

Annual Long Report and Audited Financial Statements
Year ended
6 March 2022

AXA Framlington Monthly Income Fund



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

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

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

Fund Objective & Investment Policy

The aim of AXA Framlington Monthly Income Fund (“the Fund”) is to produce a monthly income with potential for long term growth of capital. The Manager also intends to achieve a yield of distributable income in excess of 100% of the FTSE All Share yield at the Fund's year end on a rolling 3 year basis, and in excess of 90% on an annual basis.

The Fund invests primarily (meaning at least 70% of its assets) in shares of UK listed companies which the Manager believes will provide above average income and capital growth. The Fund invests in companies of any size. The Fund also invests in bonds issued by companies or governments. The Manager selects shares based upon analysis of a company's prospects for future growth in dividend payments, financial status, quality of its management, expected profitability and prospects for growth.

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may take into consideration the FTSE All Share index. The FTSE All Share index is designed to measure the performance of all eligible companies listed on the London Stock Exchange. This index best represents a core component of the Managers' investment universe.

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

Important Events During the Year

The Russian invasion of Ukraine launched on 24 February 2022 has been negative for the global economy primarily as a result of the disruption it has caused in the supply of energy and other commodities. Inflation had already arisen as a concern following supply issues related to COVID and energy price hikes resulting from the conflict have worsened the situation. This, and the continuing geopolitical uncertainties raised by the war have led to high levels of market volatility. Bond yields have risen in anticipation of interest rate hikes, credit spreads have increased and there have been pronounced swings in equity prices as investors digest how the unpredictable news flow affects company earnings and countries' projected growth rates.

Investment Review

The macro background swamped the micro background for the third year in a row. Just as the COVID-19 pandemic appeared to be getting to a stage where global economies could cope without undue monetary and government assistance, the extremely unwelcome invasion of Ukraine by Russia threatened to again upset the apple cart.

At the start of the fund's year the roll out of vaccines was in full force. The combination of this progress and warmer weather enabled the UK government to start to tentatively lift restrictions at the end of March. For a while the arrival of the new Omicron variant threatened to undo the progress being made. As it became clear that the vaccines were also effective against the new variant, a further stage of unlocking occurred in the middle of May when indoor hospitality was once again allowed.

Another new variant – Delta – threatened to derail progress with the initial indications being that this variant was more transmissible. Thankfully hospital numbers remained manageable and most of the restrictions were lifted in England in July. There was a requirement of proof of double vaccinations to enter certain venues.

Case numbers fluctuated and increased as schools returned after the summer break. The arrival of the Omicron variant initially seen in South Africa once again affected economies. This variant is much more transmissible and caused case numbers to rapidly increase with the UK government responding by introducing 'plan B' measures in early December. Thankfully the combination of the vaccination roll-out and a lesser incidence of bad illness meant that hospital numbers remained manageable. In response restrictions were lifted in England as the government adopted a policy of living with the virus.

The ebbs and flows of infection levels caused periods when businesses were having to cope with high levels of staff absences which disrupted supply chains. Global supply chains saw acute levels of disruptions. In the early stage of the pandemic there had been a global rush to try and access PPE supplies. Ultimately supply caught up with demand and shipping terminals around the world were swamped by PPE in containers. This caused a shortage of available containers and shipping rates to soar to unprecedented levels. The temporary blocking of the Suez Canal added to these disruptions.

A global shortage of HGV drivers also added to the problems. A lack of the ability to take HGV tests during the pandemic led to a decline in the number of qualified drivers. Rising demand led to a wage spiral as companies poached drivers from other companies. The situation in the UK was worsened by the departure of many drivers due to Brexit.

As demand recovered as restrictions were lifted, the prices of many products began to rise. Inflation levels picked up initially due to the low prices seen as the pandemic struck. Central Bankers initially viewed this inflation as being transitory and therefore not requiring any change to monetary policy. Once it became clear that wage increases were also picking up the Bank of England responded by raising interest rates. From December until the fund's year end interest rates rose twice with a further rise shortly after the period end taking rates up to 0.75%.

As investors realized that the period of ultra-low interest rates was coming to an end, they reacted by taking profits in highly rated growth stocks. When government bond yields were approaching zero growth, company shares were chased higher by investors. This came to an end in the 4th quarter of the fund's year.

Top Ten Holdings as at 06 March 2022

| | % |
|---------------------------------|-------------|
| iEnergizer | 6.03 |
| <i>Industrials</i> | |
| Shell | 4.18 |
| <i>Energy</i> | |
| GlaxoSmithKline | 3.86 |
| <i>Health Care</i> | |
| Rio Tinto | 3.63 |
| <i>Basic Materials</i> | |
| AstraZeneca | 3.60 |
| <i>Health Care</i> | |
| British American Tobacco | 3.45 |
| <i>Consumer Staples</i> | |
| BP | 3.40 |
| <i>Energy</i> | |
| Alumasc | 2.70 |
| <i>Industrials</i> | |
| Diversivied Energy | 2.69 |
| <i>Energy</i> | |
| HSBC | 2.67 |
| <i>Financials</i> | |

Investment Review (Continued)

Oil and gas prices also saw inflationary price rises. Prices rose steadily as the recovery became well established. When Russia invaded Ukraine prices spiked sharply upwards. In particular gas prices in Europe were very strong due to a combination of low stocks in storage, low renewable generation and issues with French nuclear power. As the fund's year ended, European countries tried to cease relying on Russian supplies as they imposed sanctions. In addition to the rise in energy prices other soft and hard commodities spiked higher. This broad rise in inflation will damage consumer disposable income especially at the lower income brackets. Governments around the world are under pressure to try and alleviate some of this squeeze.

The UK equity market made modest progress during the period rising by 6.25% as measured by the FTSE All Share Total return index. The portfolio slightly underperformed, rising by 5.66% as measured by the Z Acc units. Despite this underperformance the fund has outperformed over the past 5 years. Commodity stocks drove the market's rise, and an underweight position in these sectors explains the underperformance.

The fund continued to benefit from takeovers with both Sigma Capital and Vectura bolstering performance following agreed takeovers. Other strong performers included BP, Shell, AstraZeneca, GlaxoSmithKline, Kin & Carta, Frontier IP and Cambridge Cognition. Poor performers during the year included Accrol, Appreciate, Cake Box, Conduit, Craneware, IQE and Phoenix. None of the companies had fundamental problems and still appear to be attractive.

As the economic background improved there was a welcome improvement in dividend payments. The fund benefitted from a large special dividend by Rio Tinto. The previous year there had been a large special dividend by one of the fund's largest holdings iEnergizer. The overall income for the year increased by 12.0% as measured by the total dividends received by each R Inc share. During the year there were new purchases of McColl's, Ultimate Products Group and Urban Logistics. The former was a very poor purchase as supply issues caused the company to struggle and the holding was sold. Arena Leisure, John Laing, Sigma Capital and Vectura all departed the portfolio as they were taken over.

The invasion of Ukraine has created great uncertainty as to the outlook. The range of potential outcomes are wide with escalation and de-escalation leading to very different results. The construction of the portfolio is never based on one overarching top down view as conditions can change very rapidly. On a short-term basis there is going to be a further ratchet up in the rate of inflation which will damage consumer confidence. The large buildup of savings during the pandemic should act as a cushion. Growth rates in Europe are likely to be adversely affected, with the US being more insulated. Central Bankers have a tricky balance to achieve with out of control inflation and a recession being at either end of the spectrum if they fail to achieve a balance. The pandemic will still affect trade with the current Chinese zero rate policy causing mass lockdowns. A more dangerous variant is also a risk.

Within the portfolio most of the companies have strong balance sheets and cash flows. This is being seen in increased dividends, special dividends and buy backs. Historically dividends have been a major contributor to overall returns. The UK equity income sector has been under pressure with investors taking money out of the sector every month since 2016. Economically when there is an absence of capital chasing these assets returns of those assets have benefitted.

George Luckraft
06 March 2022

Source of all performance data: AXA Investment Managers, Morningstar to 06 March 2022.

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

Portfolio Changes

For the year ended 06 March 2022

| Major Purchases | Cost (£'000) | Major Sales | Proceeds (£'000) |
|-------------------------------------|---------------------|---------------------------------|-------------------------|
| UP Global Sourcing | 1,594 | Sigma Capital | 7,214 |
| Urban Logistics | 1,235 | John Laing | 3,108 |
| Diversified Energy | 1,120 | Vectura | 2,531 |
| Craneware | 1,100 | PRS | 2,513 |
| Unilever | 1,021 | Kin & Carta | 1,873 |
| McCull's | 800 | Anexo | 1,801 |
| Hipgnosis Songs Fund | 726 | Intermediate Capital | 1,140 |
| Likewise | 634 | Vistry | 1,112 |
| DSW Capital | 600 | Legal & General | 1,021 |
| Springfield Properties | 571 | HSBC | 982 |
| Other purchases | 972 | Other sales | 7,407 |
| Total purchases for the year | 10,373 | Total sales for the year | 30,702 |

Managing Risks

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

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

RISK PROFILE

The Fund invests primarily in UK equities and fixed interest securities. The Fund invests a proportion of its assets in smaller companies which offer the possibility of higher returns but which may also involve a higher degree of risk. The value of investments and the revenue from them is not guaranteed and can go down as well as up. The management fee is charged to capital, and while this will increase the distributable revenue, this may accordingly erode capital growth.

EQUITY RISK

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

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

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

SMALLER COMPANIES RISK

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

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

CREDIT RISK

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

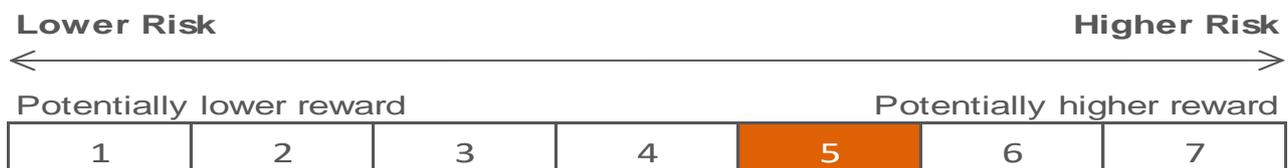
Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification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

INTEREST RATE RISK

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

RISK AND REWARD PROFILE



The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund’s future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free. There has been no change from prior year.

WHY IS THIS FUND IN THIS CATEGORY?

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

ADDITIONAL RISKS

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

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

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

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

Fund Information

FIVE YEAR PERFORMANCE

In the five years to 06 March 2022, the price of Z Accumulation units, with net income reinvested, rose by 22.72%. The FTSE All-Share Index (Total Return) increased by 16.15% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, fell by -2.7% (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

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

| Date | AXA Framlington Monthly Income Z Acc | FTSE All Share (TR) |
|---------------------------|--------------------------------------|---------------------|
| 06 Mar 2017 - 06 Mar 2018 | +9.47% | +2.40% |
| 06 Mar 2018 - 06 Mar 2019 | -2.09% | +4.13% |
| 06 Mar 2019 - 06 Mar 2020 | -2.08% | -4.67% |
| 06 Mar 2020 - 06 Mar 2021 | +10.66% | +7.55% |
| 06 Mar 2021 - 06 Mar 2022 | +5.66% | +6.25% |

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

Past performance is not a guide to future performance.

YIELD

| | |
|-------|-------|
| R Inc | 4.48% |
| R Acc | 4.43% |
| Z Inc | 4.46% |
| Z Acc | 4.41% |

CHARGES

| | Initial Charge | Annual Management Charge+ |
|---|----------------|---------------------------|
| R | Nil | 1.50% |
| Z | Nil | 0.75% |

+ Charged to capital. Note that while this will increase the amount of income (which may be taxable) available for distribution to Unitholders in the Fund, it may constrain capital growth or even result in capital erosion over time.

ONGOING CHARGES*

| | |
|-------|-------|
| R Inc | 1.58% |
| R Acc | 1.58% |
| Z Inc | 0.83% |
| Z Acc | 0.83% |

*For more information on AXA's fund charges and costs please use the following link
<https://retail.axa-im.co.uk/fund-charges-and-costs>

UNIT TRUST INDIVIDUAL SAVINGS ACCOUNTS

The AXA Framlington Monthly Income Fund is available as a Stocks and Shares ISA through the AXA Investment Managers Stocks and Shares ISA.

Comparative Tables

| Change in net assets per unit | R Inc | | | R Acc | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 06/03/2022 (p) | 06/03/2021 (p) | 06/03/2020 (p) | 06/03/2022 (p) | 06/03/2021 (p) | 06/03/2020 (p) |
| Opening net asset value per unit [†] | 231.10 | 220.15 | 238.78 | 644.06 | 586.60 | 603.74 |
| Return before operating charges [^] | 15.57 | 23.74 | (2.25) | 42.48 | 66.14 | (7.04) |
| Operating charges | (3.98) | (3.22) | (3.94) | (11.19) | (8.68) | (10.10) |
| Return after operating charges [^] | 11.59 | 20.52 | (6.19) | 31.29 | 57.46 | (17.14) |
| Distributions | (10.72) | (9.57) | (12.44) | (30.18) | (25.89) | (31.89) |
| Retained distributions on accumulation units | - | - | - | 30.18 | 25.89 | 31.89 |
| Closing net asset value per unit[†] | 231.97 | 231.10 | 220.15 | 675.35 | 644.06 | 586.60 |
| [^] after direct transaction costs of: | 0.02 | 0.06 | 0.09 | 0.05 | 0.15 | 0.24 |
| Performance | | | | | | |
| Return after charges | 5.02% | 9.32% | -2.59% | 4.86% | 9.80% | -2.84% |
| Other Information | | | | | | |
| Closing net asset value [†] (£'000) | 26,028 | 32,793 | 33,453 | 42,531 | 44,659 | 46,161 |
| Closing number of units | 11,220,325 | 14,190,281 | 15,195,872 | 6,297,566 | 6,933,904 | 7,869,218 |
| Operating charges | 1.58% | 1.59% | 1.59% | 1.58% | 1.59% | 1.59% |
| Direct transaction costs [*] | 0.01% | 0.03% | 0.04% | 0.01% | 0.03% | 0.04% |
| Prices | | | | | | |
| Highest unit price # | 263.20 | 237.40 | 263.50 | 748.00 | 649.30 | 684.50 |
| Lowest unit price # | 232.90 | 161.00 | 227.00 | 649.50 | 429.70 | 591.20 |

Comparative Tables (Continued)

| Change in net assets per unit | Z Inc | | | Z Acc | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 06/03/2022 (p) | 06/03/2021 (p) | 06/03/2020 (p) | 06/03/2022 (p) | 06/03/2021 (p) | 06/03/2020 (p) |
| Opening net asset value per unit [†] | 138.01 | 130.49 | 140.39 | 206.89 | 187.02 | 191.05 |
| Return before operating charges [^] | 9.23 | 14.23 | (1.36) | 13.58 | 21.33 | (2.34) |
| Operating charges | (1.25) | (1.01) | (1.22) | (1.90) | (1.46) | (1.69) |
| Return after operating charges [^] | 7.98 | 13.22 | (2.58) | 11.68 | 19.87 | (4.03) |
| Distributions | (6.42) | (5.70) | (7.32) | (9.73) | (8.32) | (10.13) |
| Retained distributions on accumulation units | - | - | - | 9.73 | 8.32 | 10.13 |
| Closing net asset value per unit[†] | 139.57 | 138.01 | 130.49 | 218.57 | 206.89 | 187.02 |
| [*] ^after direct transaction costs of: | 0.01 | 0.03 | 0.06 | 0.02 | 0.05 | 0.08 |
| Performance | | | | | | |
| Return after charges | 5.78% | 10.13% | -1.84% | 5.65% | 10.62% | -2.11% |
| Other Information | | | | | | |
| Closing net asset value [†] (£'000) | 98,100 | 100,764 | 143,860 | 74,389 | 80,352 | 108,839 |
| Closing number of units | 70,287,356 | 73,010,495 | 110,247,051 | 34,033,572 | 38,837,149 | 58,194,850 |
| Operating charges | 0.83% | 0.84% | 0.84% | 0.83% | 0.84% | 0.84% |
| Direct transaction costs [*] | 0.01% | 0.03% | 0.04% | 0.01% | 0.03% | 0.04% |
| Prices | | | | | | |
| Highest unit price # | 158.20 | 141.70 | 155.30 | 241.80 | 208.60 | 218.00 |
| Lowest unit price # | 139.10 | 95.48 | 133.90 | 208.70 | 137.00 | 188.50 |

[†] Valued at bid-market prices.

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

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

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

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

Portfolio Statement

The AXA Framlington Monthly Income Fund portfolio as at 6 March 2022 consisted of the following investments, which are ordinary shares unless otherwise stated.

| Holding | Market value £'000 | Total net assets (%) |
|--|--|-------------------------|
| UNITED KINGDOM: 83.76% (06/03/2021: 83.93%) | | |
| CORPORATE BONDS: 0.00% (06/03/2021: 0.00%) | | |
| 220,000 | Sorbic International 10% 31/12/14 ¹ | - |
| <hr/> | | |
| BASIC MATERIALS: 7.20% (06/03/2021: 6.72%) | | |
| Industrial Metals & Mining: 7.20% (06/03/2021: 6.72%) | | |
| 3,175,000 | Anglo Pacific | 4,699 |
| 1,800,000 | Central Asia Metals | 3,897 |
| 300,000 | Chamberlin | 13 |
| 145,000 | Rio Tinto | 8,741 |
| | | 17,350 |
| | | 7.20 |
| <hr/> | | |
| CONSUMER DISCRETIONARY: 6.22% (06/03/2021: 6.57%) | | |
| Household Goods & Home Construction: 3.13% (06/03/2021: 2.49%) | | |
| 1,812,552 | Likewise | 625 |
| 1,450,652 | Springfield Properties | 1,929 |
| 759,123 | UP Global Sourcing | 1,040 |
| 425,000 | Vistry | 3,950 |
| | | 7,544 |
| | | 3.13 |
| <hr/> | | |
| Media: 0.56% (06/03/2021: 0.83%) | | |
| 1,800,000 | ITV | 1,355 |
| | | 1,355 |
| | | 0.56 |
| <hr/> | | |
| Retailers: 2.27% (06/03/2021: 2.55%) | | |
| 1,275,000 | DFS Furniture | 2,359 |
| 1,000,000 | ScS | 1,670 |
| 2,500,000 | Topps Tiles | 1,450 |
| | | 5,479 |
| | | 2.27 |

Portfolio Statement(Continued)

| Holding | Market value £'000 | Total net assets (%) |
|--|-----------------------|-------------------------|
| Travel & Leisure: 0.26% (06/03/2021: 0.70%) | | |
| 448,000 Cake Box | 618 | 0.26 |
| | 618 | 0.26 |
| CONSUMER STAPLES: 9.18% (06/03/2021: 8.60%) | | |
| Food Producers: 2.03% (06/03/2021: 2.02%) | | |
| 475,000 Hilton Food | 4,902 | 2.03 |
| | 4,902 | 2.03 |
| Personal Care, Drug & Grocery: 2.17% (06/03/2021: 2.60%) | | |
| 4,500,000 Accrol | 958 | 0.40 |
| 125,000 Unilever | 4,262 | 1.77 |
| | 5,220 | 2.17 |
| Tobacco: 4.98% (06/03/2021: 3.98%) | | |
| 270,000 British American Tobacco | 8,313 | 3.45 |
| 242,500 Imperial Brands | 3,698 | 1.53 |
| | 12,011 | 4.98 |
| ENERGY: 10.27% (06/03/2021: 8.84%) | | |
| Alternative Energy: 0.00% (06/03/2021: 0.03%) | | |
| 2,666,667 Hydrodec ¹ | - | - |
| | - | - |
| Oil, Gas & Coal: 10.27% (06/03/2021: 8.81%) | | |
| 2,350,000 BP | 8,182 | 3.40 |
| 6,000,000 Diversified Energy | 6,480 | 2.69 |
| 550,000 Shell | 10,084 | 4.18 |
| | 24,746 | 10.27 |
| FINANCIALS: 19.37% (06/03/2021: 24.28%) | | |
| Banks: 2.67% (06/03/2021: 2.72%) | | |
| 1,375,000 HSBC | 6,429 | 2.67 |
| | 6,429 | 2.67 |

Portfolio Statement(Continued)

| Holding | Market value £'000 | Total net assets (%) |
|---|-----------------------|-------------------------|
| Closed End Investments: 2.15% (06/03/2021: 1.87%) | | |
| 3,450,000 BioPharma Credit Fund | 2,610 | 1.08 |
| 4,000,000 Riverstone Credit Opportunities Income Fund | 2,572 | 1.07 |
| | 5,182 | 2.15 |
| Finance & Credit Services: 2.12% (06/03/2021: 2.16%) | | |
| 4,000,000 Appreciate | 920 | 0.38 |
| 4,750,000 VPC Specialty Lending Investments Fund | 4,180 | 1.74 |
| | 5,100 | 2.12 |
| Investment Banking & Brokerage: 7.42% (06/03/2021: 11.20%) | | |
| 205,000 3i | 2,368 | 0.98 |
| 774,300 Ambrian ¹ | - | - |
| 104,226 Claremont Partners ¹ | - | - |
| 600,000 DSW Capital | 630 | 0.26 |
| 370,000 Intermediate Capital | 5,311 | 2.20 |
| 1,925,000 K3 Capital | 5,005 | 2.08 |
| 300,000 Polar Capital | 1,662 | 0.69 |
| 2,350,000 XPS Pensions | 2,914 | 1.21 |
| | 17,890 | 7.42 |
| Life Insurance: 3.75% (06/03/2021: 4.69%) | | |
| 1,900,000 Legal & General | 4,630 | 1.92 |
| 750,000 Phoenix | 4,418 | 1.83 |
| | 9,048 | 3.75 |
| Non-Life Insurance: 1.26% (06/03/2021: 1.64%) | | |
| 1,575,000 Sabre Insurance | 3,049 | 1.26 |
| 3,250,000 Tawa Associates ¹ | - | - |
| | 3,049 | 1.26 |
| HEALTH CARE: 9.57% (06/03/2021: 8.45%) | | |
| Health Care Providers: 2.11% (06/03/2021: 1.78%) | | |
| 1,050,000 Cambridge Cognition | 1,123 | 0.47 |
| 225,000 Craneware | 3,960 | 1.64 |
| | 5,083 | 2.11 |

Portfolio Statement(Continued)

| Holding | Market value £'000 | Total net assets (%) |
|---|-----------------------|-------------------------|
| Pharmaceuticals & Biotechnology: 7.46% (06/03/2021: 6.67%) | | |
| 100,000 AstraZeneca | 8,679 | 3.60 |
| 625,000 GlaxoSmithKline | 9,304 | 3.86 |
| | 17,983 | 7.46 |
| INDUSTRIALS: 12.75% (06/03/2021: 12.28%) | | |
| Construction & Materials: 4.92% (06/03/2021: 4.07%) | | |
| 3,250,000 Alumasc | 6,500 | 2.70 |
| 5,518,500 Epwin | 5,364 | 2.22 |
| | 11,864 | 4.92 |
| General Industrials: 1.94% (06/03/2021: 1.80%) | | |
| 1,840,000 Eurocell | 4,048 | 1.68 |
| 500,000 Macfarlane | 635 | 0.26 |
| | 4,683 | 1.94 |
| Industrial Support Services: 5.89% (06/03/2021: 6.41%) | | |
| 3,550,000 Anexo | 4,793 | 1.99 |
| 400,000 FDM | 3,400 | 1.41 |
| 2,900,000 Frontier IP | 2,378 | 0.99 |
| 1,450,000 FRP Advisory | 1,668 | 0.69 |
| 400,000 Midwich | 1,960 | 0.81 |
| | 14,199 | 5.89 |
| REAL ESTATE: 4.06% (06/03/2021: 3.70%) | | |
| Real Estate Investment & Services: 0.00% (06/03/2021: 0.00%*) | | |
| Real Estate Investment Trusts: 4.06% (06/03/2021: 3.70%*) | | |
| 2,000,000 NewRiver | 1,632 | 0.67 |
| 1,075,000 Palace Capital | 2,602 | 1.08 |
| 4,000,000 PRS | 4,140 | 1.72 |
| 775,000 Urban Logistics | 1,418 | 0.59 |
| | 9,792 | 4.06 |

Portfolio Statement(Continued)

| Holding | Market value £'000 | Total net assets (%) |
|--|-------------------------------------|-------------------------|
| TECHNOLOGY: 2.54% (06/03/2021: 2.58%) | | |
| Software & Computer Services: 2.12% (06/03/2021: 1.83%) | | |
| 1,500,000 | Kin & Carta | 3,660 1.52 |
| 1,716,000 | Vianet | 1,441 0.60 |
| | 5,101 | 2.12 |
| Technology Hardware & Equipment: 0.42% (06/03/2021: 0.75%) | | |
| 2,750,000 | IQE | 1,020 0.42 |
| | 1,020 | 0.42 |
| TELECOMMUNICATIONS: 0.74% (06/03/2021: 0.52%) | | |
| Telecommunications Equipment: 0.74% (06/03/2021: 0.52%) | | |
| 1,250,000 | Aferian | 1,775 0.74 |
| | 1,775 | 0.74 |
| UTILITIES: 1.86% (06/03/2021: 1.39%) | | |
| Gas, Water & Multiutilities: 1.86% (06/03/2021: 1.39%) | | |
| 405,000 | National Grid | 4,486 1.86 |
| | 4,486 | 1.86 |
| EUROPE (excluding UK): 12.59% (06/03/2021: 11.27%) | | |
| Guernsey: 12.41% (06/03/2021: 11.07%) | | |
| 1,750,000 | APQ Global | 123 0.05 |
| 1,152,000 | DP Aircraft I | 13 0.01 |
| 12,720,000 | Duke Royalty | 4,579 1.90 |
| 4,050,000 | Hipgnosis Songs Fund | 4,155 1.72 |
| 4,085,000 | iEnergizer | 14,543 6.03 |
| 1,750,000 | Real Estate Credit Investments Fund | 2,564 1.06 |
| 4,550,000 | Regional # | 3,676 1.54 |
| 6,688,000 | Sancus Lending | 100 0.04 |
| 1,500,000 | SLF Realisation Fund | 143 0.06 |
| | 29,896 | 12.41 |

Portfolio Statement(Continued)

| Holding | Market value £'000 | Total net assets (%) |
|---|-----------------------|-------------------------|
| Jersey: 0.18% (06/03/2021: 0.20%) | | |
| 1,076,864 SafeStyle UK | 442 | 0.18 |
| | 442 | 0.18 |
| NORTH AMERICA: 0.75% (06/03/2021: 1.04%) | | |
| Bermuda: 0.75% (06/03/2021: 1.04%) | | |
| 490,000 Conduit | 1,806 | 0.75 |
| | 1,806 | 0.75 |
| United States: 0.00% (06/03/2021: 0.00%) | | |
| 2,075,000 XL TechGroup ¹ | - | - |
| | - | - |
| Investments as shown in the balance sheet | 234,053 | 97.10 |
| Net current assets | 6,995 | 2.90 |
| Total net assets | 241,048 | 100.00 |

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

¹Not approved securities within the meaning of the Collective Investment Schemes Sourcebook. The regulations permit a maximum of 10% of the Fund to be invested in unapproved securities. Securities classed as unapproved are those which are not admitted to an official listing in a member state or traded on under the rules of an eligible securities market, as laid down in the Prospectus.

Real Estate Investment Trust.

Statement of Total Return

For the year ended 06 March

| | Notes | £'000 | 2022 £'000 | £'000 | 2021 £'000 |
|--|-------|---------|---------------|---------|---------------|
| Income | | | | | |
| Net capital gains | 3 | | 5,749 | | 12,039 |
| Revenue | 4 | 11,854 | | 12,466 | |
| Expenses | 5 | (2,775) | | (2,830) | |
| Interest payable and similar charges | | - | | - | |
| Net revenue before taxation | | 9,079 | | 9,636 | |
| Taxation | 6 | (107) | | (94) | |
| Net revenue after taxation | | | 8,972 | | 9,542 |
| Total return before distributions | | | 14,721 | | 21,581 |
| Distributions | 7 | | (11,315) | | (11,978) |
| Change in net assets attributable to unitholders from investment activities | | | 3,406 | | 9,603 |

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 06 March

| | £'000 | 2022 £'000 | £'000 | 2021 £'000 |
|---|----------|----------------|----------|----------------|
| Opening net assets attributable to unitholders | | 258,568 | | 332,313 |
| Amounts receivable on creation of units | 12,371 | | 5,559 | |
| Amounts payable on cancellation of units | (38,635) | | (93,700) | |
| | | (26,264) | | (88,141) |
| Change in net assets attributable to unitholders from investment activities | | 3,406 | | 9,603 |
| Retained distribution on accumulation units | | 5,317 | | 4,779 |
| Unclaimed distribution | | 21 | | 14 |
| Closing net assets attributable to unitholders | | 241,048 | | 258,568 |

Balance Sheet

As at 06 March

| | Notes | 2022 £'000 | 2021 £'000 |
|---|-------|----------------|----------------|
| ASSETS | | | |
| Fixed assets | | | |
| Investments | | 234,053 | 248,837 |
| Current assets | | | |
| Debtors | 8 | 2,250 | 2,127 |
| Cash and bank balances | 9 | 8,717 | 11,010 |
| Total assets | | 245,020 | 261,974 |
| LIABILITIES | | | |
| Creditors | | | |
| Distribution payable | | 2,781 | 2,448 |
| Other creditors | 10 | 1,191 | 958 |
| Total liabilities | | 3,972 | 3,406 |
| Net assets attributable to unitholders | | 241,048 | 258,568 |

Notes to the Financial Statements

1.1 Accounting policies

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

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

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

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

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

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

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

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

Notes to the Financial Statements (Continued)

h) Underwriting commission is accounted for when the issue underwritten takes place. Where the Fund is required to take up all of the shares underwritten, the commission received is treated as a deduction from the cost of the shares taken up. Where the Fund is required to take up a proportion of the shares underwritten, the same proportion of the commission received is treated as a deduction from the cost of the shares taken up and the balance is taken to revenue.

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

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

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

1.2 Distribution policy

a) The fund distributes on a monthly basis. Any net revenue deficit will be borne by the capital account. Any net revenue deficit will be transferred to the capital account. The type of distribution being made by the Fund is dividend distribution.

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

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

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

2 Financial instruments

The analysis and tables provided below refer to the narrative disclosure on financial instruments risks on pages 7 to 8 of the Manager's Report.

Price risk sensitivity

At 6 March 2022, if the price of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, the net assets would increase or decrease by £11,702,648 (2021: £12,441,845) respectively.

Notes to the Financial Statements (Continued)

Foreign currency risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 5% the resulting change in the net assets attributable to shareholders of the Fund would be a decrease of approximately £282,690 (2021: £259,920). A 5% weakening in GBP would have an equal but opposite effect.

Interest rate risk sensitivity

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

Currency exposures

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

| | Monetary Exposure | Non-Monetary Exposure | Total |
|--------------|-------------------|-----------------------|--------------|
| | £'000 | £'000 | £'000 |
| 2022 | | | |
| US Dollar | 459 | 5,195 | 5,654 |
| Total | 459 | 5,195 | 5,654 |

| | Monetary Exposure | Non-Monetary Exposure | Total |
|--------------|-------------------|-----------------------|--------------|
| | £'000 | £'000 | £'000 |
| 2021 | | | |
| US Dollar | 341 | 4,857 | 5,198 |
| Total | 341 | 4,857 | 5,198 |

3 Net capital gains

The net gains during the year comprise:

| | 2022 | 2021 |
|-------------------------------------|--------------|---------------|
| | £'000 | £'000 |
| Gains on non-derivative securities | 5,749 | 12,050 |
| Losses on foreign currency exchange | - | (11) |
| Net capital gains | 5,749 | 12,039 |

4 Revenue

| | 2022 | 2021 |
|-------------------------|---------------|---------------|
| | £'000 | £'000 |
| UK dividends | 9,012 | 7,317 |
| REIT dividends | 769 | 619 |
| Overseas dividends | 2,063 | 4,525 |
| Underwriting commission | - | 2 |
| Bank interest | 10 | 3 |
| Total revenue | 11,854 | 12,466 |

Notes to the Financial Statements (Continued)

5 Expenses

| | 2022 £'000 | 2021 £'000 |
|-------------------------------|---------------|---------------|
| Payable to the Manager | | |
| Annual management charge | 2,564 | 2,590 |
| Registrar's fees | 159 | 165 |
| | 2,723 | 2,755 |
| Other expenses | | |
| Audit fee | 8 | 9 |
| Trustee's fees | 44 | 66 |
| | 52 | 75 |
| Total expenses | 2,775 | 2,830 |

Expenses include irrecoverable VAT where applicable.

6 Taxation

a) Analysis of tax in the year:

| | 2022 £'000 | 2021 £'000 |
|----------------------------|---------------|---------------|
| Irrecoverable overseas tax | 107 | 94 |

b) Factors affecting total tax charge for the year:

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

The differences are explained below:

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Net revenue before taxation | 9,079 | 9,636 |
| Corporation tax at 20% | 1,816 | 1,927 |
| Effects of: | | |
| Irrecoverable overseas tax | 107 | 94 |
| Movement in excess management expenses | 292 | 364 |
| Revenue not subject to taxation | (2,108) | (2,291) |
| Total effects | (1,709) | (1,833) |
| Total tax charge for the year (see note 6a) | 107 | 94 |

Authorised unit trusts are exempt from tax on capital gains.

Notes to the Financial Statements (Continued)

c) Deferred taxation:

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

d) Factors that may affect future tax charges:

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £8,284,335 (2021: £7,991,897) relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

7 Distributions

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

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| 1st Interim | 518 | - |
| 2nd Interim | 514 | 224 |
| 3rd Interim | 512 | 949 |
| 4th Interim | 510 | 674 |
| 5th Interim | 505 | 656 |
| 6th Interim | 499 | 743 |
| 7th Interim | 496 | 725 |
| 8th Interim | 493 | 638 |
| 9th Interim | 491 | 630 |
| 10th Interim | 486 | 624 |
| 11th Interim | 486 | 613 |
| Final | 5,595 | 4,796 |
| | 11,105 | 11,272 |
| Add: Income deducted on cancellation of units | 353 | 731 |
| Deduct: Income received on creation of units | (143) | (25) |
| Net distribution for the year | 11,315 | 11,978 |
| Reconciliation to net revenue after taxation: | | |
| Net distribution for the year | 11,315 | 11,978 |
| Charges borne by capital account | (2,564) | (2,590) |
| Capital tax relief | 221 | 154 |
| Net revenue after taxation | 8,972 | 9,542 |

8 Debtors

| | 2022 £'000 | 2021 £'000 |
|---|---------------|---------------|
| Sales awaiting settlement | 683 | 76 |
| Amounts receivable on creation of units | 168 | 53 |
| Accrued revenue | 1,333 | 1,784 |
| Accrual class action | 66 | 214 |
| Total debtors | 2,250 | 2,127 |

Notes to the Financial Statements (Continued)

9 Cash and bank balances

| | 2022 | 2021 |
|-------------------------------------|--------------|---------------|
| | £'000 | £'000 |
| Cash and bank balances | 8,717 | 11,010 |
| Total cash and bank balances | 8,717 | 11,010 |

10 Other creditors

| | 2022 | 2021 |
|--|--------------|------------|
| | £'000 | £'000 |
| Amounts payable on cancellation of units | 711 | 678 |
| Accrued expenses | | |
| - Manager | 440 | 249 |
| - Other | 40 | 31 |
| Total other creditors | 1,191 | 958 |

11 Unitholders' funds

The Fund currently has four unit classes in issue.

| | R Inc | R Acc | Z Inc | Z Acc |
|-------------------------------|-------------------|------------------|-------------------|-------------------|
| Opening units in issue | 14,190,281 | 6,933,904 | 73,010,495 | 38,837,149 |
| Units issued | 340,067 | 129,585 | 4,848,401 | 1,906,725 |
| Units cancelled | (3,310,023) | (765,923) | (7,571,540) | (6,710,302) |
| Unit conversions | - | - | - | - |
| Closing units in issue | 11,220,325 | 6,297,566 | 70,287,356 | 34,033,572 |

12 Related parties

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

At 06 March 2022, there were no unitholders that hold more than 50% of units in the Fund. Other than disclosed elsewhere in the Financial Statements, there were no transactions between the Fund and related parties during the year.

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

Notes to the Financial Statements (Continued)

13 Portfolio transaction costs

| 2022 | Net purchase cost £'000 | Commissions paid £'000 | % | Taxes £'000 | % | Total purchase cost £'000 |
|-------------------------------|----------------------------|---------------------------|---|----------------|------|------------------------------|
| Analysis of purchases | | | | | | |
| Collective Investment Schemes | 726 | - | - | - | - | 726 |
| Equity | 9,642 | - | - | 5 | 0.05 | 9,647 |
| Total | 10,368 | - | | 5 | | 10,373 |

| 2022 | Net sale proceeds £'000 | Commissions paid £'000 | % | Taxes £'000 | % | Total sale proceeds £'000 |
|-------------------------------|----------------------------|---------------------------|--------|----------------|---|------------------------------|
| Analysis of sales | | | | | | |
| Collective Investment Schemes | 253 | - | - | - | - | 253 |
| Equity | 30,461 | (12) | (0.04) | - | - | 30,449 |
| Total | 30,714 | (12) | | - | | 30,702 |

| 2021 | Net purchase cost £'000 | Commissions paid £'000 | % | Taxes £'000 | % | Total purchase cost £'000 |
|-------------------------------|----------------------------|---------------------------|------|----------------|------|------------------------------|
| Analysis of purchases | | | | | | |
| Collective Investment Schemes | 3,016 | 2 | 0.07 | 15 | 0.50 | 3,033 |
| Equity | 8,735 | 1 | 0.01 | 8 | 0.09 | 8,744 |
| Total | 11,751 | 3 | | 23 | | 11,777 |

| 2021 | Net sale proceeds £'000 | Commissions paid £'000 | % | Taxes £'000 | % | Total sale proceeds £'000 |
|-------------------------------|----------------------------|---------------------------|--------|----------------|---|------------------------------|
| Analysis of sales | | | | | | |
| Collective Investment Schemes | 7,605 | (4) | (0.05) | - | - | 7,601 |
| Equity | 87,304 | (44) | (0.05) | (1) | - | 87,259 |
| Total | 94,909 | (48) | | (1) | | 94,860 |

| | | |
|---|-------|---------------|
| Commission as a % of average net assets | 0.01% | (2021: 0.02%) |
| Taxes as a % of average net assets | 0.00% | (2021: 0.01%) |

Portfolio dealing spread

The average portfolio dealing spread as at the year end was 1.52% (2021: 1.67%).

Notes to the Financial Statements (Continued)

14 Fair value disclosure

| | 06 March 2022 | | 06 March 2021 | |
|----------------------------|-----------------|----------------------|-----------------|----------------------|
| | Assets £'000 | Liabilities £'000 | Assets £'000 | Liabilities £'000 |
| Valuation technique | | | | |
| Level1 [^] | 234,053 | - | 248,739 | - |
| Level2 ^{^^} | - | - | 98 | - |
| Level3 ^{^^^} | - | - | - | - |
| Total | 234,053 | - | 248,837 | - |

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

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

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

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

15 Commitments, contingent liabilities and contingent assets

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

16 Post balance sheet events

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

Distribution Tables

For the year ended 6 March 2022

| | | Net revenue | Equalisation | Distribution payable/paid | |
|--------------|---------|-------------|--------------|---------------------------|------------|
| | | | | Current year | Prior year |
| R Inc | | | | | |
| 1st Interim | Group 1 | 0.500 | - | 0.500 | - |
| | Group 2 | 0.204 | 0.296 | 0.500 | - |
| 2nd Interim | Group 1 | 0.500 | - | 0.500 | 0.150 |
| | Group 2 | - | 0.500 | 0.500 | 0.150 |
| 3rd Interim | Group 1 | 0.500 | - | 0.500 | 1.200 |
| | Group 2 | - | 0.500 | 0.500 | 1.200 |
| 4th Interim | Group 1 | 0.500 | - | 0.500 | 0.430 |
| | Group 2 | - | 0.500 | 0.500 | 0.430 |
| 5th Interim | Group 1 | 0.500 | - | 0.500 | 0.430 |
| | Group 2 | - | 0.500 | 0.500 | 0.430 |
| 6th Interim | Group 1 | 0.500 | - | 0.500 | 0.500 |
| | Group 2 | - | 0.500 | 0.500 | 0.500 |
| 7th Interim | Group 1 | 0.500 | - | 0.500 | 0.500 |
| | Group 2 | - | 0.500 | 0.500 | 0.500 |
| 8th Interim | Group 1 | 0.500 | - | 0.500 | 0.500 |
| | Group 2 | - | 0.500 | 0.500 | 0.500 |
| 9th Interim | Group 1 | 0.500 | - | 0.500 | 0.500 |
| | Group 2 | - | 0.500 | 0.500 | 0.500 |
| 10th Interim | Group 1 | 0.500 | - | 0.500 | 0.500 |
| | Group 2 | - | 0.500 | 0.500 | 0.500 |
| 11th Interim | Group 1 | 0.500 | - | 0.500 | 0.500 |
| | Group 2 | - | 0.500 | 0.500 | 0.500 |
| Final | Group 1 | 5.218 | - | 5.218 | 4.356 |
| | Group 2 | 0.723 | 4.495 | 5.218 | 4.356 |
| R Acc | | | | | |
| 1st Interim | Group 1 | 1.300 | - | 1.300 | - |
| | Group 2 | 0.577 | 0.723 | 1.300 | - |
| 2nd Interim | Group 1 | 1.300 | - | 1.300 | 0.420 |
| | Group 2 | - | 1.300 | 1.300 | 0.420 |
| 3rd Interim | Group 1 | 1.300 | - | 1.300 | 3.300 |
| | Group 2 | - | 1.300 | 1.300 | 3.300 |
| 4th Interim | Group 1 | 1.300 | - | 1.300 | 1.150 |
| | Group 2 | - | 1.300 | 1.300 | 1.150 |
| 5th Interim | Group 1 | 1.300 | - | 1.300 | 1.150 |
| | Group 2 | - | 1.300 | 1.300 | 1.150 |
| 6th Interim | Group 1 | 1.300 | - | 1.300 | 1.300 |
| | Group 2 | - | 1.300 | 1.300 | 1.300 |
| 7th Interim | Group 1 | 1.300 | - | 1.300 | 1.300 |
| | Group 2 | - | 1.300 | 1.300 | 1.300 |
| 8th Interim | Group 1 | 1.300 | - | 1.300 | 1.300 |
| | Group 2 | - | 1.300 | 1.300 | 1.300 |

Distribution Tables (Continued)

| | | | | | |
|--------------|---------|--------|--------|--------|--------|
| 9th Interim | Group 1 | 1.300 | - | 1.300 | 1.300 |
| | Group 2 | - | 1.300 | 1.300 | 1.300 |
| 10th Interim | Group 1 | 1.300 | - | 1.300 | 1.300 |
| | Group 2 | - | 1.300 | 1.300 | 1.300 |
| 11th Interim | Group 1 | 1.300 | - | 1.300 | 1.300 |
| | Group 2 | - | 1.300 | 1.300 | 1.300 |
| Final | Group 1 | 15.882 | - | 15.882 | 12.071 |
| | Group 2 | 1.207 | 14.675 | 15.882 | 12.071 |

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| | | | | | |
|--------------|---------|-------|-------|-------|-------|
| 1st Interim | Group 1 | 0.300 | - | 0.300 | - |
| | Group 2 | 0.157 | 0.143 | 0.300 | - |
| 2nd Interim | Group 1 | 0.300 | - | 0.300 | 0.090 |
| | Group 2 | 0.012 | 0.288 | 0.300 | 0.090 |
| 3rd Interim | Group 1 | 0.300 | - | 0.300 | 0.600 |
| | Group 2 | - | 0.300 | 0.300 | 0.600 |
| 4th Interim | Group 1 | 0.300 | - | 0.300 | 0.300 |
| | Group 2 | - | 0.300 | 0.300 | 0.300 |
| 5th Interim | Group 1 | 0.300 | - | 0.300 | 0.300 |
| | Group 2 | - | 0.300 | 0.300 | 0.300 |
| 6th Interim | Group 1 | 0.300 | - | 0.300 | 0.350 |
| | Group 2 | - | 0.300 | 0.300 | 0.350 |
| 7th Interim | Group 1 | 0.300 | - | 0.300 | 0.350 |
| | Group 2 | - | 0.300 | 0.300 | 0.350 |
| 8th Interim | Group 1 | 0.300 | - | 0.300 | 0.300 |
| | Group 2 | - | 0.300 | 0.300 | 0.300 |
| 9th Interim | Group 1 | 0.300 | - | 0.300 | 0.300 |
| | Group 2 | - | 0.300 | 0.300 | 0.300 |
| 10th Interim | Group 1 | 0.300 | - | 0.300 | 0.300 |
| | Group 2 | - | 0.300 | 0.300 | 0.300 |
| 11th Interim | Group 1 | 0.300 | - | 0.300 | 0.300 |
| | Group 2 | - | 0.300 | 0.300 | 0.300 |
| Final | Group 1 | 3.123 | - | 3.123 | 2.506 |
| | Group 2 | 0.464 | 2.659 | 3.123 | 2.506 |

Distribution Tables (Continued)

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| | | | | | |
|--------------|---------|-------|-------|-------|-------|
| 1st Interim | Group 1 | 0.400 | - | 0.400 | - |
| | Group 2 | 0.006 | 0.394 | 0.400 | - |
| 2nd Interim | Group 1 | 0.400 | - | 0.400 | 0.130 |
| | Group 2 | - | 0.400 | 0.400 | 0.130 |
| 3rd Interim | Group 1 | 0.400 | - | 0.400 | 1.000 |
| | Group 2 | - | 0.400 | 0.400 | 1.000 |
| 4th Interim | Group 1 | 0.400 | - | 0.400 | 0.400 |
| | Group 2 | - | 0.400 | 0.400 | 0.400 |
| 5th Interim | Group 1 | 0.400 | - | 0.400 | 0.400 |
| | Group 2 | - | 0.400 | 0.400 | 0.400 |
| 6th Interim | Group 1 | 0.400 | - | 0.400 | 0.450 |
| | Group 2 | - | 0.400 | 0.400 | 0.450 |
| 7th Interim | Group 1 | 0.400 | - | 0.400 | 0.450 |
| | Group 2 | - | 0.400 | 0.400 | 0.450 |
| 8th Interim | Group 1 | 0.400 | - | 0.400 | 0.400 |
| | Group 2 | - | 0.400 | 0.400 | 0.400 |
| 9th Interim | Group 1 | 0.400 | - | 0.400 | 0.400 |
| | Group 2 | - | 0.400 | 0.400 | 0.400 |
| 10th Interim | Group 1 | 0.400 | - | 0.400 | 0.400 |
| | Group 2 | - | 0.400 | 0.400 | 0.400 |
| 11th Interim | Group 1 | 0.400 | - | 0.400 | 0.400 |
| | Group 2 | - | 0.400 | 0.400 | 0.400 |
| Final | Group 1 | 5.331 | - | 5.331 | 3.891 |
| | Group 2 | 0.543 | 4.788 | 5.331 | 3.891 |

(All figures shown in pence per unit)

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

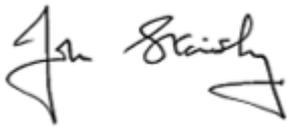
Equalisation is the average amount of income included in the purchase price of Group 2 units and is refundable to holders of these units as a return of capital. Being a capital item it is not liable to income tax, but must be deducted from the cost of units for capital gains tax purposes.

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

| | Group 2 units from | to | Group 1 & 2 units paid/transferred |
|--------------|-----------------------|----------|---------------------------------------|
| 1st Interim | 07.03.21 | 06.04.21 | 06.05.21 |
| 2nd Interim | 07.04.21 | 06.05.21 | 04.06.21 |
| 3rd Interim | 07.05.21 | 06.06.21 | 06.07.21 |
| 4th Interim | 07.06.21 | 06.07.21 | 06.08.21 |
| 5th Interim | 07.07.21 | 06.08.21 | 06.09.21 |
| 6th Interim | 07.08.21 | 06.09.21 | 06.10.21 |
| 7th Interim | 07.09.21 | 06.10.21 | 05.11.21 |
| 8th Interim | 07.10.21 | 06.11.21 | 06.12.21 |
| 9th Interim | 07.11.21 | 06.12.21 | 06.01.22 |
| 10th Interim | 07.12.21 | 06.01.22 | 04.02.22 |
| 11th Interim | 07.01.22 | 06.02.22 | 04.03.22 |
| Final | 07.02.22 | 06.03.22 | 06.04.22 |

DIRECTORS' APPROVAL

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



John Stainsby
Director
Thursday 23rd June 2022



Amanda Prince
Director
Thursday 23rd June 2022

Statement of Manager's Responsibilities

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

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

In preparing the accounts the Manager is required to:

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

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

Report of the Trustee

STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES AND REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF AXA FRAMLINGTON MONTHLY INCOME FUND FOR THE YEAR ENDED 06 MARCH 2022

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

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

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

The Depositary must ensure that:

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

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

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

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

Trustee
HSBC Global Trustee & Fiduciary Services (UK)
Thursday 23rd June 2022

Report of the Independent Auditor

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE AXA FRAMLINGTON MONTHLY INCOME FUND

OPINION

We have audited the financial statements of AXA Framlington Monthly Income Fund ("the Fund") for the year ended 06 March 2022, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 06 March 2022 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

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

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our audit report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

In our opinion:

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF THE MANAGER

As explained more fully in the Manager’s responsibilities statement set out on page 32, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

Our approach was as follows:

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

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

USE OF OUR REPORT

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

Ernst & Young LLP
Statutory Auditor
Edinburgh
Thursday 23rd June 2022

Further Information (Unaudited)

REMUNERATION POLICY OF THE MANAGER

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

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

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

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

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

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

⁽¹⁾ Excluding social charges.

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

⁽³⁾ Variable compensation, includes:

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

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

Remuneration to Identified Employee:

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

UK Identified Employee Remuneration:

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

THE SECURITIES FINANCING TRANSACTIONS REGULATION

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the year to 06 March 2022 and at the balance sheet date, the Fund did not use SFTs or total return swaps, as such no disclosure is required.

VALUE ASSESSMENT

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

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

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

CHANGE OF TRUSTEE

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

Directory

The Manager

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

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

The Administrator and address for inspection of Register:

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

Trustees

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

From 24th September 2021 to 06th March 2022
HSBC Global Trustee & Fiduciary Services (UK)
8 Canada Square,
London, E14 5HQ
HSBC Bank plc is a subsidiary of HSBC Holdings plc.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Fund Accounting Administrator

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

Legal advisers

Eversheds LLP
One Wood Street
London, EC2V 7WS

Auditor

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

Dealing and Correspondence

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