

Legal & General Future World Sustainable UK Equity  
Focus Fund

**Interim Manager's Report  
for the period ended  
15 November 2024  
(Unaudited)**





# Contents

	<b>Page Number</b>
Manager's Investment Report	2
Authorised Status	6
Directors' Statement	6
Portfolio Statement	7
Statement of Total Return	9
Statement of Change in Net Assets attributable to Unitholders	9
Balance Sheet	10
Notes to the Financial Statements	11
Fund Information	12
Risk and Reward Profile	14
General Information	15

# Manager's Investment Report

## Investment Objective and Policy

The objective of the Fund is to provide growth in excess of the FTSE All Share TR Net 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 seeks to achieve this objective by investing at least 90% in shares of companies that the Investment Manager considers to offer sustainable investment opportunities through their contribution towards the United Nations Sustainable Development Goals ("UN SDGs"), have strong growth prospects and are incorporated, headquartered or have their principal business activities in the UK.

The Investment Manager conducts stock-specific analysis, both prior to making an investment and on an on-going basis to assess a company's contribution to the UN SDGs and environmental, social and governance ("ESG") profile.

The Investment Manager will invest in companies that contribute to one or more of the UN SDGs. To assess a company's contribution to the UN SDGs the Investment Manager makes a qualitative assessment, taking into consideration the positive and negative impact that a company has from its products, solutions and/or services and business practices. The Fund may invest across all of the UN SDGs and the overall contribution to each of the UN SDGs may vary based on available investment opportunities.

The Investment Manager will also take into consideration a company's ESG profile as part of its active assessment. To assess a company's ESG profile, the Investment Manager will use its proprietary ESG research tool. The ESG research tool incorporates quantitative inputs including the Investment Manager's proprietary ESG scores and data from third parties. The ESG score is one component in the overall active assessment of a company. The Investment Manager will build on the ESG score by making a qualitative assessment to determine whether it believes a company can maintain or positively improve its ESG profile. This qualitative assessment includes insights from company analysis and the Investment Manager's engagement with companies.

The Investment Manager will take into consideration a company's current and future trajectory of carbon emission intensity in the overall ESG profile of a company. This is achieved by measuring the carbon emission intensity for each company in the Fund using a third party data source and considering the overall carbon emission intensity of the Fund relative to the Benchmark Index.

The Investment Manager will actively invest in companies that it believes will maintain or improve their ESG profiles. If, during the life of an investment, a company's ESG profile declines, taking into consideration factors such as the ESG score and qualitative assessment, the Investment Manager may actively engage with that company.

The Investment Manager may actively engage with companies on specific ESG issues and to drive improvement in a company's ESG profile. The Investment Manager may formulate an engagement strategy with regards to an ESG issue and will track and review the progress of the company during the process. This active engagement may be conducted by the Investment Manager and/or in collaboration with industry peers and broader stakeholders.

If, following a reasonable timeframe, engagement does not result in an improvement in the ESG issues identified, then the Investment Manager may disinvest from that company.

## Manager's Investment Report continued

In addition, the Fund will not actively invest in companies:

I. in accordance with the Investment Manager's climate impact pledge (the "Climate Impact Pledge"). A summary of the Climate Impact Pledge is available at: <https://www.lgim.com/cip>;

II. in accordance with the L&G Future World Protection List in order to encourage strong governance and sustainable strategies. A summary of the L&G Future World Protection List Methodology is available at: [www.lgim.com/fwpl](http://www.lgim.com/fwpl); and

III. which derive any revenue from nuclear weapons, firearms, gambling or more than 5% of their revenues from the production of tobacco or alcohol.

The Investment Manager will disinvest in a timely manner from companies which subsequently become part of the above exclusion list following investment.

The Fund's portfolio is concentrated. Over a market cycle (typically 3 to 5 years), the Fund will comprise on average 25 companies and is therefore 'focused' when compared to a broad investment universe.

The Fund may also invest in other shares (including of UK companies), collective investment schemes (including those managed or operated by the Manager or an affiliate of the Manager), other transferable securities (including participatory notes, preference shares, permitted deposits, warrants and convertible bonds), cash and near cash, and money market instruments (such as Treasury bills).

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

### Manager's Investment Report

During the period under review, the published price of the Fund's R-Class accumulation units decreased by 0.30%. This compares to a decrease in the FTSE All-Share Index of 2.21% on a total return basis (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 six months under review, the focus has shifted towards developed-market central banks making wholesale interest rate cuts. Since the Bank of England (BoE) fired the first monetary tightening shot in late 2021, the direction of travel for developed-market interest rates had been one way; it is now firmly in reverse.

With the Swiss National Bank having become the first G10 central bank to cut interest rates in this cycle in March 2024, the European Central Bank followed suit in June, September and October. The US Federal Reserve joined the party in September, after the BoE had followed its European neighbour by cutting rates in August. Japan aside, this era of monetary tightening is over.

In the UK, the BoE cut rates for the second time this cycle at its November meeting, by 0.25% to 4.75%, having cut rates from their 16-year high of 5.25% in August, with Governor Andrew Bailey setting out a gradual reduction in rates over time, stating that inflation was easing 'broadly as expected'. Inflation sat at an annual rate of 2.30% in October.

## Manager's Investment Report continued

UK equities finished the six-month period marginally in the positive in Sterling terms, some way behind the global average. At the sector level, telecommunications led the way with a double-digit return, while there were strong showings for utilities, financials, consumer staples and consumer discretionary. On the negative front, healthcare lost significant ground, while there were also notably weak showings from basic materials and energy.

### Fund Review

The Fund outperformed its Benchmark Index over the period driven by positive asset allocation, partially offset by stock selection.

Our underweight in healthcare and basic materials contributed positively in relative terms as both sectors underperformed the broader Index. We also saw gains from being underweight in energy as investors swayed away from the sector.

In terms of stock selection, our position in Keywords Studios rose after it accepted a £1.96 billion offer from private equity firm EQT Group. UK food producer Tate & Lyle added to returns after the firm saw more gains after M&A interest. The undervalued UK stock market, where some stocks are much cheaper than international peers, has seen a rise in recent acquisitions from private equity companies, who have gained confidence from the new stability in UK politics. Meat producer Cranswick gained and added to fund performance after the company reported its financial performance should be at the upper end of market expectations over the full year. Other additives included underweight positions in GSK and BP. GSK experienced a fall after its research and development pipeline contracted. BP fell after a revision of a share buyback which cautioned investor sentiment.

Some notable detractors include Croda International, a specialty chemical business, which detracted from returns after it fell due to lowering its profit goal. The stock further slid after European beauty stocks traded lower after lowering sales guidance due to a slowing demand from China. Insurer Prudential detracted from returns after also being caught up in the slowing growth in China, where a large proportion of assets are in place.

In terms of trading activity, we exited out of Keywords Studios after its bid by EQT Group, Spectris, Spirax-Sarco Engineering and sold out of Rentokil Initial. We rotated capital into SSE, IMI, HSBC Holdings, Lloyds Banking Group and Unilever.

### Outlook

Looking ahead, the near-term outlook for markets will be impacted by the US presidential election and whether the winning candidate also achieves control of Congress and is therefore able to pass their budget. In addition, focus is on Chinese stimulus and whether details are announced. Global economic activity and corporate fundamentals are generally sound, but equity and credit market valuations are elevated and therefore vulnerable to macro disappointments.

Legal & General Investment Management Limited  
(Investment Adviser)  
16 December 2024

# Manager's Investment Report continued

## Important Note from the Manager

### Geopolitical Events

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

### Fund Merger Proposal

On 4 November 2024, the Manager communicated a proposal to Unitholders to merge the Legal & General Future World Sustainable UK Equity Focus Fund with the Legal & General Future World UK Equity Fund. An Extraordinary General Meeting (EGM) is to be held on 15 January 2025, at which an Extraordinary Resolution to approve the merger will be proposed. If the Extraordinary Resolution is passed, the Fund will close and the Net Assets Attributable to Unitholders will be transferred to the Legal & General Future World UK Equity Fund on 21 February 2025. If the Extraordinary Resolution is not passed, the merger will not proceed, and the Manager will seek the necessary approval from the FCA to wind up the Legal & General Future World Sustainable European Equity Focus Fund.

For further details, please contact Legal & General on 0370 050 0634 or email Legal & General at [inst.deal@landg.com](mailto:inst.deal@landg.com).

Legal & General (Unit Trust Managers) Limited  
January 2025

## 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)



R. R. Mason  
(Director)

Legal & General (Unit Trust Managers) Limited  
10 January 2025



## Portfolio Statement

### Portfolio Statement as at 15 November 2024

All investments are in ordinary shares unless otherwise stated. The percentages in brackets show the equivalent holdings at 15 May 2024.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>EQUITIES — 99.99% (99.29%)</b>		
	<b>UNITED KINGDOM</b>		
	<b>— 91.65% (90.55%)</b>		
	<b>Chemicals — 2.75% (3.76%)</b>		
14,025	Croda International	491,436	2.75
	<b>Industrial Engineering</b>		
	<b>— 4.27% (7.71%)</b>		
35,633	Weir Group	763,972	4.27
	<b>Food Producers — 8.36% (7.82%)</b>		
14,385	Cranswick	719,250	4.02
102,082	Tate & Lyle	774,802	4.34
		1,494,052	8.36
	<b>Leisure Goods — 0.00% (3.91%)</b>		
	<b>Personal Goods — 3.79% (0.00%)</b>		
15,048	Unilever	677,762	3.79
	<b>Media — 4.36% (4.15%)</b>		
21,789	RELX	780,046	4.36
	<b>Electricity — 3.72% (0.00%)</b>		
38,778	SSE	664,461	3.72
	<b>Banks — 6.25% (0.00%)</b>		
50,173	HSBC Holdings	358,938	2.01
1,363,946	Lloyds Banking Group	759,172	4.24
		1,118,110	6.25
	<b>Life Insurance — 3.48% (3.96%)</b>		
97,107	Prudential	621,291	3.48
	<b>Real Estate Investment Trusts</b>		
	<b>— 7.37% (7.79%)</b>		
463,419	Tritax Big Box REIT	633,030	3.54
80,542	UNITE Group	684,607	3.83
		1,317,637	7.37
	<b>Pharmaceuticals and</b>		
	<b>Biotechnology — 3.30% (3.86%)</b>		
5,890	AstraZeneca	589,825	3.30
	<b>Industrial Support Services</b>		
	<b>— 8.92% (12.07%)</b>		
12,671	Ashtead Group	791,431	4.43
17,698	Diploma	803,843	4.49
		1,595,274	8.92
	<b>Investment Banking and Brokerage</b>		
	<b>Services — 12.42% (12.37%)</b>		
22,201	3i Group	758,608	4.24
32,601	Intermediate Capital Group	662,453	3.71

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>Investment Banking and Brokerage Services — (cont.)</b>		
7,543	London Stock Exchange Group	799,558	4.47
		2,220,619	12.42
	<b>Software and Computer Services — 4.27% (3.77%)</b>		
71,555	Sage Group	763,134	4.27
	<b>Electronic and Electrical Equipment — 1.78% (3.53%)</b>		
18,522	IMI	318,393	1.78
	<b>Retailers — 4.03% (4.05%)</b>		
249,926	Pets at Home Group	721,286	4.03
	<b>Medical Equipment and Services — 4.16% (3.81%)</b>		
304,169	ConvaTec Group	743,389	4.16
	<b>Consumer Services — 4.67% (3.91%)</b>		
31,870	Compass Group	834,994	4.67
	<b>Household Goods and Home Construction — 3.75% (4.08%)</b>		
81,059	Howden Joinery Group	669,547	3.75
	<b>CHANNEL ISLANDS — 4.19% (4.22%)</b>		
	<b>Industrial Support Services — 4.19% (4.22%)</b>		
20,497	Experian	748,345	4.19
	<b>SWITZERLAND — 4.15% (4.52%)</b>		
	<b>Beverages — 4.15% (4.52%)</b>		
26,890	Coca-Cola HBC	742,164	4.15
<b>Portfolio of investments<sup>1</sup></b>		17,875,737	99.99
<b>Net other assets<sup>2</sup></b>		2,495	0.01
<b>Total net assets</b>		£17,878,232	100.00%

<sup>1</sup> All investments are admitted to an official stock exchange unless otherwise stated.

<sup>2</sup> Includes shares in the LGIM Sterling Liquidity Fund Class 1 to the value of £83,554 which are shown as cash equivalents in the balance sheet of the Fund.

Total purchases for the period: £23,332,351.

Total sales for the period: £149,674,854.

## Financial Statements

### Statement of Total Return for the period ended 15 November 2024

	15/11/24	15/11/23
	£	£
Income		
Net capital gains/ (losses)	310,262	(15,322,781)
Revenue	1,815,399	2,181,357
Expenses	(101,732)	(151,510)
Interest payable and similar charges	(10)	—
Net revenue before taxation	1,713,657	2,029,847
Taxation	—	34,462
Net revenue after taxation for the period	1,713,657	2,064,309
Total return before distributions	2,023,919	(13,258,472)
Distributions	(1,713,657)	(2,064,309)
Change in net assets attributable to Unitholders from investment activities	£310,262	£(15,322,781)

### Statement of Change in Net Assets attributable to Unitholders for the period ended 15 November 2024

	15/11/24	15/11/23
	£	£
Opening net assets attributable to Unitholders	144,936,028	179,280,969
Amounts received on issue of units	137,032	107,093
Amounts paid on cancellation of units	(127,687,217)	(32,074,812)
	(127,550,185)	(31,967,719)
Dilution levy	6,938	23,110
Change in net assets attributable to Unitholders from investment activities	310,262	(15,322,781)
Retained distributions on accumulation units	175,189	1,704,246
Closing net assets attributable to Unitholders	£17,878,232	£133,717,825

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 15 November 2024

	15/11/24 £	15/05/24 £
<b>ASSETS</b>		
<b>Fixed assets:</b>		
Investments	—	143,906,444
<b>Current assets:</b>		
Investments	17,875,737	—
Debtors	24,164	5,852,910
Cash and bank balances	342	74,005
Cash equivalents	83,554	715,178
<b>Total assets</b>	<b>17,983,797</b>	<b>150,548,537</b>
<b>LIABILITIES</b>		
<b>Creditors:</b>		
Distributions payable	(11,650)	(7,756)
Other creditors	(93,915)	(5,604,753)
<b>Total liabilities</b>	<b>(105,565)</b>	<b>(5,612,509)</b>
<b>Net assets attributable to Unitholders</b>	<b>£17,878,232</b>	<b>£144,936,028</b>

# 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

As set out on page 5, the Manager has proposed to merge or close the Fund and therefore does not believe that it is appropriate to prepare these Financial Statements on a going concern basis. As such, the Financial Statements have been prepared on a realisation basis 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. The assets and liabilities of the Fund are held at fair value, which equates to the realisable value. Accordingly, there is no difference between the preparation of the Financial Statements on a going concern or realisation basis.

## 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	708	862	82.13
Accumulation Units	361,061	358,317	100.77
F-Class			
Accumulation Units	832	775	107.35
I-Class			
Distribution Units	1,095,862	1,324,456	82.74
Accumulation Units	16,417,326	14,230,556	115.37
C-Class			
Distribution Units	571	1,222	46.73
Accumulation Units	1,259	2,478	50.81
L-Class			
Accumulation Units	613	1,298	47.23

**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

	15 Nov 24	15 May 24
R-Class	1.43%	1.43%
F-Class	1.03%	1.03%
I-Class	0.78%	0.78%
C-Class	0.50%	0.50%
L-Class	0.05%	0.05%

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.

## Fund Information continued

### Distribution Information

#### R-Class

The distribution payable on 15 January 2025 is 0.5825p per unit for distribution units and 0.7250p per unit for accumulation units.

#### F-Class

The distribution payable on 15 January 2025 is 0.9911p per unit for accumulation units.

#### I-Class

The distribution payable on 15 January 2025 is 0.8786p per unit for distribution units and 1.2125p per unit for accumulation units.

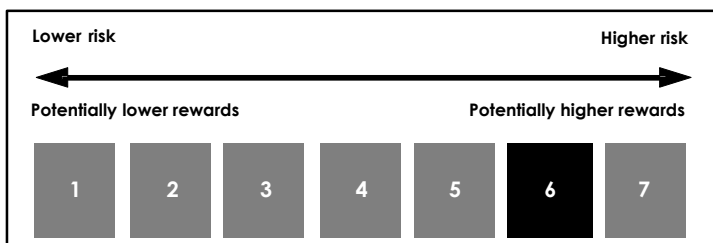
#### C-Class

The distribution payable on 15 January 2025 is 0.5671p per unit for distribution units and 0.6021p per unit for accumulation units.

#### L-Class

The distribution payable on 15 January 2025 is 0.6748p 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 six 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. Company shares are generally considered to be higher risk investments than bonds or cash.
- Even a fund in the lowest category is not a risk free investment.



## General Information

### Constitution

Launch date:	1 November 2000
Period end date for distributions:	15 May, 15 November
Distribution dates:	15 July, 15 January
Minimum initial lump sum investment:	R-Class £100 I-Class £1,000,000 C-Class* £20,000,000 L-Class** £100,000
Minimum monthly contributions:	R-Class £20 I-Class N/A C-Class* N/A L-Class** N/A
Valuation point:	12 noon
Fund Management Fees:	R-Class Annual 1.43% F-Class*** Annual 1.03% I-Class Annual 0.78% C-Class* Annual 0.50% L-Class** Annual 0.05%
Initial charge:	Nil for all existing unit classes

\* Class C units are available to certain eligible investors who meet the criteria for investment in such units as outlined in the share class policy of the Manager, which is available to investors in the C-Class upon request. Where investors in the C-Class no longer continue to meet the criteria for investment in such units, further investment in such units may not be permitted.

\*\* Class L units are only available to other Legal & General funds and/or companies which have entered into agreement with the Manager or an affiliate of the Manager.

\*\*\* 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](http://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](http://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.

## General Information continued

### **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.

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

### **Taskforce on Climate related Financial Disclosures (TCFD) Report**

In accordance with the Taskforce on Climate related Financial Disclosures (TCFD) requirements, 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-tcfd-legal-entity-report-2023.pdf](https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/utm-tcfd-legal-entity-report-2023.pdf).

## 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 (resigned on 9 September 2024)

\*Non-executive Director

### Secretary

J. McCarthy

One Coleman Street,

London EC2R 5AA

### Registrar

Legal & General (Unit Trust Managers) Limited

Four Central Square

Cardiff CF10 1FS

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](http://www.legalandgeneral.com)

