



# Virgin Money Global Share Fund

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Interim Report and Financial Statements

For the six month period ended 31 January 2025 (unaudited)

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# Management and professional services

For the six month period ended 31 January 2025 (unaudited)

## Manager (the 'Manager')

Virgin Money Unit Trust Managers Limited  
Jubilee House  
Gosforth  
Newcastle upon Tyne  
NE3 4PL

Directors:

J. Byrne  
S. Hynes  
P. Moore  
A. Patrizi (Resigned 28 October 2024)  
C. Rhodes (Appointed 29 October 2024)

Telephone 03456 10 20 30\*

Authorised and regulated by the Financial Conduct Authority.

## Investment Adviser

abrdn Investments Limited  
280 Bishopsgate  
London  
EC2M 4AG

Authorised and regulated by the Financial Conduct Authority.

## Registrar

SS&C Financial Services Europe Limited\*\*  
SS&C House  
St Nicholas Lane  
Basildon  
Essex  
SS15 5FS

FNZ (UK) Limited\*\*\*  
10th Floor 135 Bishopsgate  
London  
EC2M 3TP

Authorised and regulated by the Financial Conduct Authority.

## Trustee

Citibank UK Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London  
E14 5LB

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

## Independent Auditor

KPMG LLP  
20 Castle Terrace  
Edinburgh  
EH1 2EG

\* Calls to 03 numbers cost the same as calls to 01 or 02 numbers and they are included in inclusive minutes and discount schemes in the same way. Calls may be monitored and recorded.

\*\* Main Register of Unitholders.

\*\*\* FNZ Plan Register (being a record of persons who subscribe for Units through Individual Savings Accounts (ISAs)).

# Manager's investment report

For the six month period ended 31 January 2025 (unaudited)

## Investment Objective, Policy and Strategy

The aim of the Fund is to provide a total return (income and capital growth) over the longer term (five years or more) from a portfolio of shares from around the world. The Fund aims to beat the performance of its benchmark (MSCI All Countries World GBP – a measure of global share market returns), after charges, measured over any three-year period.

The Fund aims to achieve the objective by investing in other funds rather than investing directly in individual shares. This type of fund is often known as a 'fund-of-funds'. The funds which it invests in may be managed by us, our Investment Adviser, or any other authorised fund manager.

Normally at least 80% of the funds that the Fund invests in will be passively managed. This means that they aim to track the performance of a particular share index. The rest will be actively managed funds – this is where the fund manager chooses individual shares and as a result, returns may be higher (or lower) than the market.

The Fund's mix of investments (across different regions) will typically be reviewed at least every six months and may change based on the research and insights of the Investment Adviser, usually based on their medium term (3 year) view of share markets. Whilst the Investment Adviser has flexibility over where to invest, the Fund will seek to adhere to the following geographical limits:

- Maintain investment across the following six regions: North America, Europe ex-UK, UK, Japan, Asia ex-Japan and Global Emerging Markets.
- Limit how differently the Fund invests from the benchmark by +/- 10% for North America and +/- 5% for each of the other five regions. So, for example, if the benchmark weight at the time of portfolio review is 20% for Europe ex-UK, the Fund would allocate between 15-25% to this region at that time.

There may be times when the Fund invests outside of these limits. This could be due to market movement between portfolio reviews or sticking to Environmental, Social and Governance considerations.

The Fund is expected to have modest tracking error of 1-4%, meaning returns will differ from the benchmark, but not by a large amount.

One way in which the Fund seeks to manage risks and opportunities is via Environmental, Social and Governance (ESG) considerations. Where the Investment Adviser feels it is beneficial from a risk or return perspective, and suitable investment options are available, investments will be chosen because of their integration of ESG considerations into stock selection, adoption of sustainable investing objectives or policies, positive shareholder engagement policies, and/or supporting the transition to a low carbon economy. Also the Fund will limit (to no more than 0.5% of the value of the fund) indirect exposure to companies which:

- make more than 5% of their earnings from tobacco, thermal coal or unconventional oil and gas (such as oil sands or shale gas),
- are involved in the manufacture of controversial weapons such as cluster munitions or anti-personnel landmines,
- or who violate the UN Global Compact principles on human rights, labour, the environment and anti-corruption.

If the Investment Adviser determines that the allocation to the above type of companies does exceed 0.5% of the value of the Fund's assets, the Investment Adviser will take action to reduce exposure to below 0.5% (by selling underlying funds identified as contributing to the over-exposure) within a reasonable timeframe, ordinarily within two months.

We expect the Fund to have a better ESG rating (based on the analysis and scoring system of one or more market leading data providers) and lower carbon emissions compared to investing in the same mix of assets using a standard indexing approach without ESG consideration. This will be reported in the annual value statement when reviewing the non-financial performance of the Fund.

The Fund seeks to be fully invested at all times but may also hold cash, or funds investing in cash and money market investments (up to 5%) for cash flow and transactional purposes as deemed appropriate to manage costs.

## Trust Status

The Fund is an authorised unit trust scheme under S243 of the Financial Services and Markets Act 2000 and is categorised as a UK UCITS<sup>1</sup> scheme under the Collective Investment Schemes Sourcebook ('the COLL Rules').

<sup>1</sup> Authorised in accordance with the Undertakings in Collective Investments in Transferable Securities (UCITS) Directive.

# Manager's investment report

For the six month period ended 31 January 2025 (unaudited)

## Financial Instruments

In pursuing its investment objective set out above, the Fund holds a number of financial instruments. The Fund's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations.

Unit Trust schemes are not permitted by the Regulations<sup>2</sup> to enter into a transaction if its purpose could reasonably be regarded as speculative. The Fund's use of financial instruments satisfies these requirements and no speculative trading in financial instruments is undertaken.

The Fund invests predominantly in collective investment schemes, as shown in the Portfolio statement on page 10. Management fees for the funds in which it invests are met by the Manager out of the operating charges set out on page 9.

## Risk and Reward Profile

The Fund's Synthetic Risk and Reward Indicator ('SRRI') is 5 on a scale of 1 (lower) to 7 (higher) as it invests in company shares which typically provide higher rewards but carry a higher level of risk than other investments such as gilt-edged securities.

For further information, please refer to the Fund's Key Investor Information Document ('KIID').

## Distribution

The Fund receives dividend income from stocks held in its portfolio. Every six months, income received is netted off against expenses incurred. Any net balance is distributed two months after the end of the period.

## Income Unit Class

The interim distribution for the period ended 31 January 2025 for the Income Unit Class will be 1.5140p net per unit payable on 31 March 2025.

## Fund Performance

For the six months to 31 January 2025, the net asset value for Income Units increased by 9.08%<sup>3</sup> from 161.90p to 176.60p.

The Fund is managed to match closely the performance of its indices and minimise deviations in return performance (the 'tracking error') compared to the indices. The Fund is managed to have relatively low tracking error of 1-4% from the composite benchmark, meaning returns are not expected to differ from the benchmark by a large amount. The tracking error at the end of the period was 2.27%.

<sup>2</sup> The Regulations derive from UK and EU financial services legislation including the Financial Services and Markets Act 2000, the UCITS Directive and Financial Conduct Authority (FCA) rules, principally COLL.

<sup>3</sup> Based on published net asset value as shown on page 8.

# Manager's investment report

For the six month period ended 31 January 2025 (unaudited)

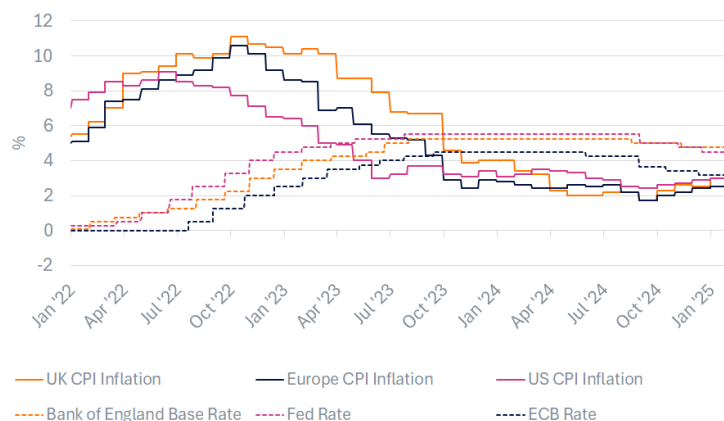
## Markets overview from 1 August 2024 to 31 January 2025

Global equities gained over the six-month review period, given a generally resilient macroeconomic backdrop and an artificial intelligence (AI) led boom in large technology stocks. With cooling inflation, the US Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) started cutting interest rates, although investors began anticipating a more measured pace of monetary policy easing in future as central banks maintained a data-dependent stance. Sentiment also turned more optimistic over pro-business measures from US President Donald Trump, despite lingering concerns about his tariff policies.

### Inflation eases but remains persistent:

- Inflation remained largely under control over the review period, barring an unexpected uptick in January. For their part, major central banks remained cautious, aiming to keep prices in check even while trying to spur economic growth.

### Global Inflation Rates vs Interest Rates



- In the US, the Fed cut interest rates three times consecutively in late 2024, bringing the target range for the fed funds rate down to 4.25–4.50%, before leaving it unchanged in January. Inflation eased consistently throughout the review period but saw a surprising 0.5% month-on-month jump in January, the fastest pace since August 2023, causing annual inflation to touch 3%. Meanwhile, annualised US gross domestic product (GDP) growth came in at a strong 2.3% in the final three months of 2024, albeit lower than the 3.1% recorded in the third quarter, reflecting robust consumer spending.
- In the UK, the BoE reduced the Bank Rate twice, bringing it to an 18-month low of 4.75%. Inflation, too, eased consistently before an unanticipated rise to 3.0% in January, the highest level in 10 months. Meanwhile, economic growth remained sluggish but exceeded estimates of a contraction, expanding by 0.1% in the December quarter. Separately, the Labour government's first Budget in October announced approximately

£40 billion in tax rises to strengthen fiscal stability, along with a commitment to increase borrowing to stimulate growth.

- The ECB's deposit facility rate stood at 2.75% after four reductions. Inflation generally remained just above the 2% target before accelerating slightly to 2.5% in January. However, GDP data showed no growth in the region in the fourth quarter of 2024, falling short of analysts' estimates. On the political front, France and Germany faced instability due to leadership changes.

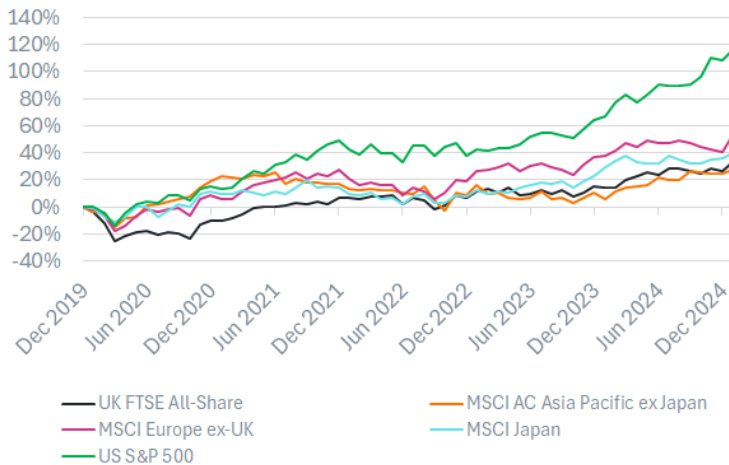
### Global equities gain even as policies and politics remain uncertain:

- Global stock markets, as represented by the MSCI World Index, rose over the six-month period in all major currencies, including sterling.
- Global equity markets ended the review period higher as investors turned optimistic due to interest-rate cuts and soaring technology stocks. Trump's return as US president also boosted sentiment even as it caused jitters over potential trade tariffs on imports, particularly those from China, Mexico and Canada. In addition, China's aggressive stimulus measures to revive its economy were viewed positively, although their impact was lacklustre.
- US stock markets, as measured by the broad S&P 500 Index, touched fresh highs, buoyed by good corporate earnings, an AI-led rally in technology stocks, and optimism over Trump's pro-business policies. However, there was a pullback in the technology sector in January, with AI-related stocks retreating amid reports that Chinese start-up DeepSeek had developed a competitive AI model at a fraction of the cost of those made by market incumbents.
- UK equities ended the review period higher despite some volatility due to fluctuating oil prices. Eventually, energy stocks led the internationally oriented FTSE 100 Index to outperform the domestically focused FTSE 250 Index.
- European stock markets, as measured by the FTSE World Europe ex UK Index, also advanced. After rising at the start of the review period in line with broader sentiment, the market fell in the last quarter of 2024 in both euro and sterling terms. Enthusiasm over interest-rate cuts by the ECB was mitigated to an extent by weak economic growth in the region and political instability in France and Germany. Subsequently, the market rebounded and surged in January as investors rotated out of US technology stocks and into European equities, with Germany among the strongest global performers, supported also by optimism ahead of its general election in late February.

# Manager's investment report

For the six month period ended 31 January 2025 (unaudited)

## 5 Year Global Market Returns



- Japanese equities remained subdued as inflation was persistently above target, climbing to a 2-year high of 4.0% in January. The Bank of Japan hiked its short-term policy rate twice to “around 0.5%”, the highest in 17 years. Furthermore, in a snap general election at the end of October, Japan’s new prime minister, Shigeru Ishiba, saw his party lose its parliamentary majority, leading to political uncertainty.
- Stock markets in the Asia Pacific (excluding Japan) region gained in the first half of the review period then fell in aggregate. China’s strength on economic stimulus measures was reversed by a lack of details on such policies, followed by worries of Trump imposing trade tariffs. India also retreated over domestic growth concerns, while South Korea was affected by political turmoil. Taiwanese stocks, on the other hand, were supported by the country’s relatively high weighting to the buoyant technology sector.

### Cautious approach amid evolving global macro dynamics:

- With Trump securing his second term, uncertainty around election results has been replaced with policy ambiguity. Deregulation and tax cuts are supportive of GDP growth, but incremental tariffs and immigration restrictions could be inflationary. We must wait to see how much of Trump’s campaign rhetoric translates into actual policy and how other nations react. Many questions also remain about inflation and interest rates, not just in the US, but globally.
- In Europe, political instability in both Germany and France is at the forefront of investors’ minds, as is political and policy uncertainty in Japan.
- Geopolitical tensions remain elevated globally, often seeming at odds with stock markets reaching all-time highs. Given the many uncertainties and challenges ahead, investor caution is advised.

# Net asset value and operating charges

As at 31 January 2025 (unaudited)

	Income Units		
	31 Jan 25	31 Jul 24	31 Jul 23
Closing net asset value (£)	186,721,108	173,508,316	159,767,858
Closing number of units	105,728,634	107,169,728	111,465,087
Closing net asset value per unit (p)	176.60	161.90	143.33
Operating charges (%) <sup>‡</sup>	0.45	0.57	0.79

<sup>‡</sup>The operating charges are the annualised total expenses paid by the Fund in the year, expressed as a percentage of its average net assets. The Annual Management Charge for Income Units changed from 0.85% to 0.75% on 9 January 2023 and from 0.75% to 0.45% on 6 January 2024.



# Portfolio statement

As at 31 January 2025 (unaudited)

Security	Holdings	Market Value £'000	% of Net Assets
<b>COLLECTIVE INVESTMENT SCHEMES</b>			
<b>Shares (99.99%*)</b>		<b>187,930</b>	<b>100.65</b>
abrdn Evolve American Equity Index Fund <sup>#</sup>	22,933,974	33,454	17.92
abrdn Evolve Asia Pacific ex-Japan Equity Index Fund <sup>#</sup>	979	1	-
abrdn Evolve UK Equity Index Fund <sup>#</sup>	9,426,630	13,150	7.04
abrdn OEIC IV - abrdn Asia Pacific ex-Japan Equity Tracker Fund <sup>#</sup>	1,557,858	1,743	0.93
iShares Continental European Equity ESG Index Fund	16,882,497	19,427	10.41
iShares Emerging Markets Equity ESG Index Fund	8,694,170	8,760	4.69
iShares MSCI EM ESG Enhanced Fund	7,977,967	33,636	18.01
iShares MSCI Japan ESG Enhanced Fund	353,467	1,819	0.98
iShares MSCI USA ESG Enhanced Fund	3,890,832	33,804	18.10
iShares US Equity ESG Index Fund	23,872,754	34,375	18.41
Legal & General Future World ESG Tilted and Optimised North America Index Fund	10,739,461	7,761	4.16
<b>Portfolio of investments</b>		<b>187,930</b>	<b>100.65</b>
<b>Net other liabilities (0.01%*)<sup>†</sup></b>		(1,209)	(0.65)
<b>Net assets</b>		<b>186,721</b>	<b>100.00</b>

\* Comparative figures shown in brackets relate to percentage of total net assets at 31 July 2024.

<sup>#</sup> This fund is managed by abrdn Investments Limited, Investment Advisor to the Fund.

<sup>†</sup> Prior year figure was Net other assets.

# Purchases and sales of investments

For the six month period ended 31 January 2025 (unaudited)

Purchases	Cost £'000
abrdn Evolve UK Equity Index Fund <sup>#</sup>	7,100
iShares MSCI EM ESG Enhanced Fund	2,549
iShares MSCI USA ESG Enhanced Fund	1,905
iShares Continental European Equity ESG Index Fund	1,800
abrdn Evolve American Equity Index Fund <sup>#</sup>	1,500
iShares US Equity ESG Index Fund	1,500
iShares Emerging Markets Equity ESG Index Fund	251
abrdn Evolve Asia Pacific ex-Japan Equity Index Fund <sup>#</sup>	1
<b>Total for the period</b>	<b>16,606</b>

<sup>#</sup> This fund is managed by abrdn Investments Limited, Investment Advisor to the Fund.

The above constitutes all purchases of investments in the year.

# Purchases and sales of investments

For the six month period ended 31 January 2025 (unaudited)

Sales	Proceeds £'000
iShares Continental European Equity ESG Index Fund	5,000
iShares MSCI Japan ESG Enhanced Fund	3,228
Legal & General Future World ESG Tilted and Optimised North America Index Fund	3,080
iShares MSCI USA ESG Enhanced Fund	2,323
abrdn Evolve American Equity Index Fund <sup>#</sup>	2,300
iShares US Equity ESG Index Fund	1,470
iShares MSCI EM ESG Enhanced Fund	985
<b>Total for the period</b>	<b>18,386</b>

<sup>#</sup> This fund is managed by abrdn Investments Limited, Investment Advisor to the Fund.

The above constitutes all sales of investments in the year.

# Statement of total return

For the six month period ended 31 January 2025 (unaudited)

	31 Jan 25		31 Jan 24	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		15,490		4,527
Revenue	1,902		1,425	
Expenses	(302)		(433)	
Interest payable and similar charges	(1)		(3)	
Net revenue before taxation	1,599		989	
Taxation	-		(5)	
Net revenue after taxation		1,599		984
<b>Total return before distributions</b>		<b>17,089</b>		<b>5,511</b>
Distributions		(1,599)		(983)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>15,490</b>		<b>4,528</b>

# Statement of change in net assets attributable to unitholders

For the six month period ended 31 January 2025 (unaudited)

	31 Jan 25		31 Jan 24	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to unitholders</b>		<b>173,508</b>		<b>159,768</b>
Amounts receivable on issue of units	6,077		5,994	
Amounts payable on cancellation of units	(8,354)		(12,351)	
		(2,277)		(6,357)
Change in net assets attributable to unitholders from investment activities		15,490		4,528
<b>Closing net assets attributable to unitholders</b>		<b>186,721</b>		<b>157,939</b>

Comparative information is provided for the Statement of change in net assets attributable to unitholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

# Balance sheet

As at 31 January 2025 (unaudited)

	31 Jan 25		31 Jul 24	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
<b>Fixed assets</b>				
Investments		187,930		173,498
<b>Current assets</b>				
Debtors	43		33	
Cash and bank balances	654		324	
<b>Total current assets</b>		<b>697</b>		<b>357</b>
<b>Total assets</b>		<b>188,627</b>		<b>173,855</b>
<b>Creditors</b>				
Distribution payable	(1,601)		(246)	
Other creditors	(305)		(101)	
<b>Total liabilities</b>		<b>(1,906)</b>		<b>(347)</b>
<b>Net assets attributable to unitholders</b>		<b>186,721</b>		<b>173,508</b>

Notes to the interim financial statements are on page 14.

# Notes to the financial statements

For the six month period ended 31 January 2025 (unaudited)

## Accounting policies

### Basis of accounting

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 July 2024. They have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard (FRS) 104 and the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

Under the SORP guidelines adopted by the Fund, complete notes to the financial statements are not disclosed for the interim accounts. Complete notes to the financial statements will be available in the year end accounts.

# Distribution tables

For the six month period ended 31 January 2025 (unaudited)

## Distribution in pence per unit

### Interim distribution payable 31 March 2025

Group 1	Units purchased prior to 1 August 2024
Group 2	Units purchased from 1 August 2024 to 31 January 2025 inclusive

	Revenue (p)	Equalisation (p)	Distribution payable 31 Mar 25 (p)	Distribution paid 28 Mar 24 (p)
<b>Income units</b>				
Group 1	1.5140	-	1.5140	0.9093
Group 2	0.5749	0.9391	1.5140	0.9093

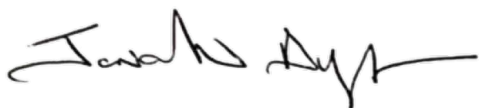
## Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of income included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

# Directors' statement

For the six month period ended 31 January 2025 (unaudited)

We approve the Interim Report and Financial Statements of Virgin Money Global Share Fund for the six month period ended 31 January 2025 on behalf of Virgin Money Unit Trust Managers Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook.



**Jonathan Byrne**

Director

27 March 2025



**Paula Moore**

Director

27 March 2025



**Virgin Money Unit Trust Managers Limited**

Authorised and regulated by the Financial Conduct Authority

Registered office: Jubilee House  
Gosforth, Newcastle upon Tyne NE3 4PL

Registered in England no. 3000482