

Legal & General Active Sterling
Corporate Bond Plus Fund

**Interim Manager's Report
for the period ended
22 August 2023
(Unaudited)**



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Manager's Investment Report

Investment Objective and Policy

With effect from 31 March 2023, the Fund's Investment Objective and Policy has been updated to better reflect how the Fund is managed. The previous and revised Investment Objectives are set out below:

Prior to 31 March 2023

The objective of the Fund is to provide income and growth above those of the Market iBoxx Sterling Corporate Bond Total Return Index (the "Benchmark Index"). The Fund aims to outperform the Benchmark Index by 1.00% per annum. This objective is before the deduction of any charges and measured over rolling three year periods.

The Fund is actively managed and will invest at least 80% in investment grade corporate bonds denominated in Sterling or hedged back to Sterling, with minimum credit ratings of BBB- at the time of purchase. These are bonds with a credit rating from a nationally recognised statistical rating organisation (NRSRO).

The Fund may invest up to 20% in bonds with minimum credit ratings of BB-. The Fund may hold up to 5% in unrated bonds whose creditworthiness is, in the opinion of the Investment Manager, of comparable quality to other bonds eligible for investment by the Fund and bonds which are downgraded below credit ratings of BBB- after purchase.

The Fund may also invest up to 20% in government bonds.

The bonds in which the Fund will invest may: (i) have varying and fixed interest repayment terms and reset terms; (ii) have varying maturities; (iii) be denominated in Sterling, Euro or US Dollar; and (iv) be issued by UK or overseas issuers.

The Fund is not constrained by the Benchmark Index and, as such, there are no restrictions on the extent to which the Fund's portfolio may deviate from that of the Benchmark Index. The management of the Fund is consistent with the Investment Manager's strategy to provide a high risk and reward profile.

Non-Sterling currency exposure is hedged to Sterling. Interest rate risk exposure is also hedged.

The Fund may also invest in cash, permitted deposits, money market instruments (such as Treasury bills), and collective investment schemes, including those which are operated by the Manager or an associate of the Manager. The Fund may invest in securities with bond features such as contingent convertible bonds.

The Fund may only hold derivatives for the purpose of Efficient Portfolio Management.

From 31 March 2023

The objective of the Fund is to provide income and growth above those of the Market iBoxx Sterling Corporate Bond Total Return Index (the "Benchmark Index"). The Fund aims to outperform the Benchmark Index over rolling three year periods after the deduction of all fees and expenses.

The Fund is actively managed and will invest at least 80% in investment grade corporate bonds denominated in Sterling or hedged back to Sterling, with minimum credit ratings of BBB- at the time of purchase. These are bonds with a credit rating from a nationally recognised statistical rating organisation (NRSRO).

Manager's Investment Report continued

The Fund may invest up to 20% in bonds with minimum credit ratings of BB-. The Fund may hold up to 5% in unrated bonds whose creditworthiness is, in the opinion of the Investment Manager, of comparable quality to other bonds eligible for investment by the Fund and bonds which are downgraded below credit ratings of BBB- after purchase.

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The bonds in which the Fund will invest may: (i) have varying and fixed interest repayment terms and reset terms; (ii) have varying maturities; (iii) be denominated in Sterling, Euro or US Dollar; and (iv) be issued by UK or overseas issuers.

The Fund is not constrained by the Benchmark Index and, as such, there are no restrictions on the extent to which the Fund's portfolio may deviate from that of the Benchmark Index. The management of the Fund is consistent with the Investment Manager's strategy to provide a high risk and reward profile.

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Manager's Investment Report

During the period under review, the published price of the Fund's R-Class accumulation units fell by 3.29%. Over the same period, the Markit iBoxx Sterling Corporate Bond Total Return Index fell by 2.86% (Source: Bloomberg).

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

Market/Economic Review

Over the period under review, inflationary pressures and tighter monetary policy continued to dominate the thoughts of market participants. Fears of an economic slowdown remained at the forefront of the minds of investors and, with signs that inflation was falling across most developed markets, there was even tentative talk in some parts of when developed market central banks might start cutting rates.

The Bank of England (BoE) continued to raise rates during the six months, hitting a heady 5.25% in August – its 14th consecutive hike and taking rates to their highest level since 2008. Meanwhile, inflation remained stubbornly high but towards the end of the period there were signs of easing price pressures; UK annualised inflation fell by more than expected to 6.80% in July, down from 7.90% in June.

Fund Review

While the Fund maintained a small overweight to credit versus the Benchmark over the period this failed to deliver positive performance, due partly to unhelpful stock selection, but more due to an underweight position to longer dated credit versus the Benchmark. This proved to be a headwind over the period.

Manager's Investment Report continued

Overall, ten-year Gilt yields rose sharply over the period, partly due to outflows from the 2022 liability-driven investment crisis being repatriated. Having fallen early in the period in response to the regional banking crisis in the US, they then rose consistently as the UK's Monetary Policy Committee continued to raise UK rates, reinforcing a 'higher for longer' narrative.

At the Fund level, the yield move was broadly neutral with duration positioning close to the Benchmark level. The Fund was active in participating in, what we believe to be, attractively priced new issues but we maintained a disciplined approach, funding them largely with other corporate bond sales.

Positioning in Canary Wharf debt continued to be a drag on performance as its credit rating fell and illiquid holdings in pub operator, Marston's, also hurt the Fund. This was offset by a positive contribution from Thames Water, where we have zero exposure, as the sector came under severe scrutiny.

The Fund closed the period with a small overweight duration position. From a sector perspective, the Fund is still defensively overweight the collateralised sector. In financials, it has an underweight in banks, while neutral on insurers. In corporate bonds, overall, we are underweight, although we are overweight defensive utilities, consumer goods and telecom names.

Outlook

Looking ahead, the outlook for US and European inflation remains key, as well as the lagged impact of past policy tightening. If inflation can continue to cool without driving unemployment up significantly, then a soft landing is still a possibility, in our view. But it remains a difficult balancing act for policymakers, with a US and European recession still likely around the turn of the year. Overall, we believe recession risk continues to argue for a cautious portfolio position.

Legal & General Investment Management Limited
(Investment Adviser)
18 September 2023

Important Note from the Manager

On 5 May 2023, the WHO Director-General concurred with the advice offered by the International Health Regulations (2005) ("IHR") Emergency Committee regarding the Coronavirus 2019 disease (COVID-19) pandemic and determined that COVID-19 is now an established and ongoing health issue which no longer constitutes a public health emergency of international concern ("PHEIC").

The Manager continues to monitor the COVID-19 pandemic on an on-going basis.

In response to events in Eastern Europe, the Manager is closely monitoring financial markets and any potential liquidity and volatility risks which may have an impact on the Fund.

Legal & General (Unit Trust Managers) Limited
August 2023

Authorised Status

Authorised Status

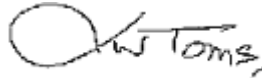
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven
(Director)



L. W. Toms
(Director)

Legal & General (Unit Trust Managers) Limited
11 October 2023

Portfolio Statement

Portfolio Statement as at 22 August 2023

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 22 February 2023.

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|------------------------------|--|----------------------|-----------------------|
| | CORPORATE BONDS | | |
| | — 90.92% (92.88%) | | |
| | UNITED KINGDOM | | |
| | — 48.83% (49.45%) | | |
| GBP598,000 | Anglian Water Services Financing 6% 20/06/2039 | 578,728 | 0.27 |
| GBP3,743,000 | Annington Funding 3.184% 12/07/2029 | 3,031,411 | 1.43 |
| GBP398,000 | Annington Funding 2.308% 06/10/2032 | 277,397 | 0.13 |
| GBP100,000 | Annington Funding 3.935% 12/07/2047 | 67,388 | 0.03 |
| GBP1,414,233 | Arqiva Financing 4.882% 31/12/2032 | 1,288,223 | 0.61 |
| GBP579,000 | Arqiva Financing 5.34% 30/12/2037 | 528,525 | 0.25 |
| GBP510,097 | Aspire Defence Finance 4.674% 31/03/2040 | 458,308 | 0.22 |
| GBP1,282,000 | Aviva 4.375% 12/09/2049 | 1,090,174 | 0.51 |
| GBP308,000 | Aviva 4% 03/06/2055 | 227,507 | 0.11 |
| GBP1,132,000 | Barclays 3% 08/05/2026 | 1,025,988 | 0.48 |
| GBP920,000 | Barclays 6.369% 31/01/2031 | 880,346 | 0.41 |
| GBP313,000 | Barclays 3.25% 17/01/2033 | 233,952 | 0.11 |
| USD150,000 | Barclays Bank 6.28% Open Maturity | 112,805 | 0.05 |
| GBP1,246,000 | BAT International Finance 2.25% 26/06/2028 | 1,027,952 | 0.48 |
| GBP255,000 | BAT International Finance 6% 24/11/2034 | 224,242 | 0.11 |
| GBP235,000 | BAT International Finance 4% 23/11/2055 | 127,546 | 0.06 |
| GBP451,000 | Bazalgette Finance 2.75% 10/03/2034 | 331,487 | 0.16 |
| GBP1,295,000 | BP Capital Markets 5.773% 25/05/2038 | 1,253,147 | 0.59 |
| GBP950,000 | British Telecommunications 5.75% 13/02/2041 | 854,745 | 0.40 |
| GBP639,000 | British Telecommunications 3.625% 21/11/2047 | 420,443 | 0.20 |
| GBP1,158,000 | British Telecommunications 8.375% 20/12/2083 ¹ | 1,156,020 | 0.54 |
| GBP1,207,000 | BUPA Finance 4% Open Maturity | 715,148 | 0.34 |
| GBP232,000 | Cadent Finance 2.75% 22/09/2046 | 129,532 | 0.06 |
| GBP593,488 | Canary Wharf Finance II 6.455% 22/07/2030 | 576,359 | 0.27 |
| GBP1,747,000 | Canary Wharf Group Investment Holdings 2.625% 23/04/2025 ¹ | 1,419,687 | 0.67 |
| GBP950,000 | Centrica 7% 19/09/2033 | 1,007,691 | 0.47 |
| GBP1,738,000 | Centrica 4.25% 12/09/2044 | 1,314,102 | 0.62 |
| GBP1,025,000 | Channel Link Enterprises Finance 3.043% 30/06/2050 | 844,793 | 0.40 |
| GBP1,353,552 | Connect Plus M25 Issuer 2.607% 31/03/2039 | 1,038,405 | 0.49 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|---------------------------------|---|----------------------|-----------------------|
| UNITED KINGDOM — (cont.) | | | |
| GBP391,040 | CTRL Section 1 Finance 5.234% 02/05/2035 | 385,831 | 0.18 |
| GBP2,671,000 | DWR Cymru Financing UK 2.375% 31/03/2034 | 1,786,039 | 0.84 |
| GBP534,000 | Eastern Power Networks 2.125% 25/11/2033 | 377,838 | 0.18 |
| GBP1,059,000 | ENW Finance 4.893% 24/11/2032 | 969,483 | 0.46 |
| GBP154,632 | Greene King Finance 5.106% 15/03/2034 | 137,961 | 0.06 |
| GBP274,000 | Greene King Finance 6.82% 15/12/2034 | 213,254 | 0.10 |
| GBP951,984 | Greene King Finance 3.593% 15/03/2035 | 772,251 | 0.36 |
| GBP255,035 | Gwynf y Mor OFTO 2.778% 17/02/2034 | 209,670 | 0.10 |
| GBP2,099,000 | Hammerson 3.5% 27/10/2025 | 1,893,367 | 0.89 |
| GBP1,496,000 | Hammerson 6% 23/02/2026 | 1,391,684 | 0.65 |
| GBP696,000 | HSBC Bank 6.25% 30/01/2041 | 640,696 | 0.30 |
| GBP119,000 | HSBC Bank 4.75% 24/03/2046 | 88,242 | 0.04 |
| GBP450,000 | HSBC Holdings 2.256% 13/11/2026 | 408,355 | 0.19 |
| GBP1,724,000 | HSBC Holdings 3% 22/07/2028 | 1,501,497 | 0.71 |
| GBP700,000 | HSBC Holdings 6.75% 11/09/2028 | 691,358 | 0.32 |
| GBP1,132,000 | HSBC Holdings 3% 29/05/2030 | 931,523 | 0.44 |
| GBP1,641,000 | IG Group Holdings 3.125% 18/11/2028 | 1,275,208 | 0.60 |
| GBP1,885,000 | Imperial Brands Finance 5.5% 28/09/2026 | 1,820,549 | 0.86 |
| GBP2,413,000 | Land Securities Capital Markets 4.875% 15/09/2034 | 2,255,009 | 1.06 |
| GBP360,000 | LiveWest Treasury 5.576% 02/10/2048 | 338,196 | 0.16 |
| GBP4,379,000 | Lloyds Bank 7.5% 15/04/2024 | 4,412,718 | 2.07 |
| GBP280,000 | Lloyds Bank 6% 08/02/2029 | 286,075 | 0.13 |
| GBP1,313,000 | Lloyds Banking Group 1.985% 15/12/2031 | 1,104,117 | 0.52 |
| GBP1,187,000 | Lloyds Banking Group 6.625% 02/06/2033 | 1,138,952 | 0.54 |
| USD532,000 | Lloyds Banking Group 6.657% Open Maturity | 407,403 | 0.19 |
| GBP1,575,000 | Logicor 2019-1 UK 1.875% 17/11/2031 | 1,361,145 | 0.64 |
| GBP282,000 | M&G 5.625% 20/10/2051 | 247,115 | 0.12 |
| GBP277,000 | M&G 5.56% 20/07/2055 | 232,330 | 0.11 |
| GBP533,000 | Manchester Airport Group Funding 2.875% 30/09/2044 | 323,288 | 0.15 |
| GBP172,000 | Marks & Spencer 6% 12/06/2025 ¹ | 168,252 | 0.08 |
| USD718,000 | Marks & Spencer 7.125% 01/12/2037 ¹ | 515,226 | 0.24 |
| GBP810,000 | Marks & Spencer Group 3.75% 19/05/2026 ¹ | 743,839 | 0.35 |
| GBP2,438,000 | Marston's Issuer 5.177% 15/07/2032 ¹ | 2,085,513 | 0.98 |
| GBP1,682,000 | Marston's Issuer 7.71% 15/07/2035 ¹ | 1,177,441 | 0.55 |
| GBP54,069 | Mitchells & Butlers Finance 5.965% 15/12/2023 ¹ | 53,528 | 0.03 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|---------------------------------|--|----------------------|-----------------------|
| UNITED KINGDOM — (cont.) | | | |
| GBP262,249 | Mitchells & Butlers Finance 6.013% 15/12/2028 ¹ | 238,534 | 0.11 |
| GBP787,000 | Motability Operations Group 3.625% 10/03/2036 | 638,871 | 0.30 |
| GBP866,000 | National Gas Transmission 1.375% 07/02/2031 | 612,747 | 0.29 |
| GBP1,259,000 | National Grid Electricity Distribution East Midlands 1.75% 09/09/2031 | 915,462 | 0.43 |
| GBP372,000 | National Grid Electricity Distribution South West 2.375% 16/05/2029 | 303,682 | 0.14 |
| GBP2,085,000 | National Grid Electricity Distribution South West 5.818% 31/07/2041 | 1,980,208 | 0.93 |
| GBP2,662,000 | National Grid Electricity Transmission 1.125% 07/07/2028 | 2,114,640 | 0.99 |
| GBP1,027,000 | National Grid Electricity Transmission 5.272% 18/01/2043 | 914,626 | 0.43 |
| GBP1,160,000 | Nationwide Building Society 6.125% 21/08/2028 | 1,146,505 | 0.54 |
| GBP2,463,000 | Nats En Route 1.375% 31/03/2031 | 2,022,133 | 0.95 |
| GBP1,040,000 | Nats En Route 1.75% 30/09/2033 | 720,882 | 0.34 |
| GBP717,000 | NatWest Group 7.416% 06/06/2033 | 699,238 | 0.33 |
| GBP1,460,000 | NatWest Markets 6.625% 22/06/2026 | 1,462,763 | 0.69 |
| GBP264,000 | NewRiver REIT 3.5% 07/03/2028 | 218,463 | 0.10 |
| GBP1,058,000 | NIE Finance 5.875% 01/12/2032 | 1,038,993 | 0.49 |
| GBP1,015,000 | Northern Electric Finance 2.75% 24/05/2049 | 606,310 | 0.28 |
| GBP565,000 | Northumbrian Water Finance 1.625% 11/10/2026 | 488,320 | 0.23 |
| GBP1,441,000 | Northumbrian Water Finance 2.375% 05/10/2027 | 1,228,446 | 0.58 |
| GBP1,228,000 | Northumbrian Water Finance 4.5% 14/02/2031 | 1,086,767 | 0.51 |
| GBP723,000 | Northumbrian Water Finance 6.375% 28/10/2034 | 706,199 | 0.33 |
| GBP454,000 | Pension Insurance Corporation 4.625% 07/05/2031 | 367,086 | 0.17 |
| GBP501,000 | Pension Insurance Corporation 3.625% 21/10/2032 | 361,804 | 0.17 |
| GBP451,000 | Prudential Funding Asia 6.125% 19/12/2031 | 432,722 | 0.20 |
| GBP311,000 | RAC Bond 4.87% 06/05/2046 | 283,956 | 0.13 |
| GBP1,519,000 | RL Finance Bonds No. 2 6.125% 30/11/2043 | 1,511,098 | 0.71 |
| GBP2,385,000 | Rothsay Life 3.375% 12/07/2026 | 2,141,935 | 1.01 |
| GBP900,000 | Rothsay Life 5.5% 17/09/2029 | 878,652 | 0.41 |
| GBP684,000 | RSA Insurance Group 5.125% 10/10/2045 | 649,340 | 0.31 |
| GBP1,251,000 | Sage Group 1.625% 25/02/2031 | 919,865 | 0.43 |
| GBP911,000 | Santander UK Group 7.098% 16/11/2027 | 904,357 | 0.43 |
| GBP1,153,000 | Severn Trent Utilities Finance 5.25% 04/04/2036 | 1,053,519 | 0.50 |
| GBP800,000 | Severn Trent Utilities Finance 2% 02/06/2040 | 449,078 | 0.21 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|--|---|----------------------|-----------------------|
| UNITED KINGDOM — (cont.) | | | |
| GBP1,036,000 | South Eastern Power Networks 5.5% 05/06/2026 | 1,016,650 | 0.48 |
| GBP1,235,000 | South Eastern Power Networks 6.375% 12/11/2031 | 1,258,915 | 0.59 |
| GBP2,157,000 | Stagecoach Group 4% 29/09/2025 | 1,997,231 | 0.94 |
| GBP653,000 | Swan Housing Capital 3.625% 05/03/2048 | 449,098 | 0.21 |
| GBP391,435 | Telereal Securitisation 1.366% 10/12/2031 | 327,494 | 0.15 |
| GBP1,100,000 | Telereal Securitisation 3.563% 10/12/2031 | 914,274 | 0.43 |
| GBP1,819,034 | Telereal Securitisation 5.389% 10/12/2031 | 1,735,755 | 0.82 |
| GBP760,000 | Telereal Securitisation 1.96% 10/12/2033 | 670,244 | 0.31 |
| GBP1,100,000 | Telereal Securitisation 3.563% 10/12/2036 | 911,592 | 0.43 |
| GBP928,000 | Tesco Corporate Treasury Services 2.75% 27/04/2030 | 748,675 | 0.35 |
| GBP1,090,040 | Tesco Property Finance 1 7.623% 13/07/2039 | 1,141,357 | 0.54 |
| GBP1,63,188 | Tesco Property Finance 2 6.052% 13/10/2039 | 153,929 | 0.07 |
| GBP93,282 | Tesco Property Finance 3 5.744% 13/04/2040 | 85,072 | 0.04 |
| EUR287,000 | Thames Water Utilities Finance 4.375% 18/01/2031 | 227,800 | 0.11 |
| EUR100,000 | Thames Water Utilities Finance 1.25% 31/01/2032 | 63,233 | 0.03 |
| GBP268,000 | United Utilities Water Finance 0.875% 28/10/2029 | 196,584 | 0.09 |
| GBP183,000 | United Utilities Water Finance 2.625% 12/02/2031 | 145,844 | 0.07 |
| GBP3,459,000 | United Utilities Water Finance 5.75% 26/06/2036 | 3,319,118 | 1.56 |
| GBP722,000 | Vodafone Group 3.375% 08/08/2049 | 441,890 | 0.21 |
| GBP1,100,000 | Vodafone Group 5.125% 02/12/2052 | 895,429 | 0.42 |
| GBP109,000 | Vodafone Group 3% 12/08/2056 | 58,027 | 0.03 |
| GBP446,000 | Wellcome Trust 2.517% 07/02/2118 | 213,012 | 0.10 |
| GBP2,684,000 | Whitbread Group 3.375% 16/10/2025 | 2,496,056 | 1.17 |
| GBP857,000 | Whitbread Group 2.375% 31/05/2027 | 724,016 | 0.34 |
| | | 103,875,500 | 48.83 |
| IRELAND — 1.16% (0.84%) | | | |
| GBP725,000 | GE Capital UK Funding Unlimited 5.875% 18/01/2033 | 698,704 | 0.33 |
| GBP496,000 | GE Capital UK Funding Unlimited 8% 14/01/2039 | 546,275 | 0.26 |
| GBP1,409,000 | Zurich Finance Ireland Designated Activity 5.125% 23/11/2052 | 1,216,953 | 0.57 |
| | | 2,461,932 | 1.16 |
| CHANNEL ISLANDS — 2.99% (2.40%) | | | |
| GBP819,000 | AA Bond 3.25% 31/07/2050 | 642,669 | 0.30 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|---|---|----------------------|-----------------------|
| CHANNEL ISLANDS — (cont.) | | | |
| GBP539,000 | AA Bond 8.45% 31/07/2050 | 533,339 | 0.25 |
| GBP1,093,000 | CPUK Finance 5.876% 28/08/2027 | 1,046,985 | 0.49 |
| GBP663,000 | CPUK Finance 6.136% 28/08/2031 | 622,279 | 0.29 |
| GBP1,856,000 | CPUK Finance 3.588% 28/02/2042 | 1,728,886 | 0.82 |
| GBP900,000 | Heathrow Funding 6.75% 03/12/2028 | 906,066 | 0.43 |
| GBP871,000 | Heathrow Funding 6.45% 10/12/2031 | 874,770 | 0.41 |
| | | 6,354,994 | 2.99 |
| CONTINENTAL EUROPE — 25.83% (25.69%) | | | |
| Belgium — 0.63% (0.63%) | | | |
| GBP1,400,000 | KBC Group 5.5% 20/09/2028 | 1,338,518 | 0.63 |
| Denmark — 1.25% (0.97%) | | | |
| GBP716,000 | Orsted 4.875% 12/01/2032 | 657,352 | 0.31 |
| GBP1,186,000 | Orsted 5.375% 13/09/2042 | 1,076,191 | 0.51 |
| GBP1,397,000 | Orsted 2.5% Open Maturity | 925,967 | 0.43 |
| | | 2,659,510 | 1.25 |
| Finland — 1.17% (1.12%) | | | |
| GBP2,916,000 | OP Corporate Bank 1.375% 04/09/2026 | 2,493,238 | 1.17 |
| France — 11.58% (10.97%) | | | |
| GBP462,000 | AXA 6.686% Open Maturity | 455,063 | 0.21 |
| GBP1,100,000 | Banque Federative du Credit Mutuel 4.875% 25/09/2025 | 1,066,094 | 0.50 |
| GBP1,700,000 | Banque Federative du Credit Mutuel 5% 19/01/2026 | 1,642,717 | 0.77 |
| GBP1,700,000 | Banque Federative du Credit Mutuel 5.375% 25/05/2028 | 1,632,095 | 0.77 |
| GBP1,800,000 | Banque Federative du Credit Mutuel 1.875% 26/10/2028 | 1,463,962 | 0.69 |
| GBP500,000 | BNP Paribas 2.875% 24/02/2029 | 414,715 | 0.20 |
| GBP2,100,000 | BNP Paribas 6% 18/08/2029 | 2,068,290 | 0.97 |
| GBP2,000,000 | BNP Paribas 2% 24/05/2031 | 1,704,860 | 0.80 |
| GBP700,000 | BNP Paribas 5.75% 13/06/2032 | 653,905 | 0.31 |
| GBP1,800,000 | BPCE 2.5% 30/11/2032 | 1,448,618 | 0.68 |
| GBP1,200,000 | Credit Agricole 5.75% 29/11/2027 | 1,163,532 | 0.55 |
| GBP2,000,000 | Credit Agricole 4.875% 23/10/2029 | 1,851,816 | 0.87 |
| GBP1,500,000 | Credit Agricole 1.874% 09/12/2031 | 1,249,248 | 0.59 |
| GBP2,000,000 | Electricite de France 5.5% 17/10/2041 | 1,702,808 | 0.80 |
| GBP300,000 | Electricite de France 5.125% 22/09/2050 | 235,488 | 0.11 |
| GBP1,200,000 | Electricite de France 5.625% 25/01/2053 | 1,006,668 | 0.47 |
| GBP500,000 | Electricite de France 6% 23/01/2114 | 412,288 | 0.19 |
| GBP700,000 | Engie 5.625% 03/04/2053 | 641,242 | 0.30 |
| GBP900,000 | Engie 5% 01/10/2060 | 745,189 | 0.35 |
| GBP2,300,000 | La Banque Postale 5.625% 21/09/2028 | 2,164,967 | 1.02 |
| GBP1,100,000 | Orange 3.25% 15/01/2032 | 919,325 | 0.43 |
| | | 24,642,890 | 11.58 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|--|--|----------------------|-----------------------|
| Germany — 1.14% (0.80%) | | | |
| USD1,000,000 | Allianz 3.5% Open Maturity | 658,638 | 0.31 |
| EUR1,100,000 | Deutsche Bank 4% 24/06/2032 | 835,124 | 0.39 |
| EUR1,100,000 | Robert Bosch 4.375% 02/06/2043 | 920,790 | 0.44 |
| | | 2,414,552 | 1.14 |
| Italy — 1.72% (1.07%) | | | |
| GBP897,000 | Intesa Sanpaolo 6.5% 14/03/2029 | 850,327 | 0.40 |
| GBP1,498,000 | Intesa Sanpaolo 2.5% 15/01/2030 | 1,152,510 | 0.54 |
| GBP1,762,000 | Intesa Sanpaolo 6.625% 31/05/2033 | 1,660,911 | 0.78 |
| | | 3,663,748 | 1.72 |
| Luxembourg — 1.33% (1.22%) | | | |
| GBP1,114,000 | Blackstone Property Partners Europe Holdings 4.875% 29/04/2032 | 842,903 | 0.40 |
| GBP1,220,000 | CK Hutchison Group Telecom Finance 2.625% 17/10/2034 | 798,265 | 0.37 |
| GBP795,000 | CPI Property Group 2.75% 22/01/2028 | 546,628 | 0.26 |
| GBP871,000 | Logicor Financing 2.75% 15/01/2030 | 642,326 | 0.30 |
| | | 2,830,122 | 1.33 |
| Netherlands — 2.52% (2.40%) | | | |
| GBP800,000 | ABN AMRO Bank 5.25% 26/05/2026 | 781,337 | 0.37 |
| GBP2,000,000 | E.ON International Finance 5.875% 30/10/2037 | 1,908,436 | 0.90 |
| GBP1,700,000 | E.ON International Finance 6.125% 06/07/2039 | 1,660,322 | 0.78 |
| GBP1,201,000 | Enel Finance International 2.875% 11/04/2029 | 1,008,504 | 0.47 |
| | | 5,358,599 | 2.52 |
| Norway — 0.53% (0.54%) | | | |
| GBP1,219,000 | DNB Bank 4% 17/08/2027 | 1,128,211 | 0.53 |
| Spain — 1.46% (1.68%) | | | |
| GBP800,000 | Banco Santander 3.125% 06/10/2026 | 735,149 | 0.34 |
| GBP1,300,000 | CaixaBank 3.5% 06/04/2028 | 1,150,224 | 0.54 |
| GBP1,300,000 | CaixaBank 6.875% 25/10/2033 | 1,226,324 | 0.58 |
| | | 3,111,697 | 1.46 |
| Sweden — 0.99% (1.01%) | | | |
| GBP873,000 | Svenska Handelsbanken 4.625% 23/08/2032 | 786,356 | 0.37 |
| GBP1,663,000 | Vattenfall 2.5% 29/06/2083 | 1,322,085 | 0.62 |
| | | 2,108,441 | 0.99 |
| Switzerland — 1.51% (3.28%) | | | |
| GBP2,198,000 | Credit Suisse/London 1.125% 15/12/2025 | 1,936,201 | 0.91 |
| GBP1,594,000 | UBS Group 1.875% 03/11/2029 | 1,269,876 | 0.60 |
| | | 3,206,077 | 1.51 |
| NORTH AMERICA — 11.11% (12.24%) | | | |
| Canada — 0.83% (2.08%) | | | |
| GBP862,000 | CPPIB Capital 4.375% 02/03/2026 | 835,156 | 0.39 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|---------------------------------------|--|----------------------|-----------------------|
| Canada — (cont.) | | | |
| GBP1,102,000 | CPPIB Capital 1.625% 22/10/2071 | 407,284 | 0.19 |
| GBP558,000 | Royal Bank of Canada 5% 24/01/2028 | 528,457 | 0.25 |
| USD168,000 | Sino-Forest Corporation 0.00% 28/07/2014 ^{2,3} | — | — |
| | | 1,770,897 | 0.83 |
| Cayman Islands — 1.65% (1.82%) | | | |
| GBP2,663,000 | Southern Water Services Finance 6.64% 31/03/2026 | 2,621,397 | 1.23 |
| GBP736,000 | Southern Water Services Finance 2.375% 28/05/2028 | 596,379 | 0.28 |
| GBP311,698 | Trafford Centre Finance 7.03% 28/01/2029 | 284,409 | 0.14 |
| | | 3,502,185 | 1.65 |
| United States — 8.63% (8.34%) | | | |
| GBP900,000 | AT&T 7% 30/04/2040 | 911,923 | 0.43 |
| GBP1,909,000 | AT&T 4.875% 01/06/2044 | 1,503,895 | 0.71 |
| GBP2,502,000 | Athene Global Funding 1.875% 30/11/2028 | 1,927,486 | 0.90 |
| GBP2,588,000 | Bank of America 1.667% 02/06/2029 | 2,084,857 | 0.98 |
| GBP1,158,000 | Berkshire Hathaway Finance 2.375% 19/06/2039 | 759,243 | 0.36 |
| GBP1,121,000 | Caterpillar Financial Services 5.72% 17/08/2026 | 1,116,592 | 0.52 |
| GBP505,000 | Digital Stout 3.3% 19/07/2029 | 416,376 | 0.19 |
| GBP3,966,000 | Goldman Sachs Group 1.5% 07/12/2027 | 3,259,846 | 1.53 |
| GBP485,000 | Goldman Sachs Group 1.875% 16/12/2030 | 359,800 | 0.17 |
| GBP58,000 | Goldman Sachs Group 6.875% 18/01/2038 | 56,121 | 0.03 |
| GBP762,000 | Metropolitan Life Global Funding I 5% 10/01/2030 | 720,358 | 0.34 |
| GBP1,235,000 | Morgan Stanley 5.789% 18/11/2033 | 1,169,718 | 0.55 |
| GBP2,014,000 | Verizon Communications 1.125% 03/11/2028 | 1,565,881 | 0.74 |
| GBP1,163,000 | Verizon Communications 2.5% 08/04/2031 | 906,845 | 0.43 |
| GBP237,000 | Verizon Communications 3.375% 27/10/2036 | 175,167 | 0.08 |
| GBP2,950,000 | Washington Mutual 0.00% 31/12/2040 ^{2,3} | — | — |
| GBP1,758,000 | Wells Fargo & Company 2.5% 02/05/2029 | 1,419,609 | 0.67 |
| | | 18,353,717 | 8.63 |
| PACIFIC BASIN — 1.00% (2.26%) | | | |
| Australia — 1.00% (2.26%) | | | |
| GBP2,737,000 | QBE Insurance Group 2.5% 13/09/2038 | 2,120,901 | 1.00 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|---------------------------------------|--|----------------------|-----------------------|
| GOVERNMENT BONDS | | | |
| — 7.26% (5.96%) | | | |
| UNITED KINGDOM — 7.26% (5.96%) | | | |
| GBP346,000 | United Kingdom Gilt 1.625% 22/10/2028 | 298,077 | 0.14 |
| GBP1,928,000 | United Kingdom Gilt 4.75% 07/12/2030 | 1,946,529 | 0.91 |
| GBP3,278,789 | United Kingdom Gilt 4.25% 07/06/2032 | 3,203,115 | 1.51 |
| GBP4,778,227 | United Kingdom Gilt 1.75% 07/09/2037 | 3,290,690 | 1.55 |
| GBP2,909,716 | United Kingdom Gilt 1.25% 22/10/2041 | 1,653,301 | 0.78 |
| GBP1,774,000 | United Kingdom Gilt 4.5% 07/12/2042 | 1,687,535 | 0.79 |
| GBP1,265,559 | United Kingdom Gilt 3.25% 22/01/2044 | 996,807 | 0.47 |
| GBP2,352,000 | United Kingdom Gilt 1.5% 22/07/2047 | 1,237,740 | 0.58 |
| GBP604,000 | United Kingdom Gilt 4.25% 07/12/2049 | 547,388 | 0.26 |
| GBP948,887 | United Kingdom Gilt 0.625% 22/10/2050 | 350,901 | 0.16 |
| GBP5,000 | United Kingdom Gilt 1.75% 22/07/2057 | 2,507 | — |
| GBP828,323 | United Kingdom Gilt 0.5% 22/10/2061 | 228,415 | 0.11 |
| | | 15,443,005 | 7.26 |
| FORWARD CURRENCY CONTRACTS | | | |
| — 0.01% (0.01%) | | | |
| GBP(8,623) | Sold Sterling | | |
| EUR10,000 | for Euro (Expires 11/10/2023) ⁴ | (76) | — |
| EUR(1,856,927) | Sold Euro | | |
| GBP1,599,310 | for Sterling (Expires 11/10/2023) ⁴ | 12,141 | — |
| USD(1,955,509) | Sold US Dollars | | |
| GBP1,532,155 | for Sterling (Expires 11/10/2023) ⁴ | 447 | — |
| EUR(2,825,303) | Sold Euro | | |
| GBP2,432,064 | for Sterling (Expires 11/10/2023) ⁴ | 17,196 | 0.01 |
| USD(51,000) | Sold US Dollars | | |
| GBP39,248 | for Sterling (Expires 11/10/2023) ⁴ | (699) | — |
| GBP(7,829) | Sold Sterling | | |
| USD10,000 | for US Dollars (Expires 11/10/2023) ⁴ | 4 | — |
| GBP(78,552) | Sold Sterling | | |
| USD100,000 | for US Dollars (Expires 11/10/2023) ⁴ | (224) | — |
| | | 28,789 | 0.01 |
| FUTURE CONTRACTS | | | |
| — -0.06% (0.13%) | | | |
| EUR(8) | Euro-BOBL Future Expiry September 2023 | 10,916 | — |
| EUR(7) | Euro-BUXL Future Expiry September 2023 | 38,686 | 0.02 |
| GBP58 | Long Gilt Future Expiry September 2023 | (217,102) | (0.10) |
| USD(6) | US Long Bond CBT Future Expiry September 2023 | 40,655 | 0.02 |
| | | (126,845) | (0.06) |

Portfolio Statement continued

Portfolio of investments⁵

Net other assets

Total net assets

| | |
|---------------------|----------------|
| 208,740,678 | 98.13 |
| 3,975,678 | 1.87 |
| £212,716,356 | 100.00% |

¹ These are sub-investment grade fixed interest securities and represent 3.55% of the net assets of the Fund.

² These are unrated fixed interest securities and represent 0.00% of the net assets of the Fund.

³ Defaulted securities are valued at the Manager's best assessment of their fair and reasonable value.

⁴ Unlisted securities are valued at the Manager's best assessment of their fair and reasonable value.

⁵ Including investment liabilities.

Total purchases for the period: £61,287,619.

Total sales for the period: £74,134,301.

Financial Statements

Statement of Total Return for the period ended 22 August 2023

| | 22/08/23 | 22/08/22 |
|--|----------------------|----------------------|
| | £ | £ |
| Income | | |
| Net capital losses | (10,829,736) | (32,575,924) |
| Revenue | 4,633,042 | 4,447,420 |
| Expenses | (531,470) | (701,502) |
| Interest payable and similar charges | (30,934) | (12,291) |
| Net revenue before taxation | 4,070,638 | 3,733,627 |
| Taxation | — | — |
| Net revenue after taxation for the period | 4,070,638 | 3,733,627 |
| Total return before distributions | (6,759,098) | (28,842,297) |
| Distributions | (3,808,243) | (3,733,627) |
| Change in net assets attributable to Unitholders from investment activities | £(10,567,341) | £(32,575,924) |

Statement of Change in Net Assets attributable to Unitholders for the period ended 22 August 2023

| | 22/08/23 | 22/08/22 |
|--|---------------------|---------------------|
| | £ | £ |
| Opening net assets attributable to Unitholders | 235,407,525 | 321,155,288 |
| Amounts received on issue of units | 3,414,157 | 4,951,857 |
| Amounts paid on cancellation of units | (16,814,094) | (30,311,722) |
| | (13,399,937) | (25,359,865) |
| Change in net assets attributable to Unitholders from investment activities | (10,567,341) | (32,575,924) |
| Retained distributions on accumulation units | 1,275,860 | 1,370,214 |
| Unclaimed distributions | 249 | 334 |
| Closing net assets attributable to Unitholders | £212,716,356 | £264,590,047 |

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

Financial Statements continued

Balance Sheet as at 22 August 2023

| | 22/08/23 £ | 22/02/23 £ |
|---|---------------------|---------------------|
| ASSETS | | |
| Fixed assets: | | |
| Investments | 208,958,779 | 233,032,716 |
| Current assets: | | |
| Debtors | 5,011,328 | 6,537,504 |
| Cash and bank balances | 2,242,337 | 5,391,643 |
| Total assets | 216,212,444 | 244,961,863 |
| LIABILITIES | | |
| Investment liabilities | (218,101) | (31,149) |
| Creditors: | | |
| Bank overdrafts | (1,329,348) | (5,230,507) |
| Distributions payable | (495,672) | (502,363) |
| Other creditors | (1,452,967) | (3,790,319) |
| Total liabilities | (3,496,088) | (9,554,338) |
| Net assets attributable to Unitholders | £212,716,356 | £235,407,525 |

Notes to the Financial Statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP) and amended in June 2017.

2. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. In making this assessment, the Manager has considered, amongst other things, factors such as Fund size, cash flows through the Fund and Fund liquidity in its assessment of the Fund's ability to meet its liabilities as they fall due for at least the twelve month period from the date the financial statements are signed. Based on this assessment, the Manager deems the basis of preparation appropriate.

Fund Information

Net Asset Values and Units in Issue

| Class | Net Asset Value (£) | Units in Issue | Net Asset Value per Unit (p) |
|--------------------|---------------------|----------------|------------------------------|
| R-Class | | | |
| Distribution Units | 6,975,717 | 13,215,666 | 52.78 |
| Accumulation Units | 5,687,495 | 5,240,696 | 108.53 |
| F-Class | | | |
| Distribution Units | 658 | 1,233 | 53.37 |
| Accumulation Units | 1,108 | 965 | 114.82 |
| I-Class | | | |
| Distribution Units | 133,779,267 | 253,099,433 | 52.86 |
| Accumulation Units | 66,272,111 | 55,097,706 | 120.28 |

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.

Ongoing Charges Figures

| | 22 Aug 23 | 22 Feb 23 |
|---------|-----------|-----------|
| R-Class | 1.03% | 1.03% |
| F-Class | 0.68% | 0.68% |
| I-Class | 0.44% | 0.44% |

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

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

Distribution Information

R-Class

The distribution paid on 21 September 2023 was 0.1615p per unit for distribution units and 0.3302p per unit for accumulation units.

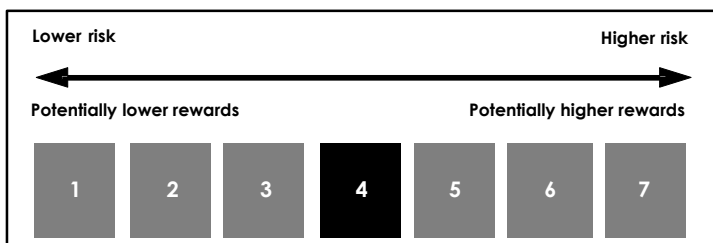
F-Class

The distribution paid on 21 September 2023 was 0.1812p per unit for distribution units and 0.3703p per unit for accumulation units.

I-Class

The distribution paid on 21 September 2023 was 0.1874p per unit for distribution units and 0.4243p per unit for accumulation units.

Risk and Reward Profile



- The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is not guaranteed to remain the same and may change over time. It is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table above shows the Fund's ranking on the Risk and Reward Indicator.
- The Fund is in category four because it invests in company or government bonds which are sensitive to changes in interest rates, inflation and credit. This can be driven by political and economic changes and other significant events and may cause the value to go up and down. Bonds that are closer to their maturity date tend to be more stable in value. Bonds are generally considered to be higher risk investments than cash, but lower risk than company shares.
- Even a fund in the lowest category is not a risk free investment.

General Information

Constitution

| | | |
|--------------------------------------|-----------------------------------|--------------|
| Launch date: | 20 October 1997 | |
| Period end dates for distributions: | 22 of each month | |
| | 22 February (Final) | |
| Distribution dates: | 21 of each month | |
| | 21 March (Final) | |
| Minimum initial lump sum investment: | R-Class | £100 |
| | I-Class | £1,000,000 |
| Minimum monthly contributions: | R-Class | £20 |
| | I-Class | N/A |
| Valuation point: | 12 noon | |
| Fund Management Fees: | R-Class | Annual 1.03% |
| | F-Class* | Annual 0.68% |
| | I-Class | Annual 0.44% |
| Initial charge: | Nil for all existing unit classes | |

* Class F units are closed to new subscriptions.

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/funds/prices-and-reports/daily-fund-prices immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 9:00am to 5:00pm, Monday to Friday.

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at www.legalandgeneral.com. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

ISA Status

This Fund may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

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

Prospectus and Manager's Reports

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

General Information continued

EU Savings Directive

The Fund has been reviewed against the requirements of the Directive 2003/48/EC on Taxation of savings in the form of interest payments (ESD), following the HM Revenue & Customs debt investment reporting guidance notes.

Under the Directive, information is collected about the payment of distributions to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with Tax authorities in those countries.

The Fund falls within the 25% debt investment reporting threshold. This means that details of all distributions and redemption proceeds paid to non UK investors will be reported by Legal & General (Unit Trust Managers) Limited to HM Revenue & Customs to be exchanged with the relevant Tax authorities.

Taskforce on Climate related Financial Disclosures (TCFD) Report

In accordance with the Taskforce on Climate related Financial Disclosures (TCFD) requirements, Legal & General (Unit Trust Managers) Limited (UTM) has prepared its public TCFD report which is available for investors to read and review at the following website link:

https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/utm-tcdf-legal-entity-report-2022.pdf.

Significant Change

Change of Investment Objective and Policy

With effect from 31 March 2023, the Fund's Investment Objective and Policy has been updated to better reflect how the Fund is managed. The previous and revised Investment Objective and Policy are set out on pages 2 to 3.

Notifiable Change

Prospectus Updates

With effect from 16 March 2023, the Prospectus was updated for the following:

To introduce wording to allow for the compulsory conversion or cancellation of units and to clarify the circumstances in which redemptions, conversions or cancellations may be carried out.

To introduce revised wording confirming the Fund may not be offered or sold to in the United States of America or held by U.S. Persons and that the compulsory redemption provisions as set out in the Prospectus will apply accordingly to any such U.S. Person.

To introduce wording to reflect the treatment of unclaimed distributions and client money.

With effect from 23 May 2023, the Prospectus was updated for the following:

To introduce wording to confirm that units may be redeemed under certain circumstances.

General Information continued

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

Directors of the Manager

M. M. Ammon
E. Cowhey*
A. J. C. Craven
D. J. Hosie*
R. R. Mason
L. W. Toms

*Non-executive Director

Secretary

J. McCarthy
One Coleman Street,
London EC2R 5AA

Registrar

Legal & General (Unit Trust Managers) Limited
Brunel House,
2 Fitzalan Road,
Cardiff CF24 0EB
Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956
Enquiries: 0370 050 0955
Registration: 0370 050 0955

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

Trustee

Northern Trust Investor Services Limited
Trustee and Depositary Services
50 Bank Street,
Canary Wharf,
London E14 5NT

Authorised and regulated by the Financial Conduct Authority

Independent Auditor

KPMG LLP
319 St Vincent Street,
Glasgow G2 5AS

Investment Adviser

Legal & General Investment Management Limited
One Coleman Street,
London EC2R 5AA
Authorised and regulated by the Financial Conduct Authority

**Authorised and regulated by the
Financial Conduct Authority**

Legal & General
(Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
www.legalandgeneral.com

