	-	0.093	0.104
Group 2	0.093	-	0.093	0.104
Share Class I Accumulation				
Group 1	0.113	-	0.113	0.123
Group 2	0.022	0.091	0.113	0.123
Share Class Z Accumulation				
Group 1	0.093	-	0.093	0.100
Group 2	0.093	-	0.093	0.100
Share Class Z Income				
Group 1	0.078	-	0.078	0.087
Group 2	0.078	-	0.078	0.087

Eighth Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2025

Group 2 Shares purchased on or after 1 January 2025 to 31 January 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/25 (p)	Distribution paid 29/02/24 (p)
Share Class A Accumulation				
Group 1	0.160	-	0.160	0.124
Group 2	0.160	-	0.160	0.124
Share Class A Income				
Group 1	0.129	-	0.129	0.102
Group 2	0.129	-	0.129	0.102
Share Class I Accumulation				
Group 1	0.158	-	0.158	0.121
Group 2	0.158	-	0.158	0.121
Share Class Z Accumulation				
Group 1	0.127	-	0.127	0.099
Group 2	0.127	-	0.127	0.099
Share Class Z Income				
Group 1	0.107	-	0.107	0.087
Group 2	0.107	-	0.107	0.087

AXA Lifetime Distribution Fund

Distribution Table

As at 31 May 2025

Ninth Distribution in pence per share
Group 1 Shares purchased prior to 1 February 2025
Group 2 Shares purchased on or after 1 February 2025 to 28 February 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 31/03/25 (p)	Distribution paid 28/03/24 (p)
Share Class A Accumulation				
Group 1	0.298	-	0.298	0.319
Group 2	0.298	-	0.298	0.319
Share Class A Income				
Group 1	0.239	-	0.239	0.263
Group 2	0.239	-	0.239	0.263
Share Class I Accumulation				
Group 1	0.293	-	0.293	0.313
Group 2	0.262	0.031	0.293	0.313
Share Class Z Accumulation				
Group 1	0.236	-	0.236	0.253
Group 2	0.236	-	0.236	0.253
Share Class Z Income				
Group 1	0.198	-	0.198	0.221
Group 2	0.198	-	0.198	0.221

Tenth Distribution in pence per share
Group 1 Shares purchased prior to 1 March 2025
Group 2 Shares purchased on or after 1 March 2025 to 31 March 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 30/04/25 (p)	Distribution paid 30/04/24 (p)
Share Class A Accumulation				
Group 1	0.362	-	0.362	0.337
Group 2	0.362	-	0.362	0.337
Share Class A Income				
Group 1	0.290	-	0.290	0.278
Group 2	0.290	-	0.290	0.278
Share Class I Accumulation				
Group 1	0.356	-	0.356	0.331
Group 2	0.054	0.302	0.356	0.331
Share Class Z Accumulation				
Group 1	0.287	-	0.287	0.267
Group 2	0.287	-	0.287	0.267
Share Class Z Income				
Group 1	0.240	-	0.240	0.233
Group 2	0.240	-	0.240	0.233

AXA Lifetime Distribution Fund

Distribution Table

As at 31 May 2025

Eleventh Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2025
Group 2 Shares purchased on or after 1 April 2025 to 30 April 2025

	Net revenue (p)	Equalisation (p)	Distribution paid 30/05/25 (p)	Distribution paid 31/05/24 (p)
Share Class A Accumulation				
Group 1	0.451	-	0.451	0.549
Group 2	0.451	-	0.451	0.549
Share Class A Income				
Group 1	0.361	-	0.361	0.451
Group 2	0.361	-	0.361	0.451
Share Class I Accumulation				
Group 1	0.444	-	0.444	0.539
Group 2	0.308	0.136	0.444	0.539
Share Class Z Accumulation				
Group 1	0.357	-	0.357	0.433
Group 2	0.357	-	0.357	0.433
Share Class Z Income				
Group 1	0.300	-	0.300	0.374
Group 2	0.300	-	0.300	0.374

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 May 2025
Group 2 Shares purchased on or after 1 May 2025 to 31 May 2025

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/25 (p)	Distribution paid 28/06/24 (p)
Share Class A Accumulation				
Group 1	0.506	-	0.506	0.404
Group 2	0.359	0.147	0.506	0.404
Share Class A Income				
Group 1	0.404	-	0.404	0.331
Group 2	0.404	-	0.404	0.331
Share Class I Accumulation				
Group 1	0.498	-	0.498	0.396
Group 2	0.498	-	0.498	0.396
Share Class Z Accumulation				
Group 1	0.399	-	0.399	0.317
Group 2	0.399	-	0.399	0.317
Share Class Z Income				
Group 1	0.338	-	0.338	0.273
Group 2	0.338	-	0.338	0.273

Accounting Policies

For the year ended 31 May 2025

1. Accounting Basis and Policies

(a) Basis of accounting

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

There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for the next twelve months from the date these financial statements are authorised for issue. The ACD believes that the Company 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) Recognition of revenue

Dividends on quoted equities and preference shares are recognised when the securities are quoted ex-dividend and are recognised net of attributable tax credits.

Dividends from Real Estate Investment Trusts ('REITs') are recognised as distributable income when the securities are quoted ex-dividend.

Dividends received from US Real Estate Investment Trusts ('REITs') are recognised as revenue when the security is quoted ex-dividend. An assessment of capital/income split is performed, based on prior year dividend announcement for each security. The capital element of the dividend is reallocated to the capital of the sub-fund. Subsequently, when the capital/income split is announced for the dividend a final assessment is performed to determine the correct distribution to shareholders.

Revenue on debt securities (including allowance for interest bought and sold) is accounted for on an accruals basis. Where it is considered that a bond has a likelihood of default appropriate provisions are made against any accrued revenue. Revenue from debt securities is accounted for on a basis which takes account of the amortisation of any discount or premium between the purchase price and the expected final maturity price over the remaining life of the security. Accrued interest on purchase and sale contracts is recognised as revenue and transferred to revenue or capital as appropriate. Indexation on UK index-linked bonds is accrued monthly to the sub-fund and forms part of the distributable income.

Interest on bank and other cash deposits is recognised on an accruals basis.

Returns on derivative transactions have been treated as either revenue or capital depending on the motives and circumstances on acquisition. Where positions generate total returns, returns are apportioned between capital and revenue to reflect the nature of the transaction.

(c) Treatment of special dividends

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. The tax treatment follows the treatment of the principal amount.

Accounting Policies

For the year ended 31 May 2025

(d) Treatment of expenses

Expenses of the sub-funds are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the sub-funds. Accrued interest on purchase and sale contracts is recognised as revenue and transferred to revenue or capital as appropriate.

Rebates on the fees payable to the ACD are accounted for on an accruals basis and recognised as revenue. Rebates on the fees payable to the ACD are netted off against the expense to which they relate.

(e) Allocation of revenue and expenses to multiple share classes

Any revenue or expenses not directly attributable to a particular share class will normally be allocated pro-rata to the net assets of the relevant share classes.

(f) Taxation

Tax is provided for using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Corporation tax is provided for on the income liable to corporation tax less deductible expenses.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(g) Distribution policy

The net revenue after taxation, as disclosed in the Financial Statements, after adjustment for items of a capital nature, is distributable to Shareholders as dividend distributions. Any revenue deficit is deducted from capital.

In addition, the portfolio transaction charges will be charged wholly to the capital of all sub-funds.

Where the revenue from investments exceeds the expenses of a sub-fund half yearly distributions (quarterly for Defensive Distribution Fund and UK Distribution Fund, and monthly for Lifetime Distribution Fund) are paid to all holders of income shares. Transfers are made to capital on behalf of all holders of accumulation shares. In all cases tax vouchers will be issued to Shareholders.

ACD fees are offset against capital for the purposes of calculating the amount available for distribution. Accordingly, the imposition of such charges may constrain the capital growth of every sub-fund.

Funds which predominantly hold Index-Linked securities will disregard the amounts recognised in respect of indexation when determining the amount available for distribution.

(h) Basis of valuation of investments

The listed investments of the sub-funds are valued at bid-market prices ruling at 4:30pm (Close of business UK time) 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.

Market value is defined by the SORP as fair value which is the bid value of each security.

Accounting Policies

For the year ended 31 May 2025

At the end of the reporting period all investments have been measured at their fair value using the prices and the portfolio holdings determined at 4:30pm (Close of business UK time) on 30 May 2025.

The value of derivative contracts is calculated with reference to the price/value of the underlying asset(s) and other relevant factors such as interest rates and volatility.

(i) Exchange rates

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into Sterling at the closing mid market exchange rates ruling on that date.

(j) Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares.

After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for Capital Gains tax purposes.

2. Derivatives and other financial instruments

In pursuing the investment objectives a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for hedging purposes.

The main risks from the Company's holdings of financial instruments are discussed below, the ACD's policy for managing these risks are shown in the individual Fund Investment Manager's Report.

(a) Foreign currency risk

A significant portion of the Company’s assets may be denominated in a currency other than the base currency of the Company or Class. There is the risk that the value of such assets and/or the value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which shares of the relevant sub-funds are valued and priced. Foreign currency risk is analysed within the financial statements of each individual sub-fund.

(b) Interest rate risk profile of financial assets and liabilities

The interest rate risk is the risk that the value of the Company's investments will fluctuate due to changes in the interest rate. Cash flows from floating rate securities, bank balances, or bank overdrafts will be affected by the changes in interest rates. As the Company's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Company did not have any long term financial liabilities at the balance sheet date.

(c) Inflation risk

Inflation Linked Bond Risk: unlike other bonds, an inflation protected security (such as index linked gilts) reduces the negative effect of inflation on its real value. The market value of such securities will be affected both by the market's perception of future movements in interest rates and the future rate of inflation. Therefore the market value of such securities (and the value of the sub-fund) may not move in line with inflation rates in the short to medium term.

Accounting Policies

For the year ended 31 May 2025

(d) Credit risk

The Company may find that companies in which it invests fail to settle their debts on a timely basis. The value of securities issued by such companies may fall as a result of the perceived increase in credit risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit credit risk.

Interest rate risk is analysed within the financial statements of each individual sub-fund.

(e) Liquidity risk

The majority of the sub-funds financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. In general, sales and purchases of financial assets are managed so that the sub-funds cash requirement is kept to a minimum. The sub-funds main financial liability relates to the potential commitment to meet any cancellation of shares. In order to manage this risk the sub-fund maintains a cash balance to cover any known liabilities, with any cancellation of shares being covered by the sale of investments. Where investments cannot be realised in time to meet a liability the ACD will utilise the company's overdraft facility with HSBC.

All of the sub-funds' financial liabilities are payable in less than one year.

(f) Market price risk

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

(g) Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties.

Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

(h) Stock lending

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.

Statement of the Authorised Corporate Director's ("ACD") Responsibilities

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook (“COLL”) require the ACD to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of its net revenue and the net capital gains/losses on the property of the Company for the period. In preparing the financial statements the ACD is required to:

• Select suitable accounting policies and then apply them consistently;
• Conform with the disclosure requirements of the Statement of Recommended Practice - Financial statements of UK Authorised Funds issued by the Investment Management Association (“IMA SORP 2014”) in May 2014, and amended in June 2017;;
• Follow generally accepted accounting principles and applicable accounting standards;
• Keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.
• Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for the management of each portfolio in accordance with the Instrument of Incorporation, Prospectus and COLL.

The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the AXA Investment Managers UK Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors approval

In accordance with the requirements of the Financial Conduct Authority Sourcebook, the contents of this report have been approved on behalf of AXA Investment Managers UK Limited by:

DocuSigned by:
Jane Wadia
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Jane Wadia
Director

DocuSigned by:
Ouajnat Karim
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Ouajnat Karim
Director

Tuesday 23rd September 2025

Tuesday 23rd September 2025

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the AXA Distribution Investment ICVC ("the Company") for the year ended 31st May 2025.

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ("the ACD"), 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 Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

HSBC Bank PLC

Tuesday 23rd September 2025

Independent Auditor's Report to the members of AXA Distribution Investment ICVC

Opinion

We have audited the financial statements of AXA Distribution Investment ICVC ("the Company") comprising each of its sub-funds for the year ended 31 May 2025, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 31 May 2025 and of the net revenue and the net capital gains/losses on the scheme property of the Company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Corporate Director's ("the ACD") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company'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 auditor's report thereon. The ACD is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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.

Independent Auditor's Report to the members of AXA Distribution Investment ICVC

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the "FCA")

In our opinion:

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

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of the ACD

As explained more fully in the ACDs responsibilities statement set out on page 179, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.

Independent Auditor's Report to the members of AXA Distribution Investment ICVC

Our approach was as follows:

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

• We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators and a review of the Company's documented policies and procedures.

• We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. 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 ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.

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

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

Use of our report

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

DocuSigned by:

Ernst & Young LLP

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Ernst & Young LLP
Statutory Auditor
Edinburgh
Tuesday 23rd September 2025

Further Information (unaudited)

Classes of Shares

The Company can issue different classes of shares in respect of any Fund. Holders of Income shares are entitled to be paid the revenue attributable to such shares, in respect of each annual or accounting period. Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

Valuation Point

All investments are valued at their fair value price as at 4:30pm (Close of business) on 30 May 2025 being the last business day of the accounting year. The fair value for non-derivative securities is bid price. Other investments have been stated at the Manager's valuation and this has been indicated in the portfolio statements.

Significant Information

Remuneration policy of the ACD

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

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

AXA IM provides both fixed and variable remuneration. An employee's fixed remuneration is structured to reward organisational 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. Nondeferred variable remuneration may be awarded in cash or, where appropriate and subject to local laws and regulation, in instruments linked to the performance of AXA IM funds. Deferred remuneration is awarded through various instruments structured to reward medium and long-term value creation for clients and AXA IM and long-term value creation for the AXA Group. AXA IM ensures appropriate balances between fixed and variable remuneration and deferred and non-deferred remuneration.

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

Further Information (unaudited)

Total amount of remuneration paid and / or allocated to all staff for the year ended December 31, 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

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 UK based 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

Other Information

The Instrument of Incorporation, Prospectus and the most recent and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR

Report

The annual report of the Company will be published within four months of each annual accounting period and the report will be published within two months of each accounting period.

Interim accounts	period ended 30 November
Annual accounts	year ended 31 May

Further Information (unaudited)

Data Protection

The details you have provided will be held on computer by the Funds' Registrar but will not be used for any purpose except to fulfil its obligations to shareholders.

Effects of Personal Taxation

Investors should be aware that unless their shares are held within an ISA, or switched between Funds in this OEIC, selling shares is treated as a disposal for the purpose of Capital Gains tax.

Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

Annual Management Charge and Ongoing Charges

AXA Defensive Distribution Fund

Class name	Annual Management Charge (%)	Ongoing Charges Figures (%)
A Gross Accumulation	0.50	0.52
A Gross Income	0.50	0.52
B Gross Accumulation	0.40	0.42
B Gross Income	0.40	0.42
D Gross Accumulation	1.10	1.12
D Gross Income	1.10	1.12
R Gross Accumulation	1.50	1.52
R Gross Income	1.50	1.52
Z Gross Accumulation	0.75	0.77
Z Gross Income	0.75	0.77

AXA Distribution Fund

Class name	Annual Management Charge (%)	Ongoing Charges Figures (%)
A Accumulation	0.50	0.51
A Income	0.50	0.51
B Accumulation	0.40	0.41
B Income	0.40	0.41
D Accumulation	1.10	1.11
D Income	1.10	1.11
R Accumulation	1.50	1.51
R Income	1.50	1.51
Z Accumulation	0.75	0.76
Z Income	0.75	0.76

Further Information (unaudited)

AXA Ethical Distribution Fund

Class name	Annual Management Charge (%)	Ongoing Charges Figures (%)
B Accumulation	0.50	0.52
B Income	0.50	0.52
D Accumulation	1.10	1.12
D Income	1.10	1.12
R Accumulation	1.50	1.52
R Income	1.50	1.52
Z Accumulation	0.75	0.77
Z Income	0.75	0.77

AXA Global Equity Income Fund

Class name	Annual Management Charge (%)	Ongoing Charges Figures (%)
D Accumulation	0.60	0.81
D Income	0.60	0.81
R Accumulation	0.70	0.91
R Income	0.70	0.91
S Accumulation	0.15	0.36
S Income	0.15	0.36
Z Accumulation	0.40	0.61
Z Income	0.40	0.61
ZI Accumulation	0.25	0.46
ZI Income	0.25	0.46

AXA Global Distribution Fund

Class name	Annual Management Charge (%)	Ongoing Charges Figures (%)
B Accumulation	0.50	0.51
B Income	0.50	0.51
D Accumulation	1.10	1.11
D Income	1.10	1.11
R Accumulation	1.50	1.51
R Income	1.50	1.51
Z Accumulation	0.75	0.76
Z Income	0.75	0.76

AXA Lifetime Distribution Fund

Class name	Annual Management Charge (%)	Ongoing Charges Figures (%)
A Accumulation	0.30	0.31
A Income	0.30	0.30
I Accumulation	0.09	0.10
Z Accumulation	0.45	0.45
Z Income	0.45	0.45

Preliminary Charge

There is currently no initial charge on Class ZI Shares, Class Z Shares, Class R Shares, Class S Shares, Class I Shares, Class D Shares, Class B Shares or Class A Shares.

Further Information (unaudited)

Value Assessment

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

Per the FCA rules, Boards of ACDs are required 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

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

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 required on all reports & accounts published after 13 January 2017.

AXA Defensive Distribution Fund

1. Global Data

Proportion of securities and commodities on loan	£'000	%
Total lendable assets excluding cash and cash equivalents:	104,433	
Securities and commodities on loan	1,490	1.43

Assets engaged in SFTs and total return swaps	£'000	%
Fund assets under management (AUM)	123,941	
Absolute value of assets engaged in:		
Securities lending	1,490	1.20

2. Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received	£'000
United Kingdom of Great Britain and Northern Ireland	1,572

Top 10 Counterparties

Name and value of outstanding transactions	£'000
Securities lending	
Goldman Sachs	1,490

3. Aggregate transaction data

Type, Quality and Currency of Collateral

Type	Quality	Currencies
Securities lending		
Bonds	Investment Grade	GBP

Maturity Tenor of Collateral (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open maturity	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	-	-	-	-	1,572	-	1,572
	-	-	-	-	-	1,572	-	1,572

Counterparty details

Type	Countries of counterparty establishment	Settlement and clearing
Securities lending	GB	Bilateral, Triparty

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open transactions	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	1,490	-	-	-	-	-	1,490
	-	1,490	-	-	-	-	-	1,490

4. Re-use of Collateral

Re-use of collateral received	%
Maximum allowable cash collateral re-use	100.00

5. Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral	£'000
HSBC Bank	1,572

Number of custodians safekeeping collateral 1

6. Safekeeping of Collateral Granted

Proportion of collateral held in:	%
Segregated accounts	100.00

7. Return and Cost

	Collective Investment £	Manager of Collective £	Third Parties £	Total £
Securities lending				
Gross return	5,311.13	0.00	1,770.38	7,081.51
% of total gross return	75.00%	0.00%	25.00%	100.00%
Cost	0.00	0.00	0.00	0.00

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Distribution Fund

1. Global Data

Proportion of securities and commodities on loan	£'000	%
Total lendable assets excluding cash and cash equivalents:	337,778	
Securities and commodities on loan	11,962	3.54

Assets engaged in SFTs and total return swaps	£'000	%
Fund assets under management (AUM)	421,964	
Absolute value of assets engaged in:		
Securities lending	11,962	2.83

2. Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received	£'000
United Kingdom of Great Britain and Northern Ireland	12,427
United States of America	51
European Union ^	-

Top 10 Counterparties

Name and value of outstanding transactions	£'000
Securities lending	
Goldman Sachs	7,143
Merrill Lynch	4,819

3. Aggregate transaction data

Type, Quality and Currency of Collateral

Type	Quality	Currencies
Securities lending		
Bonds	Investment Grade	GBP

Maturity Tenor of Collateral (remaining period to maturity)

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	-	-	-	-	12,479	-	12,479
	-	-	-	-	-	12,479	-	12,479

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Distribution Fund

Counterparty details

Type	Countries of counterparty establishment	Settlement and clearing
Securities lending	GB	Bilateral, Triparty

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open transactions	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	7,143	-	-	-	-	4,819	11,962
	-	7,143	-	-	-	-	4,819	11,962

4. Re-use of Collateral

Re-use of collateral received	%
Maximum allowable cash collateral re-use	100.00

5. Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral	£'000
HSBC Bank	7,536
Euroclear	4,943

Number of custodians safekeeping collateral 2

6. Safekeeping of Collateral Granted

Proportion of collateral held in:	%
Segregated accounts	100.00

7. Return and Cost

	Collective Investment	Manager of Collective	Third Parties	Total
	£	£	£	£
Securities lending				
Gross return	30,364.29	0.00	10,121.43	40,485.72
% of total gross return	75.00%	0.00%	25.00%	100.00%
Cost	0.00	0.00	0.00	0.00

^ The market value is below £500 and is therefore rounded down to £0.

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Ethical Distribution Fund

1. Global Data

Proportion of securities and commodities on loan	£'000	%
Total lendable assets excluding cash and cash equivalents:	79,657	
Securities and commodities on loan	2,336	2.93

Assets engaged in SFTs and total return swaps	£'000	%
Fund assets under management (AUM)	107,997	
Absolute value of assets engaged in:		
Securities lending	2,336	2.16

2. Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received	£'000
United Kingdom of Great Britain and Northern Ireland	2,464

Top 10 Counterparties

Name and value of outstanding transactions	£'000
Securities lending	
Goldman Sachs	2,336

3. Aggregate transaction data

Type, Quality and Currency of Collateral

Type	Quality	Currencies
Securities lending		
Bonds	Investment Grade	GBP

Maturity Tenor of Collateral (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open maturity	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	-	-	-	-	2,464	-	2,464
	-	-	-	-	-	2,464	-	2,464

Counterparty details

Type	Countries of counterparty establishment	Settlement and clearing
Securities lending	GB	Bilateral, Triparty

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open transactions	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	2,336	-	-	-	-	-	2,336
	-	2,336	-	-	-	-	-	2,336

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Ethical Distribution Fund

4. Re-use of Collateral

Re-use of collateral received	%
Maximum allowable cash collateral re-use	100.00

5. Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral	£'000
HSBC Bank	2,464

Number of custodians safekeeping collateral 1

6. Safekeeping of Collateral Granted

Proportion of collateral held in:	%
Segregated accounts	100.00

7. Return and Cost

	Collective Investment £	Manager of Collective £	Third Parties £	Total £
Securities lending				
Gross return	2,826.31	0.00	942.10	3,768.41
% of total gross return	75.00%	0.00%	25.00%	100.00%
Cost	0.00	0.00	0.00	0.00

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Global Distribution Fund

1. Global Data

Proportion of securities and commodities on loan	£'000	%
Total lendable assets excluding cash and cash equivalents:	225,662	
Securities and commodities on loan	1,802	0.80

Assets engaged in SFTs and total return swaps	£'000	%
Fund assets under management (AUM)	241,224	
Absolute value of assets engaged in:		
Securities lending	1,802	0.75

2. Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received	£'000
United Kingdom of Great Britain and Northern Ireland	1,902

Top 10 Counterparties

Name and value of outstanding transactions	£'000
Securities lending	
Goldman Sachs	1,802

3. Aggregate transaction data

Type, Quality and Currency of Collateral

Type	Quality	Currencies
Securities lending		
Bonds	Investment Grade	GBP

Maturity Tenor of Collateral (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open maturity	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	-	-	-	-	1,902	-	1,902
	-	-	-	-	-	1,902	-	1,902

Counterparty details

Type	Countries of counterparty establishment	Settlement and clearing
Securities lending	GB	Bilateral, Triparty

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open transactions	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	1,802	-	-	-	-	-	1,802
	-	1,802	-	-	-	-	-	1,802

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Global Distribution Fund

4. Re-use of Collateral

Re-use of collateral received	%
Maximum allowable cash collateral re-use	100.00

5. Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral	£'000
HSBC Bank	1,902

Number of custodians safekeeping collateral 1

6. Safekeeping of Collateral Granted

Proportion of collateral held in:	%
Segregated accounts	100.00

7. Return and Cost

	Collective Investment £	Manager of Collective £	Third Parties £	Total £
Securities lending				
Gross return	345.95	0.00	115.32	461.27
% of total gross return	75.00%	0.00%	25.00%	100.00%
Cost	0.00	0.00	0.00	0.00

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Lifetime Distribution Fund

1. Global Data

Proportion of securities and commodities on loan	£'000	%
Total lendable assets excluding cash and cash equivalents:	448,825	
Securities and commodities on loan	10,194	2.27

Assets engaged in SFTs and total return swaps	£'000	%
Fund assets under management (AUM)	520,944	
Absolute value of assets engaged in:		
Securities lending	10,194	1.96

2. Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received	£'000
United States of America	10,756

Top 10 Counterparties

Name and value of outstanding transactions	£'000
Securities lending	
Morgan Stanley	10,194

3. Aggregate transaction data

Type, Quality and Currency of Collateral

Type	Quality	Currencies
Securities lending		
Bonds	Investment Grade	USD

Maturity Tenor of Collateral (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open maturity	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	-	-	-	-	10,755	-	10,755
	-	-	-	-	-	10,755	-	10,755

Counterparty details

Type	Countries of counterparty establishment	Settlement and clearing
Securities lending	GB	Bilateral, Tripraty

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity)

Type	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open transactions	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	-	10,194	-	-	-	-	-	10,194
	-	10,194	-	-	-	-	-	10,194

Further Information (unaudited)

Securities Financing Transactions (SFTs)

For the year ended 31 May 2025

AXA Lifetime Distribution Fund

4. Re-use of Collateral

Re-use of collateral received	%
Maximum allowable cash collateral re-use	100.00

5. Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral	£'000
HSBC Bank	10,755

Number of custodians safekeeping collateral 1

6. Safekeeping of Collateral Granted

Proportion of collateral held in:	%
Segregated accounts	100.00

7. Return and Cost

	Collective Investment £	Manager of Collective £	Third Parties £	Total £
Securities lending				
Gross return	11,402.25	0.00	3,800.75	15,203.00
% of total gross return	75.00%	0.00%	25.00%	100.00%
Cost	0.00	0.00	0.00	0.00