Legal & General Future World Climate Change Equity Factors Index Fund

Unit Trust (UK UCITS compliant) I-Class GBP Base currency: **GBP** Domicile: **UK**

FUND AIM

The objective of the Fund is to track the performance of the FTSE All-World ex CW Climate Balanced Factor Index, the "Benchmark Index" on a net total return basis before fees and expenses are applied. Fund performance may differ from the Benchmark Index due to the deduction of fees and expenses and the impact of any tracking error factors.

WHO IS THIS FUND FOR?

- This fund may be suitable for investors looking for a combination of growth and income by tracking the shares in companies that score high in value, quality, low volatility and size factors whilst incorporating climate change considerations as represented by the index.
- Although investors can take their money out at any time, this fund may not be appropriate for those who plan to withdraw their money within five years.
- This fund is not designed for investors who cannot afford more than a minimal loss of their investment.
- If you do not understand this document we recommend you seek additional information to help you decide if this fund is right for you.

FUTURE WORLD PHILOSOPHY

- The Future World philosophy encapsulates how we identify long-term themes and opportunities, while managing the risks of a changing world
- We use our scale and influence within the market to propel positive change on environmental, social and governance (ESG) issues, at the same time as seeking to achieve financial success
- The Future World funds are for clients who want to express a conviction on ESG themes, across a broad array of asset classes and strategies

FUND CHARACTERISTICS

- The fund targets better risk-adjusted equity returns than a traditional index strategy by incorporating 'factors' into index design, while also seeking to address the investment risks and opportunities associated with climate change.
- Our Climate Impact Pledge is a commitment to engage with 84 of the world's largest companies, alongside analysing, scoring and ranking them against their peers to improve their strategies to address climate change.

Further ESG information on page 3

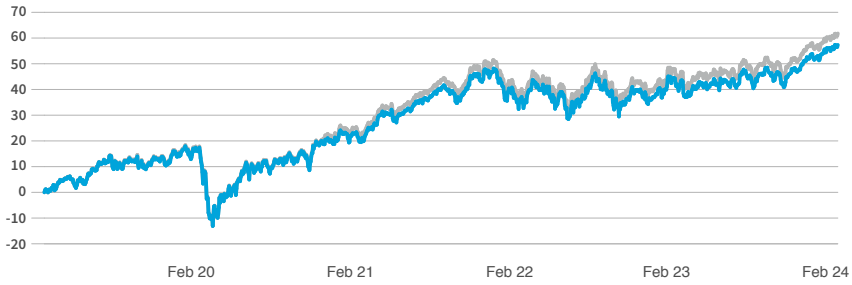
FUND FACTS

Fund size	Fund launch date
£204.8m	**18 Jan 2018**
Historical yield	
1.9%	

COSTS

Initial charge	Ongoing charge
0.00%	**0.30%**
Price basis	Dilution adjustment
Single swing	**0.20%- round trip**

PERFORMANCE (%)



	1 month	3 months	1 year	3 years	5 years
Fund	1.87	6.77	12.82	31.57	58.85
Index	1.90	6.94	13.24	33.18	61.77
Relative to Index	-0.03	-0.17	-0.42	-1.61	-2.92

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 31 December	2023	2022	2021	2020	2019
Fund	12.03	-7.22	23.25	6.35	20.34
Index	13.37	-7.42	23.98	6.18	20.92
Relative to Index	-1.34	0.20	-0.73	0.17	-0.58

Performance for the I Inc unit class in GBP, launched on 18 January 2018. Source: Lipper. Performance assumes all fund charges have been taken and that all income generated by the investments, after deduction of tax, remains in the fund. From 31 August 2020 the Index is now priced at the same time as the Fund. Prior to this date the performance of the Index was shown at close.

Past performance is not a guide to the future.

BENCHMARKS

Target benchmark

FTSE Cus AW ex CW Climate Balan Fac 3pm (15:00) TR

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PORTFOLIO BREAKDOWN

All data sources are a combination of LGIM and the Fund Accountant unless otherwise stated. Totals may not sum to due to rounding. In order to minimise transaction costs, the Fund will not always own all the assets that constitute the index and on occasion it will own assets that are not in the index. The number of fund holdings can also differ from the index due to corporate events and proxy holdings.



SECTOR (%)

Technology	21.9
Industrials	16.4
Consumer Discretionary	12.5
Financials	12.1
Health Care	8.5
Consumer Staples	8.2
Basic Materials	5.5
Utilities	5.4
Telecommunications	5.0
Real Estate	2.4
Energy	2.2



MARKET CAPITALISATION (%)

Large	67.5
Mid	32.5



Top 10 holdings **21.5%**
Rest of portfolio **78.5%**

No. of holdings in fund **1,458**
No. of holdings in index **1,676**

TOP 10 HOLDINGS (%)

Microsoft	5.5
Apple	4.5
Alphabet A	2.8
Alphabet C	2.4
Cisco Systems	2.0
Johnson & Johnson	1.1
GSK	1.1
Taiwan Semiconductor Manufacturing Co	0.8
Yum! Brands	0.7
Public Storage	0.7

COUNTRY (%)

United States	58.3
Japan	9.4
United Kingdom	6.9
Taiwan	2.9
France	2.4
Germany	2.0
Korea	1.9
Australia	1.8
Switzerland	1.7
Other	12.6

Celebrating 25+ Years

INDEX FUND MANAGEMENT TEAM

The Index Fund Management team comprises 25 fund managers, supported by two analysts. Management oversight is provided by the Global Head of Index Funds. The team has average industry experience of 15 years, of which seven years has been at LGIM, and is focused on achieving the equally important objectives of close tracking and maximising returns.

ESG COMMITMENT

From diesel emissions to oil spills, there have been many tangible examples in recent years of how failures in the way companies are run can have a harmful impact on the environment, society and investor returns. We believe responsible investing can mitigate the risk of such outcomes and has the potential to improve returns through the integration of environmental, social and governance (ESG) considerations, active ownership and long-term thematic analysis.

ENVIRONMENTAL PERFORMANCE

Carbon dioxide (CO2) is the most significant contributor to greenhouse gas emissions which are driving climate change. Compared to a fund tracking the unadjusted benchmark, the fund will have a different exposure to current and future sources of carbon dioxide emissions.



↓83% Lower carbon reserves intensity than the unadjusted benchmark

CARBON RESERVES INTENSITY

Carbon reserves are fossil fuels (coal, oil and gas) which, if burnt, will become the carbon emissions of the future. To meet global climate change targets, the unabated use of fossil fuels is expected to decline over time.

The figures below are a measure of the size of carbon reserves held by the fund's underlying companies.

459	2,696	**Tonnes of CO_2e[i] per $1 million of enterprise value including cash (EVIC)**
Fund	Benchmark	

The fund has **83%** lower carbon reserves intensity[ii] compared to a fund tracking the unadjusted benchmark.

The difference in carbon reserves intensity means that for every $1 million invested in the fund, the exposure to carbon reserves through the underlying companies is reduced by an amount equivalent to **2237 tonnes of CO_2e** compared to having invested in the unadjusted benchmark.



↑22% Higher carbon footprint than the unadjusted benchmark

CARBON FOOTPRINT

Following the global Paris Agreement on climate change, companies in all sectors are expected to reduce their emissions to prepare and adapt for a low-carbon economy.

71	58	**Tonnes of CO_2e per $1 million of EVIC**
Fund	Benchmark	

The fund has **22%** higher carbon footprint compared to a fund tracking the unadjusted benchmark. Carbon footprint describes the relationship between the carbon emissions of a company and its EVIC[iii].

The difference in carbon footprint means that the fund has selected companies where, for the same level of EVIC, the associated emissions[iv] are higher by **13 tonnes of CO_2e** compared to a fund tracking the unadjusted benchmark[v].



↑1% Increase in green revenues

Equivalent to $250 million

GREEN REVENUES

Green revenues are derived from products and solutions which contribute positively to the transition to a low carbon economy. Investors may benefit from encouraging companies to adapt their revenue models to a low carbon economy.

This fund aims to measure and increase its exposure to companies with green revenues. The figures below indicate green revenues as a percentage of total revenues generated by the companies in the fund.

5%	4%
Fund	Benchmark

This means that companies generated **1%** more green revenues compared to those in the benchmark.

This decrease is equivalent to **$250 million**.

For further information please go to www.lgim.com/esginfo

The proxy benchmark for this fund is FTSE All-World Index.

NOTES

[i] Carbon dioxide equivalent (CO_2e) is a standard unit to compare the emissions of different greenhouse gases.

[ii] This metric looks at the embedded carbon in the fossil fuel reserves owned by a company, divided by a company's enterprise value (including cash), to adjust for company size. This represents a carbon reserves intensity score for a company.

[iii] The choice of this metric follows best practice recommendations from the **Task Force on Climate-related Financial Disclosures.**

[iv] Data on carbon emissions from a company's operations and purchased energy is used.

[v] This measure is the result of differences in the weights of companies between the index or the fund and the benchmark, and does not depend on the amount invested in the fund. It describes the relative 'carbon efficiency' of different companies in the benchmark (i.e. how much carbon was emitted per unit of sales) or in the fund, not the contribution of an individual investor in financing carbon emissions.

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Source: HSBC© HSBC 2024.

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Source: ISS.

RISK AND REWARD PROFILE

1	2	3	4	**5**	6	7

Lower risk — Higher risk

Potentially lower rewards — Potentially higher rewards

The synthetic risk and reward indicator (SRRI) is based on the historic volatility of the fund's value and it may change in the future.

The fund is in category 5 because it invests in company shares which are sensitive to variations in the stock market. The value of company shares can change substantially over short periods of time.

KEY RISKS

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- The fund invests in smaller companies. Investments in smaller companies tend to be riskier than investments in larger companies because they can: be harder to buy and sell; or go up and down in value more often and by larger amounts, especially in the short term. In times of market uncertainty or if an exceptional amount of withdrawals are requested it may become less easy for your fund to sell investments and the Manager may defer withdrawals, or suspend dealing. The Manager can only delay paying out if it is in the interests of all investors and with the permission of the fund trustee or depositary.
- This fund invests in countries where investment markets are considered to be less developed. This means that investments are generally riskier than those in developed markets because they: may not be as well regulated; may be more difficult to buy and sell; may have less reliable arrangements for the safekeeping of investments; or may be more exposed to political and taxation uncertainties. The value of the fund can go up or down more often and by larger amounts than funds that invest in developed countries, especially in the short term.
- The fund could lose money if any institution providing services such as acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the fund.
- Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains.
- The fund may have underlying investments that are valued in currencies that are different from sterling (British pounds). Exchange rate fluctuations will impact the value of your investment. Currency hedging techniques may be applied to reduce this impact but may not entirely eliminate it.
- Where companies in the Index are excluded from the fund as a result of the Climate Impact Pledge, this may affect the ability of the manager to closely track the performance of the Index.

For more information, please refer to the key investor information document on our website

LATEST DISTRIBUTION INFORMATION

For distributing unit classes, the latest payments are shown below. Please note that these payments are not guaranteed, are at the discretion of the manager and may be paid out of capital.

Type	Ex-div date	Pay date	Pence per unit
Interim	01 Aug 23	30 Sep 23	0.79p
Final	01 Feb 23	31 Mar 23	0.53p
Interim	01 Aug 22	30 Sep 22	0.75p
Final	01 Feb 22	31 Mar 22	0.43p

LGIM

SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe's largest asset managers and a major global investor, with assets under management of £1,159.2 billion (as at 31 December 2023). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Source: LGIM internal data as at 31 December 2023. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong (2018-2019 only). The AUM includes the value of securities and derivatives positions.

DEALING INFORMATION

Valuation frequency	Daily, 3pm (UK time)
Dealing frequency	Daily
Settlement period	T+4

CODES

ISIN	I Acc	GB00BF41Q726
	I Inc	GB00BF41Q619
SEDOL	I Acc	BF41Q72
	I Inc	BF41Q61
Bloomberg	I Acc	LGFWIAG LN
	I Inc	LGFWIIG LN

TO FIND OUT MORE

Visit **www.legalandgeneral.com**

Call **0370 050 0955**

Email **investments@landg.com**

Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Call charges will vary.

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