

# Manager's interim report

For the period 1 January 2024 to 30 June 2024 (unaudited)

**THE MARKS AND SPENCER  
WORLDWIDE MANAGED FUND**



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# The Marks and Spencer Worldwide Managed Fund

## **Manager, Registrar, dealing, administration and marketing**

Marks and Spencer Unit Trust Management Limited

Authorised and regulated by the Financial Conduct Authority.

Investor helpline: 0808 005 5555 or +44 1244 688632 if calling from abroad. Lines are open from 8am to 6pm Monday to Friday (closed weekends and public holidays). Please be aware that opening hours may be restricted over the Christmas period. Please contact us for details. Calls may be recorded.

## **Head office and registered office**

Kings Meadow  
Chester Business Park  
Chester CH99 9FB  
Registered in England  
No. 2253009

## **Correspondence address**

M&S Bank  
PO Box 329  
Wyndham  
NR18 8HA

## **Directors of the Manager**

James Coyle (Chairman and non-Executive Director) (resigned 25 April 2024)

Jenny Goldie-Scot (Chairman and Non-Executive Director) (appointed 25 April 2024)

Paul Spencer (Chief Executive Officer and Director)

Phillip Scott (Director)

Simon Calver (Non-Executive Director) (appointed 25 April 2024)

## **Investment manager**

HSBC Global Asset Management (UK) Limited  
8 Canada Square  
London E14 5HQ

Authorised and regulated by the Financial Conduct Authority.

## **Trustee**

State Street Trustees Limited  
Quartermile 3  
10 Nightingale Way  
Edinburgh EH3 9EG

Authorised and regulated by the Financial Conduct Authority.

## **Independent auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

# Manager's investment report

This section gives you confirmation of The Marks and Spencer Worldwide Managed Fund (the "Fund") objective. It also gives you the investment strategy employed by the investment adviser; and an economic, market and portfolio review for the period of the report.

## **Our objectives and methods**

### **Objective**

The Fund's objective is to achieve capital growth and income in the long term (five years or more).

### **Policy**

To achieve its objective, the Fund will provide exposure to a range of asset classes including shares of companies (equities), bonds, money market instruments and alternative asset classes such as property and instruments that employ a strategy similar to hedge funds. The portfolio will be diversified globally by investing both in the UK and overseas. Investments in shares of companies, bonds, and money market instruments may be held indirectly via collective investment schemes, of which some or all are likely to track indices as part of their underlying objective, or directly in securities. Investments in alternative asset classes will be held indirectly via collective investment schemes or other instruments. There is no limit to the percentage which can be invested in collective investment schemes and there is no limit to the percentage of the Fund which can be invested in other collective investment schemes managed by the Manager, the Investment Manager, or an associate.

It is the intention where possible to invest in collective investment schemes managed by the Investment Manager.

The Fund may invest directly in derivatives instruments for efficient portfolio management which means investment techniques that aim to reduce risks, reduce costs, or generate additional capital or income with a level of risk that is consistent with the risk profile of the Fund. The collective investment schemes that the Fund may invest in may use derivatives for wider investment purposes in addition to efficient portfolio management.

The Fund will only invest in such collective investment schemes where this is consistent with the overall risk profile of the Fund.

The Manager's investment policy may mean that at times it is appropriate not to fully invest but to also hold cash or near cash. This will only occur when the Manager reasonably regards it as necessary to enable units to be redeemed or for the efficient management of the Fund in accordance with its objectives or purpose that may reasonably be regarded as ancillary to the objectives of the Fund.

The Manager has determined that the Fund will not invest directly in securities issued by companies that are considered, after reasonable enquiries, to be involved in the use, development, manufacturing, stockpiling, transfer, or trade of controversial weapons, including but not limited to cluster munitions and/or anti-personnel mines. Please refer to the investment restrictions section of the Prospectus.

### **Investment strategy**

The Manager has appointed HSBC Global Asset Management (UK) Limited as investment manager ("Investment Manager") to provide investment management services to the Manager in respect of the Fund. The Fund invests in a range of asset classes in order to meet its objective.

The allocation to these asset classes will vary through time to reflect both the longer-term investment return expectations and shorter-term more tactical market views of the Investment Manager. The longer-term allocations across the various different asset classes are adjusted to meet the Objective and are reviewed at least annually. The short-term tactical asset allocation enables the Investment Manager to invest in asset types, regions and currencies it believes have a more positive outlook or to reduce exposure to those asset classes it considers to have a less favourable outlook.

The desired allocation to each asset class will be achieved by investing indirectly in collective investment schemes and other instruments or directly into shares of companies (equities) and bonds. The Fund is actively managed and will include investment in collective investment schemes a large proportion of which are likely to have objectives which aim to track various indices, which are sometimes referred to as being passively managed.

# Manager's investment report (continued)

These collective investment schemes may track a diverse range of market specific, regional, and global indices in order to achieve the Objective of the Fund. The Investment Manager has full discretion to adjust the asset allocation to enable the Fund to meet its Objective.

The investment styles the Investment Manager can utilise may include selecting collective investment schemes in which to invest which may track indices as part of their objective and policy, tracking market capitalisation indices, and/or the use of suitable alternative weighting schemes that are not market weighted that the Investment Manager considers appropriate. This is sometimes referred to as Active Asset Allocation ("AAA").

The Investment Manager may use a combination of investment styles and allocation techniques to actively manage the Fund and these will vary from time to time. Under typical market conditions the Fund will have the following asset class exposures, but investors should be aware that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its Objective. Further details of the underlying collective investment schemes which the Fund is invested in can be obtained from the Manager and will be disclosed in the annual and half yearly accounts.

Asset Class (terms in bold are described in the Definitions section of the Prospectus)	Exposure as a % of the Fund
<b>Equity (shares of companies)</b> • Global <b>Equity</b>	50% - 80%
<b>Fixed Interest</b> • Global <b>Developed Market</b> Government <b>Bonds</b> • Global <b>Developed Market</b> Corporate <b>Bonds</b> • Global <b>High Yield Bonds</b> • <b>Asset-Backed Securities</b> • <b>Emerging Market Bonds – Hard Currency</b> • <b>Emerging Market</b> Corporate Bonds • <b>Emerging Market Bonds – Local Currency</b>	10% - 50%
<b>Alternative asset classes</b> • Property and <b>Property-Related Securities</b> • Instruments that employ a strategy similar to <b>Hedge Funds</b> • Other alternative asset classes including <b>Private Equity</b> and <b>Commodities</b>	0% - 20%
<b>Cash</b>	0% - 10%

## Use of benchmarks

The Fund is not managed with reference to a benchmark. To enable investors to assess the performance of the Fund, it is compared against the performance of the Investment Association mixed investment 40% -85% Shares sector. The Investment Association Mixed Investment 40-85% Shares sector has been selected to compare performance against because it consists of similar funds. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

## Use of derivatives

The Fund may directly invest in exchange traded and over-the-counter derivatives in accordance with the investment restrictions within the Prospectus. In particular, equity index futures may be used to increase or reduce equity exposure and bond index futures may be used with the aim of managing the overall bond duration.

Currency forward contracts will be used to gain exposure to currencies or with the aim of hedging against movements in the rate of exchange between sterling and the currency in which the bonds and other assets may be denominated.

The collective investment schemes that the Fund may invest in may use derivatives for wider investment purposes in addition to efficient portfolio management. The Fund will only invest in such collective investment schemes where this is consistent with the overall risk profile of the Fund.

# Manager's investment report (continued)

## **Additional information**

Where investment is made in collective investment schemes managed by the Manager, Investment Manager, or an associate, where possible the Fund will invest in the share class with a 0% annual management charge to ensure there is no element of double charging. However, in the case of Exchange Traded Funds ("ETFs"), managed by the Manager, Investment Manager, or an associate, which only have one share class, the Fund will be subject to the annual management charge of that share class. Similarly, where the Fund invests in collective investment schemes managed by third parties the Fund will be subject to the annual management charge applicable to those collective investment schemes. The Investment Manager shall ensure that the maximum annual management charge paid by the Fund when investing in third party collective investment schemes does not exceed 1%.

## **Review of the 6 months to 30 June 2024**

### **Economic and market review**

In the first six months of 2024 the global equity market posted strong returns. This was driven by the performance of the US market and particularly the performance of the tech sector of that market. Stocks such as Apple, Amazon, Alphabet (Google), Meta (Facebook), Microsoft, Tesla, and Nvidia, all showed significant gains in the first six months of the year. These stocks, known as the magnificent seven, were key drivers of the US market and, in turn, global equities in the period.

One of the main themes driving such stocks higher was Artificial Intelligence (AI). Developments in this area have been seized upon by the market as offering potential to unlock new, more efficient, ways of working, boosting productivity. Nvidia, a company known in the past for its graphics micro-processors, was seen as well placed to benefit from AI and at one stage in the period this company's market capitalisation overtook each of Apple and Microsoft.

The AI and tech theme was very much US driven, and it was no surprise to see the US equity market performing the best. Markets in Europe and the Far East, with some exceptions, performed well but struggled to keep up, so it was not true to say that all markets gained equally. Outside of the US growth, growth is more anaemic and higher equity valuations are harder to justify.

Government bonds dropped marginally, as markets pushed-out rate cut expectations on stickier than expected inflation. By contrast higher yielding areas of the fixed income market performed better, benefiting from elevated carry in the high interest rate environment. Finally, alternatives performed well over the period, with hedge funds allocations rallying strongly, while commodities benefited from rising energy and industrial/precious metal prices.

### **Portfolio Review**

Over the period the M&S Worldwide Managed Fund has delivered positive absolute returns of 7.35%, outperforming the benchmark by 0.74%. Active asset allocation in the Fund contributed to performance over the period, notably our holdings in hedge funds were supportive, as was our tilt towards gold within commodities. Additionally, our intra-equity positions added value, with strong positive contribution from our preference for technology within the US and banks in Europe. Our tilts towards Japan and Turkey added value, as did our reduced exposure to property. By contrast our holding in longer duration bonds detracted, as did our caution on the equity market at the start of the year, although we have now increased equity risk in the portfolio.

Inflation has come down considerably around the world, but the path forward is now beginning to diverge regionally. We hold positions in bunds and gilts, as the growth/inflation mix in both Europe and the UK is supportive of imminent monetary easing. We are also tilted towards Chinese government bonds, as we expect the central bank to continue the interest cutting cycle to boost growth. In regions where we expect inflation to remain high, we hold currency positions, which tend to benefit from the income generated by high central bank interest rates. We currently maintain elevated exposure to the Norwegian Krona and Japanese Yen. We expect AI to be a key driver of growth going forward, as such we maintain a preference for US Technology companies, and we are tilted towards Taiwan given the country's importance in semi-conductor manufacturing. We maintain a tilt towards Japanese equities, as economic backdrop remains strong, the labour market is tight and the market is benefiting from increased foreign direct investment.

# Manager's investment report (continued)

## Portfolio Performance

During the period under review, the value of the units in the Fund rose by 6.71% (Net) while the value of the IA Mixed Investment 40-85% Shares rose by 6.61%. (Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation unit class. Returns based on a bid to bid basis). Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

## Outlook

The global economic outlook remains positive, encouraging an elevated holding in equity markets. Importantly however, the growth picture remains 'lumpy' so we are focusing portfolio exposures on regions and sectors where economic performance and company earnings growth is likely to be strongest. Gradually cooling labour markets and a policy pivot by central banks supports our expectation of a softish economic landing. GDP and profits growth is broadening across economies and markets, but risks remain. High carry and 'all-in' yields point to better fixed income returns in the second half amid rate cuts and disinflation. Political uncertainty, having been on the rise in Europe in June as a result of elections in France and the UK now seems more fully priced as markets now begin to turn their attention to the upcoming US election.

# Portfolio statement

This section details all the different companies in which the Fund invests, by sector and country. It also shows the number of shares held, the percentage each company represents of the Fund as a whole and the value of those shares at the end of the period (shown under bid value).

## As at 30 June 2024

	Holding or nominal value of positions as at 30 June 2024	Bid Value (£)	% of Net Total Assets
<b>UK EQUITIES AND CONVERTIBLES (0.00%; 31.12.23 12.36%)</b>			
<b>Healthcare equipment &amp; services</b>			
NMC Health	7,429	8	-
<b>Real estate investment services</b>			
Home REIT	65,525	18,216	-
Intu Properties REIT	53,801	-	-
<b>UK COLLECTIVES AND INVESTMENT TRUSTS (44.31%; 31.12.23 36.36%)</b>			<b>44.31</b>
Finabl	11,436	-	-
Fundsmith Emerging Equities Trust	1,037	-	-
HSBC American Index Fund*	9,065,559	106,429,665	19.09
HSBC European Index Fund*	1,859,867	22,876,370	4.10
HSBC FTSE All-Share Index Fund*	2,382,752	9,237,930	1.66
HSBC FTSE All-World Index Fund*	15,759,558	39,540,732	7.09
HSBC Japan Index Fund*	9,305,818	13,809,834	2.47
HSBC Pacific Index Fund*	1,453,853	5,581,343	1.00
HSBC UK Gilt Index Fund*	6,651,724	5,615,385	1.01
HSBC US Multi Factor Equity Fund*	6,320,819	43,986,577	7.89
JPMorgan Investment Trust	1,693	5,468	-
<b>Total United Kingdom</b>		<b>247,101,528</b>	<b>44.31</b>
<b>OVERSEAS SHARES (53.70%; 31.12.23 49.00%)</b>			
<b>ASIA (0.00%; 31.12.23 0.01%)</b>			
<b>Israel (0.00%; 31.12.23 0.01%)</b>			
<b>Singapore (0.00%; 31.12.23 0.00%)</b>			
<b>CONTINENTAL EUROPE (53.70%; 31.12.23 48.95%)</b>			
<b>Channel Islands (0.00%; 31.12.23 0.87%)</b>			
<b>France (1.00%; 31.12.23 0.00%)</b>			
Amundi IBEX 35 UCITS ETF	25,085	5,558,836	1.00
<b>Total France</b>		<b>5,558,836</b>	<b>1.00</b>



# Portfolio statement (continued)

This section details all the different companies in which the Fund invests, by sector and country. It also shows the number of shares held, the percentage each company represents of the Fund as a whole and the value of those shares at the end of the period (shown under bid value).

## As at 30 June 2024

	Holding or nominal value of positions as at 30 June 2024	Bid Value (£)	% of Net Total Assets
<b>Germany (0.00%; 31.12.23 0.02%)</b>			
<b>Gibraltar (0.00%; 31.12.23 0.00%)</b>			
<b>Ireland (28.12%; 31.12.23 23.64%)</b>			
HSBC Global Funds ICAV - Cross Asset Trend Fund*	938,452	8,005,788	1.44
HSBC Global Funds ICAV - Global Emerging Market Government Bond Index Fund*	892,727	5,820,628	1.04
HSBC Global Funds ICAV - Multi-Factor*	3,226,063	40,358,577	7.24
HSBC Global Sterling Liquidity Fund*	14,386,737	14,386,737	2.58
HSBC MSCI Emerging Markets UCITS ETF*	1,831,588	15,802,026	2.83
HSBC MSCI Taiwan Capped UCITS ETF*	42,854	2,688,231	0.48
iShares Bloomberg Enhanced Roll Yield Commodity Swap UCITS ETF	2,300,648	13,662,657	2.45
iShares Digital Security UCITS ETF	290,352	1,818,921	0.33
iShares Edge MSCI Emerging Market Value Factor UCITS ETF	181,209	7,237,752	1.30
iShares Edge MSCI ETF	10,373	16,879,409	3.03
iShares Global Timber & Forestry UCITS ETF	68,431	1,478,452	0.26
iShares Global Water UCITS ETF	46,154	2,379,700	0.43
iShares OMX Stockholm Capped UCITS ETF	677,664	4,387,874	0.79
L&G India INR Government Bond UCITS ETF	383,758	2,730,438	0.49
Passim Structured Funds Cross Asset Trend Strategy B Acc	83,833	8,216,841	1.47
UBS (Irl) ETF - Global Gender Equality UCITS ETF	87,344	1,313,511	0.24
Xtrackers Artificial Intelligence & Big Data UCITS ETF	37,902	3,985,392	0.71
Xtrackers MSCI USA Information Technology UCITS ETF	65,927	5,626,869	1.01
<b>Total Ireland</b>		<b>156,779,803</b>	<b>28.12</b>
<b>Luxembourg (24.58%; 31.12.23 24.35%)</b>			
Amundi MSCI Digital Economy and Metaverse ESG Screened UCITS ETF	169,583	2,066,538	0.37
Amundi MSCI Turkey UCITS ETF	44,628	2,005,630	0.36
HSBC GIF Global Corporate Bond*	2,552,594	20,441,349	3.67
HSBC GIF Global Emerging Markets Bond Fund*	760,307	4,424,949	0.79
HSBC GIF Global Emerging Markets Local Debt Fund*	2,367,845	14,136,642	2.54
HSBC GIF Global Equity Circular Economy*	298,233	3,230,995	0.58
HSBC GIF Global Equity Sustainable Healthcare*	328,474	3,213,801	0.58
HSBC GIF Global Government Bond*	2,372,573	19,765,498	3.55
HSBC GIF Global High Yield Bond Fund*	1,474,476	10,389,333	1.86
HSBC GIF Global Inflation Linked Bond Fund*	500,482	3,716,893	0.67

# Portfolio statement (continued)

This section details all the different companies in which the Fund invests, by sector and country. It also shows the number of shares held, the percentage each company represents of the Fund as a whole and the value of those shares at the end of the period (shown under bid value).

## As at 30 June 2024

	Holding or nominal value of positions as at 30 June 2024	Bid Value (£)	% of Net Total Assets
HSBC GIF Global Infrastructure Equity Fund*	2,413,714	19,460,939	3.49
HSBC GIF Global Real Estate Equity Fund*	2,756,011	19,652,469	3.52
HSBC GIF Global Short Duration High Yield Bond Fund*	502,493	3,704,003	0.66
HSBC GIF Investment Grade Securitised Credit Bond*	530,375	4,200,288	0.75
HSBC GIF Multi-Asset Style Factors*	540,387	5,585,883	1.00
Lyxor MSCI Millennials ESG Filtered UCITS ETF	86,074	1,035,298	0.19
<b>Total Luxembourg</b>		<b>137,030,508</b>	<b>24.58</b>

**Netherlands (0.00%; 31.12.23 0.00%)**

**Spain (0.00%; 31.12.23 0.04%)**

**Switzerland (0.00%; 31.12.23 0.03%)**

**NORTH AMERICA (0.00%; 31.12.23 0.04%)**

**Bermuda (0.00%; 31.12.23 0.03%)**

**Cayman Islands (0.00%; 31.12.23 0.01%)**

## **FORWARD FOREIGN EXCHANGE CONTRACTS ((0.12%); 31.12.23 0.30%)**

Sold EUR €20,006,122 for UK sterling £16,897,911 (expires 18/07/2024)	(77,453)	(0.02)
Sold US dollar \$125,662,207 for UK sterling £98,794,461 (expires 18/07/2024)	(602,428)	(0.11)
Sold UK sterling £558,040 for US dollar \$709,495 (expires 18/07/2024)	3,160	-
Sold UK sterling £3,386,604 for Japanese yen ¥673,415,015 (expires 18/07/2024)	(65,505)	(0.01)
Sold UK sterling £7,818,992 for Norwegian krone NOK106,526,492 (expires 18/07/2024)	98,631	0.02
<b>Total Forward Foreign Exchange Contracts</b>	<b>(643,595)</b>	<b>(0.12)</b>

# Portfolio statement (continued)

This section details all the different companies in which the Fund invests, by sector and country. It also shows the number of shares held, the percentage each company represents of the Fund as a whole and the value of those shares at the end of the period (shown under bid value).

**As at 30 June 2024**

	Holding or nominal value of positions as at 30 June 2024	Bid Value (£)	% of Net Total Assets
<b>FUTURE CONTRACTS (0.03%; 31.12.23 0.13%)</b>			
Future September 2024 CBT US Ultra Bond	181	166,582	0.03
<b>Total Future Contracts</b>		<b>166,582</b>	<b>0.03</b>
<b>Portfolio of investments</b>		<b>545,993,662</b>	<b>97.92</b>
<b>Net other assets</b>		<b>11,618,518</b>	<b>2.08</b>
<b>Net assets</b>		<b>557,612,180</b>	<b>100.00</b>
<b>Investments</b>			
Equity		23,692	-
Collective Investment Schemes		546,446,983	98.01
Forward foreign exchange contracts		(643,595)	(0.12)
Future contracts		166,582	0.03
<b>Portfolio of investments</b>		<b>545,993,662</b>	<b>97.92</b>

\*Investment managed by or associated with the Manager/HSBC Group

The securities held are approved and are admitted to an official listing unless otherwise specified.

The counterparty for the futures is HSBC.

Total purchases for the period, including transaction charges, were £239,067,785.

Total sales proceeds for the period, net of transaction charges, were £266,213,719.

# Net asset value per unit and comparative table

This section details in concise figures how the Fund has performed, in terms of the size of the Fund, the price of units and the income distributions made.

## Income

<b>Change in net assets per unit</b>	<b>30.06.24</b>	<b>31.12.23</b>	<b>31.12.22</b>	<b>31.12.21</b>
Opening net asset value per unit	571.14p	538.66p	595.10p	531.83p
Return before operating charges*	42.44p	48.58p	(42.96p)	74.64p
Operating charges**	(3.30p)	(6.16p)	(6.21p)	(6.68p)
Return after operating charges*	39.14p	42.42p	(49.17p)	67.96p
Distributions on income unit	(6.21p)	(9.94p)	(7.27p)	(4.69p)
Closing net asset value per unit	604.07p	571.14p	538.66p	595.10p
*after direct transaction costs of:***	0.08p	0.07p	0.09p	0.06p

## Performance

Return after charges	6.85%	7.88%	(8.26%)	12.78%
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## Other information

Closing net asset value	£9,599,415	£9,841,592	£9,963,201	£11,825,800
Closing number of units	1,589,115	1,723,136	1,849,636	1,987,202
Operating charges	1.23%	1.22%	1.21%	1.21%
Direct transaction costs	0.01%	0.01%	0.02%	0.01%

## Prices

Highest unit price	610.23p	575.61p	597.24p	601.07p
Lowest unit price	560.73p	532.90p	518.69p	529.70p

\*\* The operating charges include all costs borne by the Fund, except for direct transaction costs. It includes the operating charges of any collective investment schemes in which the Fund invests.

\*\*\* The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

# Net asset value per unit and comparative table (continued)

This section details in concise figures how the Fund has performed, in terms of the size of the Fund, the price of units and the accumulation distributions made.

## Accumulation

Change in net assets per unit	30.06.24	31.12.23	31.12.22	31.12.21
Opening net asset value per unit	994.01p	920.93p	1,003.81p	889.84p
Return before operating charges*	73.86p	83.67p	(72.37p)	125.18p
Operating charges**	(5.74p)	(10.59p)	(10.51p)	(11.21p)
Return after operating charges*	68.12p	73.08p	(82.88p)	113.97p
Distributions on accumulation unit	(10.81p)	(17.07p)	(12.30p)	(7.86p)
Retained distributions on accumulation unit	10.81p	17.07p	12.30p	7.86p
Closing net asset value per unit	1,062.13p	994.01p	920.93p	1,003.81p
*after direct transaction costs of:***	0.14p	0.11p	0.15p	0.09p

## Performance

Return after charges	6.85%	7.94%	(8.26%)	12.81%
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## Other information

Closing net asset value	£548,012,765	£543,940,807	£544,074,223	£626,265,204
Closing number of units	51,595,478	54,721,988	59,078,809	62,388,855
Operating charges	1.23%	1.22%	1.21%	1.21%
Direct transaction costs	0.01%	0.01%	0.02%	0.01%

## Prices

Highest unit price	1,062.03p	994.15p	1,007.56p	1,011.44p
Lowest unit price	975.74p	917.56p	881.83p	886.27p

\*\* The operating charges include all costs borne by the Fund, except for direct transaction costs. It includes the operating charges of any collective investment schemes in which the Fund invests.

\*\*\* The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

# Ongoing charges

For the 12 month period to 30 June 2024: **1.23%**

For the 12 month period to 31 December 2023: **1.22%**

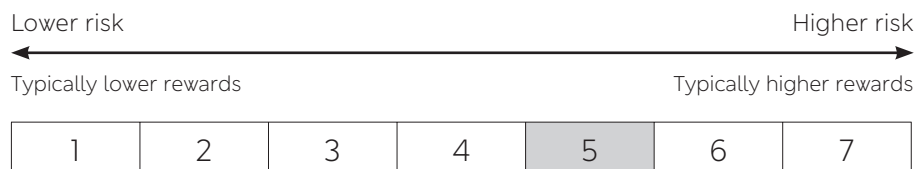
The ongoing charges measure the annual charges and expenses of an investment fund. These will affect the returns to the investor. Most European investment funds highlight the ongoing charges to help you compare the annual charges and expenses of different funds.

Ex-distribution (XD) dates: **1 January and 1 July**

Income payment dates: **28 February and 31 August**

Underlying fund charges in this report are in relation to the Fund holding investments in other collective investment schemes but excludes holdings in investment trusts.

# Risk and reward profile



## More about this rating

The rating is based on price volatility over the last five years. As it is based on historical data, it may not be a reliable indicator of the future risk profile of the Fund. The rating is not guaranteed and may change over time. The lowest rating does not mean a risk-free investment.

## Why is this Fund in category 5?

This Fund is classified in category 5 because its price or simulated data has shown medium to high fluctuations historically.

The risk rating has increased because the measured volatility of the Fund's price has increased for a successive number of weeks.

# Authorised status

The Fund is an authorised unit trust under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority Handbook and is categorised as a UK Undertakings for Collective Investment in Transferable Securities (UCITS) scheme.

# Certification of financial statements by Directors of the Manager

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.



Paul Spencer (Chief Executive)



Phillip Scott (Director)

For and on behalf of Marks and Spencer Unit Trust Management Limited.  
23 August 2024

# Statement of total return

This section details the income of the Fund over the period of the report and explains how this income is distributed to the investors. It also provides an analysis of increases and decreases in net assets over the accounting period.

## For the period ended 30 June 2024

	30.06.24		30.06.23	
	£	£	£	£
Income				
Net capital gains		30,997,092		6,380,876
Revenue	9,033,655		8,621,044	
Expenses	(3,104,960)		(3,069,035)	
Interest payable and similar charges	(10,951)		(2,517)	
Net revenue before taxation	5,917,744		5,549,492	
Taxation	(1,501)		(3,060)	
Net revenue after taxation		5,916,243		5,546,432
<b>Total return before distributions</b>		<b>36,913,335</b>		<b>11,927,308</b>
Distributions/Accumulations		(5,850,349)		(5,544,273)
<b>Change in net assets attributable to Unitholders</b>		<b>31,062,986</b>		<b>6,383,035</b>

# Statement of change in net assets attributable to Unitholders

## For the period ended 30 June 2024

	30.06.24		30.06.23	
	£	£	£	£
<b>Opening net assets attributable to Unitholders</b>		<b>553,782,399</b>		<b>554,037,424</b>
Amounts receivable on issue of units	404,375		104,303	
Less: Amounts payable on cancellation of units	(33,235,816)		(21,476,737)	
		(32,831,441)		(21,372,434)
Dilution levy		22,739		6,329
Change in net assets attributable to Unitholders from investment activities (see above)		31,062,986		6,383,035
Retained distribution on accumulation units		5,575,407		5,399,996
Unclaimed distributions		90		109
<b>Closing net assets attributable to Unitholders</b>		<b>557,612,180</b>		<b>544,454,459</b>

# Balance sheet

As at 30 June 2024

	30.06.24	31.12.23
	£	£
<b>ASSETS</b>		
<b>Fixed assets:</b>		
Investments	546,739,048	543,709,605
<b>Current assets:</b>		
Debtors	6,352,703	2,006,194
Cash and bank balances	6,348,111	9,184,392
<b>Total current assets</b>	<b>12,700,814</b>	<b>11,190,586</b>
<b>TOTAL ASSETS</b>	<b>559,439,862</b>	<b>554,900,191</b>
<b>LIABILITIES</b>		
<b>Investment liabilities</b>	<b>(745,386)</b>	<b>(171,266)</b>
<b>Creditors:</b>		
Distribution payable	(98,668)	(75,558)
Other creditors	(983,628)	(870,968)
<b>Total Creditors</b>	<b>(1,082,296)</b>	<b>(946,526)</b>
<b>TOTAL LIABILITIES</b>	<b>(1,827,682)</b>	<b>(1,117,792)</b>
<b>Net assets attributable to Unitholders</b>	<b>557,612,180</b>	<b>553,782,399</b>



# Distribution table

## For the period ended 30 June 2024

Group 1: Units purchased prior to 1 January 2024

Group 2: Units purchased between 1 January 2024 to 30 June 2024

Interim	Net income 2024 pence per unit	Equalisation 2024 pence per unit	Distribution payable 2024 pence per unit	Distribution paid 2023 pence per unit
<b>Income units</b>				
Group 1	6.2090	-	6.2090	5.5546
Group 2	4.3272	1.8818	6.2090	5.5546
<b>Accumulation units</b>				
Group 1	10.8060	-	10.8060	9.4965
Group 2	7.5310	3.2750	10.8060	9.4965

## Other information

The interim financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association in May 2014 (and amended in June 2017).

# Important changes

**There were no changes made to the Fund's Prospectus during the reporting period ending 30 June 2024.**

**The following changes were made to the Fund's Key Investor Information Document during the reporting period ending 30 June 2024:**

## **KIID update 13 February 2024**

- Update to "Charges" to update the Ongoing Charge figure and the ongoing charge date.
- Update to "Past Performance" to add performance figures for the Fund and Benchmark for 2023.

## **KIID update 10 June 2024**

- Update to "Charges" to update the Ongoing Charge figure and the ongoing charge date.
- Update to "Charges" to update the Dilution levy charged for Units sold.
- Update to "Practical Information" to update the address for the M&S Savings and Investments Team to PO Box 329, Wymondham, NR18 8HA

# The Task Force on Climate-related Financial Disclosures (TCFD)

The Manager is not required to produce a Task Force on Climate-related Financial Disclosure (TCFD) report for the Fund. This is because the total assets under management of the Manager are below the regulatory threshold for reporting.

## Important information

A copy of the latest Assessment of Value Report for our unit trusts is available on our website at <https://bank.marksandspencer.com/save-invest/investments/>. We continually review our unit trusts to ensure they deliver the good value our investors expect from us and to help investors assess whether they are getting value for money from their unit trust. The Financial Conduct Authority (FCA) now requires asset management firms to publish an Assessment of Value Report each year.

The report details our overall assessment of value rating for each fund and any actions or further reviews we are undertaking where applicable.

Please call 0808 005 5555 if you would like to receive this information in an alternative format such as large print, Braille or audio.