



**Annual Long Report and Audited Financial Statements**  
**Year ended**  
**31 October 2024**

**AXA Framlington Health Fund**





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

### Contents Page

Fund Objective & Investment Policy*	3
Important Events During the Year*	4
Investment Review*	5
Portfolio Changes*	7
Managing Risks*	8
Fund Information	11
Comparative Tables	13
Portfolio Statement*	17
Statement of Total Return	20
Statement of Change in Net Assets Attributable to Unitholders	20
Balance Sheet	21
Notes to the Financial Statements	22
Distribution Tables	30
Statement of Manager's Responsibilities	33
Report of the Trustee	34
Report of the Independent Auditor	35
Further Information (Unaudited)*	38
Directory*	40

\* 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 Health Fund (“the Fund”) is to provide long-term capital growth over a period of 5 years or more.

The Fund invests in shares of listed healthcare companies including producers of pharmaceuticals, biotechnology firms, medical device and instrument manufacturers, distributors of healthcare products, care providers and managers and other healthcare services companies, which the Manager believes will provide above-average returns. The Fund invests in companies of any size which can be based anywhere in the world albeit the Fund tends to be biased towards the US, as this is where the majority of healthcare related companies are based. The Manager selects shares based upon analysis of a company's 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 MSCI World Healthcare index. The MSCI World Healthcare index is designed to measure the performance of large and mid-cap segments across a number of developed markets as selected by the index provider. This index best represents the types of companies in which the Fund predominantly invests.

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

AXA Framlington Health Fund (‘the Fund’) is authorised and regulated by the Financial Conduct Authority.



## **Important Events During the Year**

### **CHANGE OF SETTLEMENT PERIOD FOR THE SALE AND PURCHASE OF UNITS**

The settlement period for the sale and purchase of units in the AXA Framlington Health Fund will shorten from four working days (from the dealing day) to two working days for trades placed from 27 January 2025 onwards.



## Investment Review

The Healthcare sector lagged broader equity indices over the course of the year, ending the period as the fourth worst performing sector on a global basis. Following on from an ‘annus horribilis’ in 2023, a confluence of factors led to a frustrating 2024. On the positive side, strong procedure volumes and utilisation boosted sectors including MedTech and Healthcare facilities, driven mainly by demographics as the ‘baby boomer’ generation approaches its peak healthcare consumption window: average healthcare cost per year doubles from the age of 45 to 65, and quadruples by 85. Large portions of our investment universe stand to benefit from such a multi-year trend. Nevertheless, the remainder of the healthcare investment universe experienced a challenging period characterised by heightened uncertainty which ultimately outweighed the positive developments. The healthcare insurance sector has been negatively impacted by this higher healthcare utilisation environment, as well as continued pressure on earnings power from the US government in the form of lower payment rates and the changes brought about by the Inflation Reduction Act. Questions linger over R&D productivity and a significant patent cliff through the end of the decade for much of the Biopharma sector, negatively impacting sentiment and heightening the scrutiny on late-stage clinical trial data and new drug launches. The prevailing macro backdrop has been un conducive to progress on this front, with an uncertain funding environment and key regulatory changes in the US resulting in a period of strategic realignment, pipeline rationalisation and cost cutting across the sector. These factors have led to struggling equity performance not only for the Biopharma sector itself, but also the upstream Life Science Tools sector – those companies which provide services, instruments and consumables across the spectrum of drug discovery – due to a persistent lack of visibility into customer ordering intentions. We are now in the third such consecutive year in Life Science Tools, following similar disruption and uncertainty spawned from the COVID-19 pandemic, rate tightening cycle, geopolitical tensions and China slowdown, although we continue to see increasingly robust signs towards a return to ‘normality’ for the sector from 2025. Indeed, after a challenging two years for Healthcare broadly, we see plenty of reasons for optimism for 2025 and beyond: at a high level, history suggests Healthcare rarely underperforms the broader equity market for three consecutive years – a phenomenon which has happened once since 1990, during the pandemic; similarly, a monetary policy loosening cycle tends to bode well for Biopharma, which outperformed the S&P by >20% on average in the 12 months following the first rate cut over the past five cycles, dating back to 1995. Fundamentally, biopharma funding data in 2024 is on track to be the strongest year ever (ex. COVID-19), and the tensions described above which have limited biotech spending are increasingly in the rear-view mirror. Early signs that fiscal stimulus is benefitting the Life Science Tools sector is promising. While the recently troubled sectors show signs of improvement, the leading light of the past year also shows no sign of dimming: robust healthcare utilisation and hospital CAPEX environment appears set to continue over the next 12 months, and with that we could have line of sight on a Healthcare sector firing on all cylinders again.

Over the past year, the AXA Framlington Health Fund has returned an absolute positive return of 13.5%, slightly outperforming the MSCI World Health ACWI. Top performers for the Fund included Natera, Zealand Pharma, Transmedics and Tenet Healthcare, and we are pleased to see these key pick mid-cap disruptors heading the list. The Fund was overweight Healthcare Equipment & Services, where some key switches made through the period contributed meaningfully to performance. Of note were the changes within our MedTech exposure; following a strong run from Transmedics, an organ transplant service provider, which saw shares double, we exited the position in favour of Procept Robotics. Since our trade, Transmedics has nearly halved while Procept has risen nearly 50%. Likewise, within the hospital space, we switched out of bellwether HCA into Tenet Healthcare, whereby we gained similar exposure but with a preferred end market mix as well as a self-help turnaround story and valuation dislocation. Following this, THC rose >180% on the year, almost triple the performance of HCA. We are underweight the Managed Care space which has also aided

### Top Ten Holdings

as at 31 October 2024

	%
<b>Eli Lilly</b>	<b>8.99</b>
<i>US Equities</i>	
<b>Novo Nordisk</b>	<b>6.61</b>
<i>Danish Equities</i>	
<b>UnitedHealth Group</b>	<b>5.70</b>
<i>US Equities</i>	
<b>Merck &amp; Co</b>	<b>4.72</b>
<i>US Equities</i>	
<b>Thermo Fisher Scientific</b>	<b>4.40</b>
<i>US Equities</i>	
<b>AstraZeneca</b>	<b>4.16</b>
<i>UK Equities</i>	
<b>Becton Dickinson</b>	<b>4.05</b>
<i>US Equities</i>	
<b>Abbott Laboratories</b>	<b>3.28</b>
<i>US Equities</i>	
<b>Intuitive Surgical</b>	<b>3.19</b>
<i>US Equities</i>	
<b>Dexcom</b>	<b>3.05</b>
<i>US Equities</i>	



## Investment Review (Continued)

performance, and we remain concerned for the mid-term outlook for the industry, in particular with respect to the risk of erosion of earnings power across a wide range of healthcare services, in spite of a Republican presidency and red sweep in the Senate, which traditionally have been favourable for the sector.

The underweight in Large Pharma has been a positive this year, in particular not owning Pfizer, which was a top five contributor to performance. Our underweight in Large Pharma is driven by the many challenges the sector faces, namely the implications of the IRA on drug pricing and cost sharing, compounded by the fact we are entering a historic period for biopharma patent cliffs, with ~\$200bn of peak pharma sales at risk by 2030. We entered the period with notable overweight positioning across the obesity-exposed companies, which we have significantly trimmed as the year went on. We see a more challenging setup for the current incumbents from 2025, where elevated valuations will need to combat increasing competitor clinical trial readouts, price pressure, uncertainties with respect to longer term payor coverage and the emergence of cut-price compound pharmacies getting more flexibility to operate from the FDA than was initially expected.

The largest detractors to performance have been within the Life Sciences Tools sector, namely Cryoport, Icon and Sartorius. This subsector has been impacted by a lack of visibility into its end markets, increased uncertainty within the Biopharma customer base, and weakness from China. We took advantage of this weakness throughout the year to build into high quality growth companies longer term at attractive entry valuations. We have strong conviction on the recovery in this subsector given the direction of travel in the Biopharma pipeline. As drugs become more specialised and personalised, this will continue to drive the outsourcing trend across R&D, clinical trials and manufacturing. The sector has appropriately re-based and we believe, given the green shoots of recovery throughout 2024, has a very attractive set-up to normalise and drive outperformance over the mid-term.

## Outlook

Fundamentally, the healthcare sector remains one of the most secular growth sectors within the market. The sector will continue to benefit from not just the ageing demographic in the developed world but a greater focus on prevention of disease, a growing focus on therapeutic innovation, expanding access and an increasing drive for efficiencies in the healthcare system. The sector offers to investors a wide investment opportunity set across both innovation-led growth and highly profitable economically defensive businesses. Critically, heading into 2025, we see a unique opportunity whereby sub-sectors with the highest opportunity set in the medium term are trading at close to historic low valuations and are chronically under-owned across long term investment vehicles. In particular, we would point to the Life Science Tools sector as well as the outsourced value chain (clinical trial operators and drug manufacturers), as well as smid-cap biotech, as particularly attractive. Smid-cap biotech currently trades at a valuation near all-time lows, (~2x EV/cash vs 3-3.5x 20-year average) despite sector fundamentals improving on all fronts: consolidation, funding, M&A and regulatory success. Whilst we acknowledge the uncertainties a new US government creates for the sector, particularly with some of the more controversial intended appointments in key Healthcare leadership roles, we believe these concerns will prove to be overdone, and have a much more balanced outlook than the broader market. Overall, we see 2025 and beyond up for good equity performance on some reversion of historically low sentiment, a more supportive interest rate environment for growth and duration, and the final wash out of COVID-19 related headwinds. We have built our portfolio to incorporate investments in cutting edge innovation and defensive growth across the global opportunity set and market cap range, and are excited for what the coming years will bring.

## Catherine Tennyson

Source of all performance data: AXA Investment Managers, Morningstar to 31 October 2024.

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 31 October 2024

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
Amplifon	16,916	UnitedHealth Group	19,959
Becton Dickinson	14,842	Eli Lilly	16,149
Dexcom	12,600	EssilorLuxottica	14,272
CryoPort	11,635	HCA Healthcare	11,132
Edwards Lifesciences	11,632	Bristol-Myers Squibb	9,986
Sartorius	10,302	Boston Scientific	9,780
CVS Health	8,312	Transmedics Group	9,734
ICON	7,230	Hologic	9,037
PROCEPT BioRobotics	6,522	Insulet	8,639
Tecan Group	6,373	Axonics	7,954
Other purchases	58,699	Other sales	103,778
<b>Total purchases for the year</b>	<b>165,063</b>	<b>Total sales for the year</b>	<b>220,420</b>



## 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 the shares of quoted companies on worldwide financial markets drawn from companies in the healthcare and medical services and product companies. As the Fund invests in a single sector it has the potential to be more volatile than the Fund which invests in a more diversified portfolio of equities across a range of sectors. As many of these investments will be made in non sterling denominated listed equities, the value of the Fund will not only be impacted by the market risk associated with investing in equities but also by exchange rate movements between those currencies and sterling in which the Fund is based. The Fund also invests a limited proportion in emerging and newer markets which may involve a higher risk than investing in established markets. Such investments may involve a higher degree of risk than established markets due to heightened geopolitical risk in such countries (see below) and potential large currency volatility. The Fund's investment in companies fulfilling current medical needs is regarded as adopting a positive ethical stance, although investors should be aware that pharmaceutical companies are required by law to test their products on animals before entering clinical trials. Investors should consider carefully whether this investment risk is suitable for them.

### 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.

### CURRENCY RISK

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

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





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

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

## INDUSTRY SECTOR OR REGION RISK

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

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

## 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.

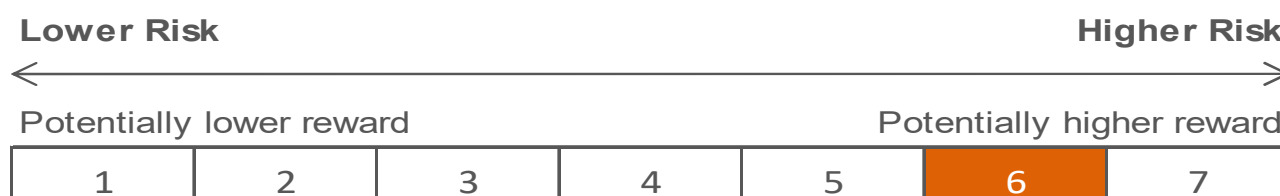
## STOCK LENDING RISK

The Fund may participate in a stock lending programme managed by an affiliate of the Manager (acting as stock lending agent) for the purpose of lending the Fund's securities via entering into a stock lending authorisation agreement. If the Fund engages in stock lending it will be exposed to counterparty credit risk in that the borrower may default on a loan, become insolvent or otherwise be unable to meet, or refuse to honour, its obligations to return loaned or equivalent securities. In this event, relevant Fund could experience delays in recovering the loaned securities, may not be able to recover the loaned securities and may incur a capital loss which might result in a reduction in the net asset value of the relevant Fund. The Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will be requested to post collateral, in the form of cash or debt or equity securities, as from time to time set out in the relevant stock lending agreement, and will forfeit its collateral if it defaults on the transaction. If a counterparty defaults and fails to return equivalent securities to those loaned, the Fund may suffer a loss equal to any shortfall between the value of the realised collateral and the market value of the replacement securities. Such collateral shortfall may arise as a result of inaccurate pricing of the collateral, unfavourable market movements in the value of the collateral, or a lack of liquidity in

the market on which the collateral is traded. If the relevant transaction with a counterparty is not fully collateralised, then the Fund's credit exposure to the counterparty in such circumstances will be higher than if the transaction had been fully collateralised. When entering into stock lending the Fund may also be exposed to settlement risk (i.e. the possibility that one or more parties to the transactions will fail to deliver the assets at agreed-upon time) and legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable. In addition to the specific risks identified above stock lending carry other risks, as described in this Risk Factors section, notably (i) counterparty risk, ii) custody insolvency and iii) liquidity risk.

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

## RISK AND REWARD PROFILE



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

## WHY IS THIS FUND IN THIS CATEGORY?

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

## ADDITIONAL RISKS

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

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

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

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



## Fund Information

### FIVE YEAR PERFORMANCE

In the five years to 31 October 2024, the price of Z Accumulation units, with net income reinvested, rose by +61.82%. The MSCI World Health Care Index (Net Return) increased by +58.03% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, rose by +59.71%. (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

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

Date	AXA Framlington Health Z Acc	MSCI World Health Care (NR)
31 Oct 2019 - 31 Oct 2020	+16.64%	+9.54%
31 Oct 2020 - 31 Oct 2021	+20.17%	+22.59%
31 Oct 2021 - 31 Oct 2022	+7.58%	+11.71%
31 Oct 2022 - 31 Oct 2023	-5.47%	-6.94%
31 Oct 2023 - 31 Oct 2024	+13.52%	+13.21%

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

Past performance is not a guide to future performance.

### YIELD

A Acc	0.27%
D Inc	Nil
D Acc	Nil
R Inc	Nil
R Acc	Nil
Z Inc	0.17%
Z Acc	0.17%

### CHARGES

	Initial Charge	Annual Management Charge
A Unit Classes *	Nil	0.65%
D Unit Classes	Nil	1.10%
R Unit Classes	Nil	1.50%
Z Unit Classes	Nil	0.75%

\* Units in Class A are only available at the Manager's discretion by contractual agreement.



## ONGOING CHARGES\*\*

A Acc	0.71%
D Inc	1.16%
D Acc	1.16%
R Inc	1.56%
R Acc	1.56%
Z Inc	0.81%
Z Acc	0.81%

\*\*Ongoing Charges are sourced from the Fund's latest Key Investor Information Document (KIID), found here: <https://funds.axa-im.co.uk/en/individual/fund/axa-Framlington-Health-Fund-z-accumulation-gbp/#documents>  
For additional 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 Health Fund is available as a Stocks and Shares ISA through the AXA Investment Managers Stocks and Shares ISA.

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

From June 2023 the FCA has introduced requirements for Managers of UK UCITS to report annually on a broad set of climate related disclosures that can promote more informed investment decisions. The reporting includes data relating to greenhouse gas emissions, carbon emissions, carbon footprint, and weighted carbon intensity. You can find a copy of the latest TCFD report for AXA Framlington Health Fund here: <https://funds.axa-im.co.uk/en/individual/fund/axa-Framlington-Health-Fund-z-accumulation-gbp/#documents>



## Comparative Tables

	A Acc		
Change in net assets per unit	31/10/2024 (p)	31/10/2023 (p)	31/10/2022 (p)
Opening net asset value per unit <sup>†</sup>	238.79	252.32	237.57
Return before operating charges <sup>^</sup>	34.47	(11.76)	16.46
Operating charges	(1.94)	(1.77)	(1.71)
Return after operating charges <sup>^</sup>	32.53	(13.53)	14.75
Distributions	(0.73)	(0.88)	(0.73)
Retained distributions on accumulation units	0.73	0.88	0.73
<b>Closing net asset value per unit<sup>†</sup></b>	<b>271.32</b>	<b>238.79</b>	<b>252.32</b>
* <sup>^</sup> after direct transaction costs of:	0.06	0.07	0.07
<b>Performance</b>			
Return after charges	13.62%	-5.36%	6.21%
<b>Other Information</b>			
Closing net asset value <sup>†</sup> (£'000)	2,031	2,578	3,201
Closing number of units	748,592	1,079,528	1,268,720
Operating charges	0.72%	0.71%	0.72%
Direct transaction costs <sup>*</sup>	0.02%	0.03%	0.03%
<b>Prices</b>			
Highest unit price #	291.70	256.10	252.40
Lowest unit price #	241.00	237.70	210.00



## Comparative Tables (Continued)

Change in net assets per unit	D Inc~			D Acc~		
	31/10/2024 (p)	31/10/2023 (p)	31/10/2022 (p)	31/10/2024 (p)	31/10/2023 (p)	31/10/2022 (p)
Opening net asset value per unit <sup>†</sup>	2,854.26	3,029.41	2,777.00	2,854.23	3,029.40	2,777.00
Return before operating charges <sup>^</sup>	412.06	(140.53)	267.28	412.09	(140.55)	267.27
Operating charges	(37.72)	(34.62)	(14.87)	(37.75)	(34.62)	(14.87)
Return after operating charges <sup>^</sup>	374.34	(175.15)	252.41	374.34	(175.17)	252.40
Distributions	-	-	-	-	-	-
Retained distributions on accumulation units	-	-	-	-	-	-
<b>Closing net asset value per unit<sup>†</sup></b>	<b>3,228.60</b>	<b>2,854.26</b>	<b>3,029.41</b>	<b>3,228.57</b>	<b>2,854.23</b>	<b>3,029.40</b>
 * <sup>^</sup> after direct transaction costs of:	 0.70	 0.79	 0.81	 0.70	 0.79	 0.81
<b>Performance</b>						
Return after charges	13.12%	-5.78%	9.09%	13.12%	-5.78%	9.09%
<b>Other Information</b>						
Closing net asset value <sup>†</sup> (£'000)	2,369	2,425	2,318	58,770	57,085	45,943
Closing number of units	73,384	84,942	76,511	1,820,294	2,000,027	1,516,557
Operating charges	1.17%	1.16%	1.17%	1.17%	1.16%	1.17%
Direct transaction costs <sup>*</sup>	0.02%	0.03%	0.03%	0.02%	0.03%	0.03%
<b>Prices</b>						
Highest unit price #	3,473.00	3,067.00	3,030.00	3,473.00	3,067.00	3,030.00
Lowest unit price #	2,880.00	2,849.00	2,608.00	2,880.00	2,849.00	2,608.00



## Comparative Tables (Continued)

Change in net assets per unit	R Inc			R Acc		
	31/10/2024	31/10/2023	31/10/2022	31/10/2024	31/10/2023	31/10/2022
	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per unit <sup>†</sup>	2,838.14	3,024.13	2,871.79	2,838.34	3,024.36	2,872.44
Return before operating charges <sup>^</sup>	409.63	(139.12)	196.82	409.68	(139.60)	196.44
Operating charges	(50.21)	(46.87)	(44.48)	(50.23)	(46.42)	(44.52)
Return after operating charges <sup>^</sup>	359.42	(185.99)	152.34	359.45	(186.02)	151.92
Distributions	-	-	-	-	-	-
Retained distributions on accumulation units	-	-	-	-	-	-
<b>Closing net asset value per unit<sup>†</sup></b>	<b>3,197.56</b>	<b>2,838.14</b>	<b>3,024.13</b>	<b>3,197.79</b>	<b>2,838.34</b>	<b>3,024.36</b>
* <sup>^</sup> after direct transaction costs of:	0.70	0.79	0.78	0.70	0.78	0.78
<b>Performance</b>						
Return after charges	12.66%	-6.15%	5.30%	12.66%	-6.15%	5.29%
<b>Other Information</b>						
Closing net asset value <sup>†</sup> (£'000)	1,141	1,384	6,141	80,073	82,700	166,895
Closing number of units	35,681	48,778	203,078	2,504,022	2,913,664	5,518,352
Operating charges	1.57%	1.56%	1.57%	1.57%	1.56%	1.57%
Direct transaction costs <sup>*</sup>	0.02%	0.03%	0.03%	0.02%	0.03%	0.03%
<b>Prices</b>						
Highest unit price #	3,442.00	3,055.00	3,039.00	3,442.00	3,055.00	3,040.00
Lowest unit price #	2,864.00	2,833.00	2,532.00	2,864.00	2,833.00	2,532.00



## Comparative Tables (Continued)

	Z Inc			Z Acc		
Change in net assets per unit	31/10/2024	31/10/2023	31/10/2022	31/10/2024	31/10/2023	31/10/2022
	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per unit <sup>†</sup>	191.49	203.06	191.76	388.95	411.40	387.74
Return before operating charges <sup>^</sup>	27.65	(9.44)	13.26	56.17	(19.17)	26.83
Operating charges	(1.78)	(1.62)	(1.56)	(3.61)	(3.28)	(3.17)
Return after operating charges <sup>^</sup>	25.87	(11.06)	11.70	52.56	(22.45)	23.66
Distributions	(0.37)	(0.51)	(0.40)	(0.75)	(1.03)	(0.80)
Retained distributions on accumulation units	-	-	-	0.75	1.03	0.80
<b>Closing net asset value per unit<sup>†</sup></b>	<b>216.99</b>	<b>191.49</b>	<b>203.06</b>	<b>441.51</b>	<b>388.95</b>	<b>411.40</b>
 * <sup>^</sup> after direct transaction costs of:	0.05	0.05	0.05	0.10	0.11	0.11
<b>Performance</b>						
Return after charges	13.51%	-5.45%	6.10%	13.51%	-5.46%	6.10%
<b>Other Information</b>						
Closing net asset value <sup>†</sup> (£'000)	60,950	55,307	54,006	383,293	363,829	341,794
Closing number of units	28,088,503	28,883,247	26,596,562	86,814,556	93,540,735	83,080,076
Operating charges	0.82%	0.81%	0.82%	0.82%	0.81%	0.82%
Direct transaction costs <sup>*</sup>	0.02%	0.03%	0.03%	0.02%	0.03%	0.03%
<b>Prices</b>						
Highest unit price #	233.50	205.70	203.60	474.70	417.30	411.70
Lowest unit price #	193.20	191.20	169.50	392.50	387.30	342.70

<sup>†</sup> 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.

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

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

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

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





## Portfolio Statement

The AXA Framlington Health Fund portfolio as at 31 October 2024 consisted of the following investments, which are ordinary shares unless otherwise stated.

Holding	Market value £'000	Total net assets (%)
<b>EUROPE (excluding UK &amp; EASTERN EUROPE): 27.60%</b> (31/10/2023: 25.59%)		
<b>Denmark: 7.99%</b> (31/10/2023: 8.13%)		
456,115 Novo Nordisk	38,892	6.61
91,666 Zealand Pharma	8,103	1.38
	<b>46,995</b>	<b>7.99</b>
<b>France: 2.74%</b> (31/10/2023: 5.31%)		
197,235 Sanofi	16,130	2.74
	<b>16,130</b>	<b>2.74</b>
<b>Germany: 3.44%</b> (31/10/2023: 1.64%)		
511,973 Evotec	3,046	0.52
161,868 Fresenius	4,513	0.77
64,134 Sartorius	12,664	2.15
	<b>20,223</b>	<b>3.44</b>
<b>Ireland: 1.76%</b> (31/10/2023: 1.06%)		
58,980 ICON	10,357	1.76
	<b>10,357</b>	<b>1.76</b>
<b>Italy: 2.21%</b> (31/10/2023: 0.00%)		
617,128 Amplifon	13,039	2.21
	<b>13,039</b>	<b>2.21</b>
<b>Netherlands: 1.54%</b> (31/10/2023: 2.10%)		
14,598 Argenx	6,643	1.13
575,000 Onward Medical	2,408	0.41
	<b>9,051</b>	<b>1.54</b>



## Portfolio Statement (Continued)

Holding	Market value £'000	Total net assets (%)
<b>Sweden: 0.00%</b> <b>(31/10/2023: 0.49%)</b>		
<b>Switzerland: 7.92%</b> <b>(31/10/2023: 6.86%)</b>		
30,605 Lonza Group	14,622	2.48
152,941 Novartis	12,767	2.17
60,351 Roche	14,428	2.45
24,675 Tecan	4,810	0.82
	<b>46,627</b>	<b>7.92</b>
<b>NORTH AMERICA: 65.53%</b> <b>(31/10/2023: 68.56%)</b>		
<b>United States of America: 65.53%</b> <b>(31/10/2023: 68.56%)</b>		
218,980 Abbott Laboratories	19,317	3.28
90,041 AbbVie	13,981	2.37
12,703 Alnylam Pharmaceuticals	2,755	0.47
130,587 Becton Dickinson	23,815	4.05
32,078 Biogen	4,478	0.76
181,285 BioMarin Pharmaceutical	9,313	1.58
201,142 Boston Scientific	13,023	2.21
93,753 Cooper	7,600	1.29
1,124,395 CryoPort	5,900	1.00
175,841 CVS Health	7,639	1.30
324,117 Dexcom	17,930	3.05
185,738 Edwards Lifesciences	9,824	1.67
81,176 Eli Lilly	52,947	8.99
285,018 Exact Sciences	15,477	2.63
7,760 HCA Healthcare	2,159	0.37
8,783 Humana	1,802	0.31
47,421 Intuitive Surgical	18,774	3.19
265,619 Ionis Pharmaceuticals	8,036	1.36
72,593 IQVIA	12,090	2.05
22,569 McKesson	8,685	1.48
343,496 Merck & Co	27,779	4.72
158,870 Mirum Pharmaceuticals	4,795	0.81
72,016 Natera	7,033	1.19
131,498 PROCEPT BioRobotics	9,418	1.60
41,011 Tenet Healthcare	4,995	0.85
61,016 Thermo Fisher Scientific	25,889	4.40
227,567 Ultragenyx Pharmaceutical	9,083	1.54
77,172 UnitedHealth Group	33,534	5.70
46,797 Veeva Systems	7,739	1.31
	<b>385,810</b>	<b>65.53</b>



## Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
UNITED KINGDOM: 5.75% (31/10/2023: 5.60%)			
221,430	AstraZeneca	24,459	4.16
1,403,073	Autolus Therapeutics ADR	4,303	0.73
273,983	Bicycle Therapeutics ADR	5,063	0.86
		<b>33,825</b>	<b>5.75</b>
Investments as shown in the balance sheet		582,057	98.88
Net current assets		6,570	1.12
<b>Total net assets</b>		<b>588,627</b>	<b>100.00</b>

Stocks shown as ADRs represent American Depositary Receipts.



## Statement of Total Return

For the year ended 31 October

	Notes	£'000	2024 £'000	£'000	2023 £'000
Income					
Net capital gains/(losses)	3		73,563		(34,401)
Revenue	4	6,952		7,314	
Expenses	5	(5,798)		(6,014)	
Interest payable and similar charges		(2)		-	
Net revenue before taxation		1,152		1,300	
Taxation	6	(1,028)		(880)	
Net revenue after taxation			124		420
<b>Total return before distribution</b>			<b>73,687</b>		<b>(33,981)</b>
Distribution	7		(706)		(918)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>72,981</b>		<b>(34,899)</b>

## Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 October

	£'000	2024 £'000	£'000	2023 £'000
Opening net assets attributable to unitholders		565,308		620,298
Amounts receivable on creation of units	31,801		25,808	
Amounts payable on cancellation of units	(82,109)		(46,871)	
		(50,308)		(21,063)
Change in net assets attributable to unitholders from investment activities		72,981		(34,899)
Retained distribution on accumulation units		646		972
<b>Closing net assets attributable to unitholders</b>		<b>588,627</b>		<b>565,308</b>



## Balance Sheet

As at 31 October

		2024	2023
	Notes	£'000	£'000
<b>ASSETS</b>			
Fixed assets			
Investments		582,057	563,887
Current assets			
Debtors	8	486	536
Cash and bank balances	9	8,409	2,245
<b>Total assets</b>		<b>590,952</b>	<b>566,668</b>
<b>LIABILITIES</b>			
Creditors			
Distribution payable		39	77
Other creditors	10	2,286	1,283
<b>Total liabilities</b>		<b>2,325</b>	<b>1,360</b>
<b>Net assets attributable to unitholders</b>		<b>588,627</b>	<b>565,308</b>



## Notes to the Financial Statements

### 1.1 Accounting policies

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

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

b) Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when the right to receive payment is established.

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

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

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

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

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

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



## Notes to the Financial Statements (Continued)

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

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

j) The Fund is not required to produce a cash flow statement as it meets the exemption criteria set out in FRS102.7.1A.

### 1.2 Distribution policy

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

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

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

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

## 2 Financial instruments

The analysis and tables provided below refer to the narrative disclosure on financial instruments risks on pages 8 to 10 of the Manager's Report.

### Price risk sensitivity

At 31 October 2024, 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 £29,102,833 (2023: £28,194,364) respectively.

### Foreign currency risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 5% the resulting change in the net assets attributable to unitholders of the Fund would be a decrease of approximately £27,898,733 (2023: £26,805,574). A 5% weakening in GBP would have an equal but opposite effect.

## Notes to the Financial Statements (Continued)

### Interest rate risk sensitivity

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

### Currency exposures

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

<b>2024</b>	<b>Monetary Exposure £'000</b>	<b>Non Monetary exposure £'000</b>	<b>Total £'000</b>
Danish Krone	110	46,995	47,105
Euro	2	58,442	58,444
Swiss Franc	(1)	46,628	46,627
US Dollar	265	405,533	405,798
<b>Total</b>	<b>376</b>	<b>557,598</b>	<b>557,974</b>

<b>2023</b>	<b>Monetary Exposure £'000</b>	<b>Non Monetary exposure £'000</b>	<b>Total £'000</b>
Danish Krone	51	45,944	45,995
Euro	14	43,880	43,894
Swedish Krona	1	2,755	2,756
Swiss Franc	(1)	38,781	38,780
US Dollar	305	404,381	404,686
<b>Total</b>	<b>370</b>	<b>535,741</b>	<b>536,111</b>

### 3 Net capital gains/(losses)

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

	<b>2024 £'000</b>	<b>2023 £'000</b>
Gains/(losses) on non-derivative securities	73,541	(34,351)
Gains/(losses) on foreign currency exchange	25	(69)
Transaction charges	(3)	19
<b>Net capital gains/(losses)</b>	<b>73,563</b>	<b>(34,401)</b>

### 4 Revenue

	<b>2024 £'000</b>	<b>2023 £'000</b>
UK dividends	517	667
Overseas dividends	6,119	6,291
Bank interest	316	356
<b>Total revenue</b>	<b>6,952</b>	<b>7,314</b>



## Notes to the Financial Statements (Continued)

### 5 Expenses

	2024 £'000	2023 £'000
<b>Payable to the Manager</b>		
Annual management charge	5,401	5,644
Registrar's fees	362	362
	<b>5,763</b>	<b>6,006</b>
<b>Other expenses</b>		
Audit fee*	11	9
Safe custody charges	5	(16)
Trustee's fees	19	19
CSDR Penalty fee	-	(4)
	<b>35</b>	<b>8</b>
<b>Total expenses</b>	<b>5,798</b>	<b>6,014</b>

Expenses include irrecoverable VAT where applicable.

\* Audit fees for the financial year ending 2024 were £8,900 (2023: £7,190) (excluding VAT).

### 6 Taxation

#### a) Analysis of tax in the year:

	2024 £'000	2023 £'000
Irrecoverable overseas tax	1,028	880

#### 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%) (2023: 20%).

The differences are explained below:

	2024 £'000	2023 £'000
Net revenue before taxation	1,152	1,300
Corporation tax at 20%	230	260
Effects of:		
Irrecoverable overseas tax	1,028	880
Movement in excess management expenses	1,100	1,133
Revenue not subject to taxation	(1,330)	(1,392)
Expenses not deductible for tax purposes	-	(1)
Total effects	798	620
<b>Total tax charge for the year (see note 6a)</b>	<b>1,028</b>	<b>880</b>

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 (2023: 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 £26,782,389 (2023: £25,682,790) 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

At year end, there was insufficient income on D and R classes to meet expenses and taxation and, as permitted by the Trust Deed, an amount of £582,040 (2023: £497,888) has been transferred from the capital account to revenue account to meet this shortfall.

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

	2024 £'000	2023 £'000
Interim	460	523
Final	289	591
	749	1,114
Add: Income deducted on cancellation of units	(15)	(176)
Deduct: Income received on creation of units	(28)	(20)
<b>Net distribution for the year</b>	<b>706</b>	<b>918</b>
<b>Reconciliation to net revenue after taxation:</b>		
Net distribution for the year	706	918
Shortfall transfer to capital	(582)	(498)
<b>Net revenue after taxation</b>	<b>124</b>	<b>420</b>

## 8 Debtors

	2024 £'000	2023 £'000
Amounts receivable on creation of units	109	170
Accrued revenue	265	305
Overseas tax recoverable	112	61
<b>Total debtors</b>	<b>486</b>	<b>536</b>

## 9 Cash and bank balances

	2024 £'000	2023 £'000
Cash and bank balances	8,409	2,245
<b>Total cash and bank balances</b>	<b>8,409</b>	<b>2,245</b>



## Notes to the Financial Statements (Continued)

### 10 Other creditors

	2024 £'000	2023 £'000
Amounts payable on cancellation of units	1,769	749
Accrued expenses		
- Manager	456	465
- Other	61	69
<b>Total other creditors</b>	<b>2,286</b>	<b>1,283</b>

### 11 Unitholders' funds

The Fund currently has seven unit classes in issue.

	A Acc	D Inc	D Acc	R Inc	R Acc	Z Inc
Opening units in issue	1,079,528	84,942	2,000,027	48,778	2,913,664	28,883,247
Units issued	68,629	642	18,587	2,990	31,895	2,976,398
Units cancelled	(399,565)	(12,200)	(198,320)	(16,087)	(441,537)	(3,771,142)
Unit conversions	-	-	-	-	-	-
<b>Closing units in issue</b>	<b>748,592</b>	<b>73,384</b>	<b>1,820,294</b>	<b>35,681</b>	<b>2,504,022</b>	<b>28,088,503</b>

	Z Acc
Opening units in issue	93,540,735
Units issued	5,999,904
Units cancelled	(12,726,083)
Unit conversions	-
<b>Closing units in issue</b>	<b>86,814,556</b>

### 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 31 October 2024, 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

#### 2024

	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
<b>Analysis of purchases</b>						
Equity	164,979	67	0.04	17	0.01	165,063
<b>Total</b>	<b>164,979</b>	<b>67</b>		<b>17</b>		<b>165,063</b>

#### 2024

	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
<b>Analysis of sales</b>						
Equity	220,467	(44)	(0.02)	(3)	-	220,420
<b>Total</b>	<b>220,467</b>	<b>(44)</b>		<b>(3)</b>		<b>220,420</b>

#### 2023

	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
<b>Analysis of purchases</b>						
Equity	161,716	47	0.03	67	0.04	161,830
<b>Total</b>	<b>161,716</b>	<b>47</b>		<b>67</b>		<b>161,830</b>

#### 2023

	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
<b>Analysis of sales</b>						
Equity	158,779	(44)	(0.03)	(2)	-	158,733
<b>Total</b>	<b>158,779</b>	<b>(44)</b>		<b>(2)</b>		<b>158,733</b>

Commission as a % of average net assets

0.02% (2023: 0.02%)

Taxes as a % of average net assets

0.00% (2023: 0.01%)

#### Portfolio dealing spread

The average portfolio dealing spread as at the year end was 0.05% (2023: 0.05%).



## Notes to the Financial Statements (Continued)

### 14 Fair value disclosure

	31 October 2024		31 October 2023	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
<b>Valuation technique</b>				
Level 1 <sup>^</sup>	582,057	-	563,887	-
Level 2 <sup>^^</sup>	-	-	-	-
Level 3 <sup>^^^</sup>	-	-	-	-
<b>Total</b>	<b>582,057</b>	<b>-</b>	<b>563,887</b>	<b>-</b>

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

<sup>^^</sup> 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.

<sup>^^^</sup> 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 (2023: 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 31 October 2024

		Net revenue	Equalisation	Distribution payable/paid Current year	Prior year
<b>A Acc</b>					
Interim	Group 1	0.415	-	0.415	0.418
	Group 2	0.415	-	0.415	0.418
Final	Group 1	0.316	-	0.316	0.461
	Group 2	0.005	0.311	0.316	0.461
<b>D Inc</b>					
Interim	Group 1	-	-	-	-
	Group 2	-	-	-	-
Final	Group 1	-	-	-	-
	Group 2	-	-	-	-
<b>D Acc</b>					
Interim	Group 1	-	-	-	-
	Group 2	-	-	-	-
Final	Group 1	-	-	-	-
	Group 2	-	-	-	-
<b>R Inc</b>					
Interim	Group 1	-	-	-	-
	Group 2	-	-	-	-
Final	Group 1	-	-	-	-
	Group 2	-	-	-	-
<b>R Acc</b>					
Interim	Group 1	-	-	-	-
	Group 2	-	-	-	-
Final	Group 1	-	-	-	-
	Group 2	-	-	-	-
<b>Z Inc</b>					
Interim	Group 1	0.228	-	0.228	0.238
	Group 2	0.228	-	0.228	0.238
Final	Group 1	0.140	-	0.140	0.268
	Group 2	-	0.140	0.140	0.268
<b>Z Acc</b>					
Interim	Group 1	0.463	-	0.463	0.483
	Group 2	0.416	0.047	0.463	0.483
Final	Group 1	0.285	-	0.285	0.543
	Group 2	-	0.285	0.285	0.543

(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.



**Distribution Tables (Continued)**

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
Interim	01.11.23	30.04.24	28.06.24
Final	01.05.24	31.10.24	31.12.24



## DIRECTORS' APPROVAL

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

DocuSigned by:

*Ouajnat Karim*

9E9710AA503D457...

Ouajnat Karim

Director

Thursday 30<sup>th</sup> January 2025

DocuSigned by:

*Jane Wadia*

0D9B109B368548C...

Jane Wadia

Director

Thursday 30<sup>th</sup> January 2025





## Statement of Manager's Responsibilities

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

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Authorised Fund Manager to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland), of the financial affairs of the Fund and of its revenue and expenditure and capital 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 IN RESPECT OF THE SCHEME AND REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF AXA FRAMLINGTON HEALTH FUND OF THE AXA FRAMLINGTON RANGE OF AUTHORISED UNIT TRUST SCHEMES ("THE TRUST") FOR THE YEAR END 31ST OCTOBER 2024.

The Depositary in its capacity as Trustee of AXA Framlington Health 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 30<sup>th</sup> January 2025



## Report of the Independent Auditor

### INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE AXA FRAMLINGTON HEALTH FUND.

#### OPINION

We have audited the financial statements of AXA Framlington Health Fund for the year ended 31 October 2024, 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 31 October 2024 and of the net revenue and 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 33, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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



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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrators and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification 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 30<sup>th</sup> January 2025

DocuSigned by:

Ernst & Young LLP

F443228F3390458...



## 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 2023 to 31 December 2023:

Total amount of remuneration paid and / or allocated to all staff for the year ended December 31, 2023 <sup>(1)</sup>	
Fixed Pay <sup>(2)</sup> (£'000)	250,226
Variable Pay <sup>(3)</sup> (£'000)	155,658
Number of employees <sup>(4)</sup>	2,808

<sup>(1)</sup> Excluding social charges.

<sup>(2)</sup> Fixed Pay amount is based on 2022/23 compensation review final data. (This amount is different from the data from the stafflist as of 31/12/2023).

<sup>(3)</sup> Variable compensation, includes:

- the cash amounts awarded for the performance of the previous year and fully paid over the financial year under review (2023),
- 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 (2023)

<sup>(4)</sup> Number of employees includes Permanent and Temporary contracts excluding internships (based on Staff list as of 31/12/2023).

## Further Information (Unaudited) (continued)

### Remuneration to Identified Employee:

Aggregate amount of compensation paid and / or allocated to risk takers and senior management whose activities have a significant impact on the risk profile of investment vehicles			
	Risk Takers	Senior Management	Total
Fixed Pay and Variable Remuneration (£'000)	87,639	39,175	126,814
Number of employees	277	62	339

### 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)	3,764	1,683	5,447
Number of employees	64	15	79

## 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 31 October 2024 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>



## Directory

### The Manager

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

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

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

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

### Trustee

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

### Fund Accounting Administrator

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

### Legal adviser

Eversheds LLP  
One Wood Street  
London, EC2V 7WS

### Auditor

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

### Dealing and Correspondence

PO Box 10908  
Chelmsford, CM99 2UT

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