31 December 2020 Fact Sheet

This document is intended for Investors and Investment Professionals

Unit Trust | Index | Equity

Legal & General Future World Climate Change Equity Factors Index Fund

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

FUND AIM

The objective of the Fund is to provide a combination of growth and income by tracking the performance of the FTSE All-World ex CW Climate Balanced Factor Index, the "Index". This objective is after the deduction of charges and taxation.

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.

FUND FACTS

Fund size	Fund launch date
£103.6m	**18 Jan 2018**
Historical yield	
1.8%	

COSTS

Initial charge	Ongoing charge
0.00%	**0.23%**
Price basis	Dilution adjustment
Single swing	**0.20%- round trip**

PERFORMANCE (%)

	1 month	3 months	1 year	3 years	Launch
■ Fund	1.89	7.72	6.42	-	22.26
■ Index	1.63	7.06	6.18	-	23.13
Relative to Index	0.26	0.66	0.24	-	-0.87

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 31 December	2020	2019	2018	2017	2016
Fund	6.42	20.42	-	-	-
Index	6.18	20.92	-	-	-
Relative to Index	0.24	-0.50	-	-	-

Performance for the C 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. Please see overleaf for gross tracking difference with both fund and index priced at the same time of day.

Past performance is not a guide to the future.

Further ESG information on page 3

BENCHMARKS

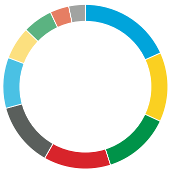
Target benchmark

FTSE Custom All-World ex CW Climate Balanced Factor 3PM (15:00 UK) Net Tax (UK UCIT) Index

Legal & General

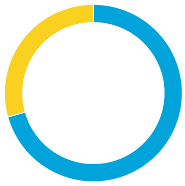
PORTFOLIO BREAKDOWN

All data sources are a combination of LGIM and the Fund Accountant unless otherwise stated. Totals may not sum due to rounding.



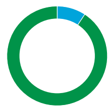
SECTOR (%)

Industrials	18.3
Technology	13.6
Financials	13.2
Consumer Goods	13.1
Consumer Services	12.6
Health Care	10.0
Basic Materials	6.4
Utilities	5.9
Telecommunications	3.7
Oil & Gas	3.3



MARKET CAPITALISATION (%)

Large	70.7
Mid	29.3



Top 10 holdings **9.3%**
Rest of portfolio **90.7%**
No. of holdings in fund **2,117**
No. of holdings in index **2,195**

TOP 10 HOLDINGS (%)

Apple Inc	2.7
Microsoft Corp	1.4
MSCI India Future March 2021	1.1
Berkshire Hathaway Inc Cl B	0.8
Amazon.Com Inc	0.6
Johnson & Johnson	0.6
Alphabet Cl A	0.5
Alphabet Cl C	0.5
Unilever plc	0.5
CVS Health Corp	0.5

COUNTRY (%)

United States	47.3
Japan	11.8
United Kingdom	5.2
France	3.3
Germany	3.0
Switzerland	3.0
Australia	2.6
Sweden	2.5
China	2.1
Other	19.2

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.

↓58% Lower carbon reserves intensity than the unadjusted benchmark

Equivalent to 2,948 barrels of oil

CARBON RESERVES

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.

903 Fund	**2,156** Benchmark	**Tonnes of CO_2e[i] per $1 million of market capitalisation**

The fund has **58%** 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 fossil fuels through the underlying companies is reduced by an amount equivalent to **2,948 barrels of oil**[iii], compared to having invested in the unadjusted benchmark.

↓10% Lower carbon emissions intensity than the unadjusted benchmark

CARBON EMISSIONS

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.

154 Fund	**171** Benchmark	**Tonnes of CO_2e per $1 million of sales**

The fund has **10%** lower carbon emissions intensity compared to a fund tracking the unadjusted benchmark. Carbon emissions intensity describes the relationship between the carbon emissions of a company and its sales[iv].

The difference in carbon emissions intensity means that the fund has selected companies where, for the same level of sales, the associated emissions[v] are lower by **10%** compared to a fund tracking the unadjusted benchmark[vi].

↑0% Increase in green revenues

Equivalent to $-47 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.

3% Fund	**3%** Benchmark

This means that companies generated **0%** more green revenues compared to those in the benchmark.

This increase is equivalent to **$-47 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] The carbon reserves intensity of a company captures the relationship between the carbon reserves the company owns and its market capitalisation. The carbon reserves intensity of the overall fund reflects the relative weights of the different companies in the fund.

[iii] We consider one barrel of oil equivalent to 0.425 tonnes of CO_2e, based on International Energy Agency and Intergovernmental Panel on Climate Change guidelines.

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

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

[vi] This measure is the result of differences in weights of companies between the index 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 index (i.e. how much carbon was emitted per unit of sales), not the contribution of an individual investor in financing carbon emissions.

The calculations above rely on third party data provided at a point in time that may not cover the entirety of the fund's investments or the fund's benchmark (against which the fund's performance is measured). As a result, what we may report may change as third party data changes and may also differ from other third party calculations.

Refinitiv: Source: Refinitiv ESG

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	03 Aug 20	30 Sep 20	0.61p
Final	03 Feb 20	31 Mar 20	0.48p
Interim	01 Aug 19	30 Sep 19	0.77p
Final	01 Feb 19	29 Mar 19	0.45p

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 £1,240.6 billion (as at 30 June 2020). 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 30 June 2020. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. 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	C Acc	GB00BF41Q502
	C Inc	GB00BF41GZ01
SEDOL	C Acc	BF41Q50
	C Inc	BF41GZ0
Bloomberg	C Acc	LGFWCAG LN
	C Inc	LGFWCIG 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.

Important information

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