

Legal & General
Global Technology Index Trust
**Annual Manager's
Short Report
for the year ended
10 August 2017**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

The investment objective of this Trust is to secure capital growth from a portfolio of securities of companies engaged in Information Technology.

Securities representing all such companies in the FTSE World Index will normally be held with weightings generally proportionate to their market capitalisation.

From time to time, non-index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

Risk Profile

Market Risk

Market risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

Currency Risk

This Trust is invested in overseas financial securities. The performance of the Trust may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

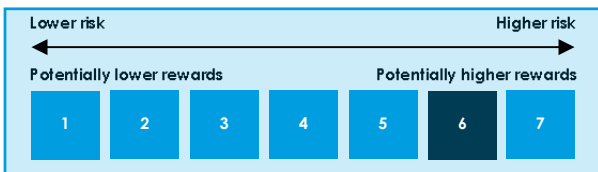
Trust Facts

Period End Date for Distribution:		10 Aug
Distribution Date:		10 Oct
Ongoing Charges Figures:	10 Aug 17	10 Aug 16
R-Class	1.13%	1.16%
F-Class	0.46%	0.46%
I-Class	0.32%	0.32%

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) to the average net assets of the Trust.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category is based on the rate at which the value of the Trust has moved up and down in the past.
- This Trust is in category six because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

Distribution Information

R-Class

The distribution payable on 10 October 2017 is 0.0977p per unit for accumulation units.

F-Class

The distribution payable on 10 October 2017 is 0.3557p per unit for accumulation units.

I-Class

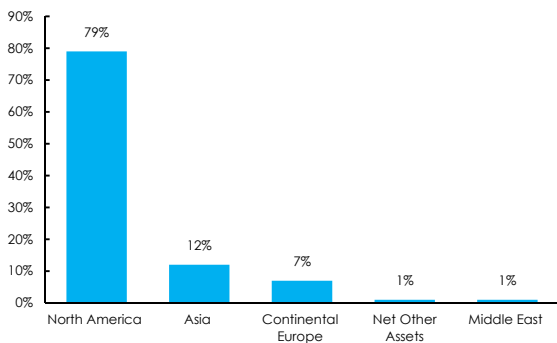
The distribution payable on 10 October 2017 is 0.4316p per unit for accumulation units.

Portfolio Information

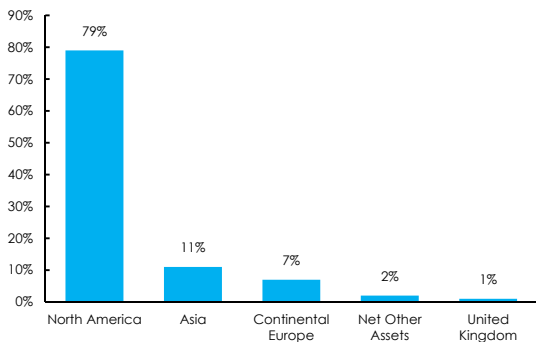
The top 10 holdings and their associated weighting at the current and preceding year ends were:

Top 10 Holdings at 10 August 2017		Top 10 Holdings at 10 August 2016	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Apple	16.23%	Apple	13.72%
Microsoft	10.64%	Microsoft	10.36%
Alphabet 'A'	5.44%	Alphabet 'A'	5.54%
Alphabet 'C'	5.43%	Alphabet 'C'	5.36%
Facebook 'A'	4.68%	Facebook 'A'	4.75%
Intel	3.50%	Intel	3.91%
Taiwan Semiconductor Manufacturing	3.27%	IBM	3.70%
Cisco Systems	3.20%	Cisco Systems	3.67%
Oracle	2.95%	Taiwan Semiconductor Manufacturing	3.15%
IBM	2.60%	Oracle	3.10%

Trust Holdings as at 10 August 2017



Trust Holdings as at 10 August 2016



Comparative Tables

R-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	10/08/17 (pence per unit)	10/08/16 (pence per unit)	10/08/15 (pence per unit)
Opening net asset value per unit	29.84	22.71	19.63
Return before operating charges*	7.79	7.41	3.34
Operating charges (calculated on average price)	(0.38)	(0.28)	(0.26)
Return after operating charges*	7.41	7.13	3.08
Distributions	(0.10)	(0.10)	(0.08)
Retained distributions on accumulation units	0.10	0.10	0.08
Closing net asset value per unit	37.25	29.84	22.71
* after direct transaction costs of:	0.01	—	0.01

Performance

Return after charges	24.83%	31.40%	15.69%
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Other Information

Closing net asset value (£)	59,510,132	44,800,690	36,510,792
Closing number of units	159,777,854	150,156,534	160,775,586
Operating charges†**	1.13%	1.16%	1.16%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	38.43p	30.01p	24.72p
Lowest unit price	28.71p	19.85p	19.80p

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

** With effect from 6 June 2017. See Significant Changes on page 11.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	10/08/17 (pence per unit)	10/08/16 (pence per unit)	10/08/15 (pence per unit)
Opening net asset value per unit	30.68	23.19	19.90
Return before operating charges*	8.07	7.60	3.39
Operating charges (calculated on average price)	(0.17)	(0.11)	(0.10)
Return after operating charges*	7.90	7.49	3.29
Distributions	(0.36)	(0.31)	(0.24)
Retained distributions on accumulation units	0.36	0.31	0.24
Closing net asset value per unit	38.58	30.68	23.19
* after direct transaction costs of:	0.01	—	0.01

Performance

Return after charges	25.75%	32.30%	16.53%
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Other Information

Closing net asset value (£)	357,832	56,646	29,527
Closing number of units	927,547	184,637	127,336
Operating charges†	0.46%	0.46%	0.46%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	39.74p	30.85p	25.19p
Lowest unit price	29.54p	20.27p	20.10p

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Exchange rate changes may cause the value of any overseas investments to rise or fall.

Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	10/08/17 (pence per unit)	10/08/16 (pence per unit)	10/08/15 (pence per unit)
Opening net asset value per unit	32.28	24.37	20.88
Return before operating charges*	8.50	7.99	3.57
Operating charges (calculated on average price)	(0.12)	(0.08)	(0.08)
Return after operating charges*	8.38	7.91	3.49
Distributions	(0.43)	(0.37)	(0.29)
Retained distributions on accumulation units	0.43	0.37	0.29
Closing net asset value per unit	40.66	32.28	24.37
* after direct transaction costs of:	0.01	—	0.01

Performance

Return after charges	25.96%	32.46%	16.71%
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Other Information

Closing net asset value (£)	139,839,125	62,911,531	33,238,166
Closing number of units	343,949,676	194,875,372	136,411,824
Operating charges†	0.32%	0.32%	0.32%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	41.87p	32.47p	26.45p
Lowest unit price	31.08p	21.30p	21.10p

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Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class accumulation units rose by 24.87%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates and adjusted for the effect of Trust charges and taxation. On this basis, over the review year, the Trust rose by 23.33% on a capital only basis, compared with the FTSE World Technology Index rise of 23.64% on a capital only basis (Sterling adjusted), producing a tracking difference of -0.31% (Source: Bloomberg).

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Market/Economic Review

The Trust enjoyed strong performance over the review year. Positive net contributors included Alphabet (Google), Facebook, IBM, Microsoft, while Apple was the stand out performer. One thing to note was that in the previous reporting period Apple's performance was flat given the markets concerns about the slowdown in China.

The price run-up in the Technology sector over the past year has pushed valuations higher than the S&P 500's, which is a break from the trend of the current market cycle as technology has traded at a modest discount to the index. The S&P 500 Index Technology sector's P/E ratio of 18 is well above its five-year average of 15.1. This has been supported by Technology sector sales which have expanded steadily for most of 2017, but more encouragingly, margin expansion may be the stronger story over the longer term. The Trust also benefited from currency weakness of Sterling, as majority of its holdings are USD denominated.

Trust Review

Companies held within the Trust are held with weightings generally proportionate to those of the benchmark Index. Therefore, investment activity, other than to raise or invest cash, is only necessary when there are changes to the benchmark Index, or as a result of a corporate action.

Manager's Investment Report continued

At the end of the review year, there were 88 companies in the FTSE World Index classified as Technology Hardware & Equipment and a further 75 companies classified as Software & Computer Services. These sectors accounted for approximately 49% and 51% of the Trust's benchmark index respectively, by market value.

The 10 largest holdings, the largest quoted technology companies in the world (by Index weight), were Apple, Alphabet, Microsoft, Facebook, Intel, Taiwan Semiconductor Manufacturing, Cisco Systems, Oracle, IBM and Broadcom. Of these companies, which together account for approximately 60% of the value of the Trust, only Taiwan Semiconductor Manufacturing is based outside the US.

The three largest countries by market value in the Trust were the US (78.0%), Taiwan (4.9%) and Japan (3.6%).

During the review year, there were four Index reviews carried out by FTSE. The September 2016 quarterly Index review resulted in one addition: Koei Tecmo. There were also three deletions: Teradata, Rackspace and Datatec. There were 30 changes to the free share capital of constituents with the largest increases being Intouch and Nanya Technology; and the largest decreases being Applied Materials and Hewlett Packard Enterprises. Two-way Index turnover was 0.7%.

The December 2016 Index review resulted in no additions and one deletion, CommerceHub. There were 32 changes to the free share capital of constituents with the largest increases being Facebook, Twitter and Broadcom and the largest decreases being Apple, Corning and Oracle. Two-way Index turnover was 0.6%.

The March 2017 Index review resulted in three additions: Advanced Micro Devices, Temenos Group and Hitachi Kokusai Electric and one deletion, Totvs. There were 20 changes to the free share capital of constituents with the largest increases being Nvidia, Salesforce.com and Semiconductor Manufacturing International and the largest decreases being Apple, Check Point Software and Corning. Two-way Index turnover was 1.0%.

The June 2017 Index review resulted in no additions and no deletions. There were 153 changes to the free share capital of constituents with the largest increases being Facebook, Alphabet and NXP Semiconductors and the largest decreases being IBM, Oracle and Apple. Two-way Index turnover was 2.3%.

There were five deletions that occurred outside of the Index reviews. In October, IMS Health was acquired by Quintiles Transnational for USD 12.6 billion. Hermes Microvision was deleted following its acquisition by ASML in November. In December, Inotera Memories was deleted as a result of a takeover from Micron Technology. In April, Computer Sciences was acquired by DXC Technology. Lastly in June, Yahoo was acquired by Verizon Communications for USD 4.48 billion.

Manager's Investment Report continued

Outlook

Technology remains one of the few sectors that is pegged to still benefit from top line growth despite the macro slowdown and rising interest rates from the Fed. Structural shifts to digital media from traditional media spending channels are set to benefit companies like Alphabet and Facebook, while technology related capital expenditure and migration to the cloud is benefitting names like Microsoft, Intel and Cisco. Valuation could be an issue as the Nasdaq has reached an all-time high as technology companies prices have grown into their high multiples. Positive momentum will be driven by global growth, company earnings and margin guidance. The Trust continues to be well positioned to benefit from its exposure to the Technology sector.

Legal & General Investment Management Limited

(Investment Adviser)

1 September 2017

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

Call charges will vary. We may record and monitor calls.

Information on Tracking Error

The 'Tracking Error' of a Trust is the measure of the volatility of the differences between the return of the Trust and the return of the benchmark Index. It provides an indication of how closely the Trust is tracking the performance of the benchmark Index after considering things such as Trust charges and taxation.

Using monthly returns, over the review year, the annualised Tracking Error of the Trust is 0.49%, whilst over the last three years to the end of August 2017, the annualised Tracking Error of the Trust is 0.33%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-0.75% per annum.

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Trust. Where the Manager operates a box through which unit subscriptions and unit redemptions are netted into a single trade instruction to the Trustee, the netting reduces the actual transaction costs and this generates a revenue to the Manager. The revenue generated from this activity is calculated on a monthly basis and returned to the Trust in the form of a payment from the Manager. This provides an enhanced return to the Trust, though the size of any return will be dependent on the size of subscriptions and redemptions.

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

R-Class	£500
F-Class	£500
I-Class	£1,000,000

In addition, monthly contributions can be made into the R-Class and F-Class with a minimum amount of £50 per month.

F-Class units are only available to:

- i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Trust and
- ii) authorised intermediaries or distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the year under review and how it is invested at the year end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

Call charges will vary. We may record and monitor calls.

Significant Changes

Change of FMF for R-Class

With effect from 6 June 2017 the Fund Management Fee (FMF) has been reduced from 1.16% to 0.95%.

Removal of Initial Commission

With effect from 6 June 2017, initial commission will no longer be paid on the Trust. The initial commission was intended to reflect the costs incurred by the product provider and the intermediary for setting up and selling the business, however, Legal & General no longer consider it appropriate to continue to pay commission on such transactions.

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited

Registered in England and Wales No. 01009418

Registered office:

One Coleman Street,

London EC2R 5AA

Telephone: 0370 050 3350

Authorised and regulated by the Financial Conduct Authority

Call charges will vary. We may record and monitor calls.

Trustee

Northern Trust Global Services Limited

50 Bank Street,

Canary Wharf,

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated

by the Financial Conduct Authority and the Prudential

Regulation Authority

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London SE1 2RT

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Financial Conduct Authority**

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