

Legal & General  
Global Inflation Linked Bond Index Fund  
**Interim Manager's Report**  
**for the period ended**  
**5 December 2020**  
**(Unaudited)**





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# Manager's Investment Report

## Investment Objective and Policy

The objective of the Fund is to provide a combination of growth and income by tracking the Barclays World Government Ex UK Inflation Linked Bonds Hedged GBP Index, the "Benchmark Index". This objective is after the deduction of charges and taxation.

The Benchmark Index is comprised of bonds issued by governments across all geographical areas excluding the UK which are denominated in the local currency of the country and linked to the rate of inflation of the country. The Fund may invest in sub-investment grade bonds.

The Fund is a Replicating Fund as it seeks to replicate as closely as possible the constituents of the Benchmark Index by holding all, or substantially all, of the assets comprising the Benchmark Index in similar proportions to their weightings in the Benchmark Index. The Fund will have at least 90% exposure to assets that are included in the Benchmark Index.

The Fund may also invest in bonds which are reasonably expected to become part of the Benchmark Index in the near future or are an alternative to a constituent of the Benchmark Index and collective investment schemes, including those managed or operated by the Manager or an associate of the Manager as well as money market instruments (such as treasury bills), cash and permitted deposits.

The Fund will use forward foreign exchange or currency future derivatives in order to manage the currency exposure in line with the Benchmark Index. The Fund may also hold other types of derivatives for Efficient Portfolio Management purposes only.

## Manager's Investment Report

During the period under review, the price of the Fund's I-Class accumulation units rose by 5.48%. Barclays, the Index compiler, calculates the Benchmark Index at the end of the business day using closing prices, whereas the Fund is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Fund has been revalued using closing prices. On this basis over the review period, the Fund performance was 5.43%, compared with the Index performance of 5.51% (Source: Rimes), producing a tracking difference of -0.08%.

**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.**

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

## Market/Economic Review

Global equity indices rebounded strongly after a turbulent first quarter, when the Coronavirus spread throughout Europe and the US heightening fears of an imminent global economic recession. Confidence amongst investors was restored after central banks and governments worldwide had announced a range of monetary and fiscal stimulus packages to underpin their domestic and the global economy. Subsequently, global economic activity gradually picked up as the global lockdown was eased and consumers returned. The recovery was led by a strong rebound in the Chinese economy, providing further momentum for equity markets. Yields in the major government bond markets remained very low throughout the period, as interest rate cuts and an extension of quantitative easing (QE) measures from the major central banks underpinned government bond markets. Core government bonds have struggled to make headway as investors have focused on the prospects of a recovery

## Manager's Investment Report continued

in global economic activity during the second half of 2020 as the second wave of the pandemic hit. However Index-linked securities gained significant ground, bolstered by expectations that the extraordinary central bank measures and government's spending programmes to protect against the economic fallout from COVID-19 could fuel medium-to-long term inflation. In the US, the Consumer Price Index (CPI) fell to a low of 0.1% year on year, before recovering somewhat to 1.2% year on year in November. Germany however has seen its CPI inflation rate fall steadily over the period from 0.9% year on year to -0.3% year on year in December. The oil price (Brent crude) declined to a low of approximately \$37 per barrel in October, before rallying to approximately \$49 per barrel at the end of the period, just above its 6 month average price of \$43 per barrel. US linker real yields fell sharply over the period with the 2 year yield falling by 128 basis points (bps) to -1.54% and the 10 year yield by 57bps to -1.25%. In Germany the 10 year real yield fell by 56bps for Germany, 58bps for France and 129bps for Italy.

### Fund Review

All investment activity was prompted either by unitholder investment or redemption, or by the changes to the profile of the Benchmark Index.

The US had six monthly auctions over the review period, totalling \$77 billion of new issuance. A new 10-year bond was launched in July and was subsequently re-opened another two times, raising \$38 billion. The 5-year benchmark was only reopened once and a new 5-year benchmark was launched in October taking the 5-year issuance to \$32 billion. The 30-year benchmark bond was only reopened once for a total of \$7 billion, increasing its size to \$15.6 billion. Five bonds one each from the US, Canada, Italy, France and Spain left the Index during the reporting period due to their remaining life to maturity falling below one year. The Fund experienced strong positive cash flow during the review period, which was invested in such a way so as to ensure the Fund maintained an Index distribution at all times.

### Outlook

We see the level of global output at around 3% below the pre-virus trend by end of 2021 and 2% by the end of 2022. The baseline assumes a successful vaccine roll out in the spring and better weather creating conditions for an effective end to the COVID-19 crises by the 2021 winter. The effect of Brexit, the extent of the economic scarring caused by the pandemic and the new political challenges in the US all add to the uncertainties for 2021.

Legal & General Investment Management Limited

(Investment Adviser)

7 January 2021

## Manager's Investment Report continued

### **Important Note from the Manager**

Since January 2020, global financial markets have been affected by the COVID-19 coronavirus. The impact on the Company will take longer to assess; however, the Company has enacted its business continuity plans, with a large number of staff working remotely. Our technology and IT infrastructure supports large scale remote working, with our Investment Management Teams able to work in a 'business as usual' manner. We remain in regular contact with all key suppliers and we continue to monitor this situation closely.

The virus has caused major uncertainty and disruption to businesses and everyday life. Financial markets have reacted sharply to this news, with concerns regarding the economic impact this may have on a global scale. The long-term impact on the global economy and markets will depend upon the overall scale and the duration of the outbreak, as well as on the actions taken by governments and central banks.

Legal & General (Unit Trust Managers) Limited

7 January 2021

## Authorised Status

### Authorised Status

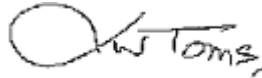
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

### 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  
28 January 2021

## Portfolio Statement

### Portfolio Statement as at 5 December 2020

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 5 June 2020.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>DEBT SECURITIES — 99.03% (97.62%)</b>		
	<b>NORTH AMERICA — 65.42% (65.24%)</b>		
	<b>United States — 62.95% (62.65%)</b>		
USD29,954,200	US Treasury Index Linked Bond 0.125% 15/01/2022	25,853,560	1.81
USD32,050,000	US Treasury Index Linked Bond 0.125% 15/04/2022	25,800,809	1.81
USD31,950,000	US Treasury Index Linked Bond 0.125% 15/07/2022	27,447,374	1.92
USD29,520,000	US Treasury Index Linked Bond 0.125% 15/01/2023	25,396,655	1.78
USD33,875,000	US Treasury Index Linked Bond 0.625% 15/04/2023	27,460,319	1.92
USD29,630,700	US Treasury Index Linked Bond 0.375% 15/07/2023	25,769,084	1.80
USD32,215,000	US Treasury Index Linked Bond 0.625% 15/01/2024	28,283,929	1.98
USD23,400,000	US Treasury Index Linked Bond 0.5% 15/04/2024	18,977,481	1.33
USD29,529,900	US Treasury Index Linked Bond 0.125% 15/07/2024	25,384,928	1.78
USD26,310,000	US Treasury Index Linked Bond 0.125% 15/10/2024	20,974,502	1.47
USD31,453,000	US Treasury Index Linked Bond 0.25% 15/01/2025	27,311,446	1.91
USD20,790,000	US Treasury Index Linked Bond 2.375% 15/01/2025	24,606,970	1.72
USD26,000,000	US Treasury Index Linked Bond 0.125% 15/04/2025	20,645,322	1.45
USD32,500,000	US Treasury Index Linked Bond 0.375% 15/07/2025	28,674,126	2.01
USD12,500,000	US Treasury Index Linked Bond 0.125% 15/10/2025	9,987,577	0.70
USD30,460,000	US Treasury Index Linked Bond 0.625% 15/01/2026	27,230,562	1.91
USD16,150,000	US Treasury Index Linked Bond 2% 15/01/2026	18,429,205	1.29
USD27,305,000	US Treasury Index Linked Bond 0.125% 15/07/2026	23,829,159	1.67
USD27,850,000	US Treasury Index Linked Bond 0.375% 15/01/2027	24,431,540	1.71
USD12,025,000	US Treasury Index Linked Bond 2.375% 15/01/2027	14,097,960	0.99
USD26,460,000	US Treasury Index Linked Bond 0.375% 15/07/2027	23,116,723	1.62
USD28,420,000	US Treasury Index Linked Bond 0.5% 15/01/2028	24,827,279	1.74
USD13,380,000	US Treasury Index Linked Bond 1.75% 15/01/2028	14,909,737	1.04
USD13,815,000	US Treasury Index Linked Bond 3.625% 15/04/2028	22,385,197	1.57



## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>United States — (cont.)</b>			
USD26,400,000	US Treasury Index Linked Bond 0.75% 15/07/2028	23,252,550	1.63
USD25,900,000	US Treasury Index Linked Bond 0.875% 15/01/2029	22,903,298	1.60
USD10,058,500	US Treasury Index Linked Bond 2.5% 15/01/2029	11,710,623	0.82
USD14,294,800	US Treasury Index Linked Bond 3.875% 15/04/2029	23,864,823	1.67
USD28,800,000	US Treasury Index Linked Bond 0.25% 15/07/2029	24,145,034	1.69
USD29,850,000	US Treasury Index Linked Bond 0.125% 15/01/2030	24,575,310	1.72
USD31,700,000	US Treasury Index Linked Bond 0.127% 15/07/2030	26,344,522	1.84
USD3,676,700	US Treasury Index Linked Bond 3.375% 15/04/2032	5,997,129	0.42
USD11,295,000	US Treasury Index Linked Bond 2.125% 15/02/2040	15,333,970	1.07
USD17,687,500	US Treasury Index Linked Bond 2.125% 15/02/2041	23,963,993	1.68
USD16,900,000	US Treasury Index Linked Bond 0.75% 15/02/2042	17,956,580	1.26
USD18,509,200	US Treasury Index Linked Bond 0.625% 15/02/2043	18,922,382	1.33
USD16,720,000	US Treasury Index Linked Bond 1.375% 15/02/2044	19,484,727	1.36
USD16,360,700	US Treasury Index Linked Bond 0.75% 15/02/2045	16,863,374	1.18
USD14,770,000	US Treasury Index Linked Bond 1% 15/02/2046	15,999,507	1.12
USD13,250,000	US Treasury Index Linked Bond 0.875% 15/02/2047	13,879,333	0.97
USD14,100,000	US Treasury Index Linked Bond 1% 15/02/2048	14,963,178	1.05
USD12,400,000	US Treasury Index Linked Bond 1% 15/02/2049	13,032,334	0.91
USD11,500,000	US Treasury Index Linked Bond 0.25% 15/02/2050	9,982,641	0.70
		<b>899,006,752</b>	<b>62.95</b>
<b>Canada — 2.47% (2.59%)</b>			
CAD3,906,000	Canadian Government Index Linked Bond 4.25% 01/12/2026	4,623,263	0.32
CAD4,454,000	Canadian Government Index Linked Bond 4% 01/12/2031	5,863,047	0.41
CAD4,215,000	Canadian Government Index Linked Bond 3% 01/12/2036	5,047,382	0.35
CAD4,951,000	Canadian Government Index Linked Bond 2% 01/12/2041	5,230,046	0.37
CAD5,722,000	Canadian Government Index Linked Bond 1.5% 01/12/2044	5,541,778	0.39
CAD5,892,000	Canadian Government Index Linked Bond 1.25% 01/12/2047	5,314,758	0.37

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>Canada — (cont.)</b>		
CAD5,010,000	Canadian Government Index Linked Bond 0.5% 01/12/2050	3,728,893	0.26
		<hr/>	<hr/>
		35,349,167	2.47
	<b>CONTINENTAL EUROPE</b>		
	<b>— 27.28% (26.10%)</b>		
	<b>Denmark — 0.30% (0.32%)</b>		
DKK19,385,000	Denmark Government Index Linked Bond 0.1% 15/11/2023	2,641,722	0.19
DKK11,300,000	Denmark Government Index Linked Bond 0.1% 15/11/2030	1,615,711	0.11
		<hr/>	<hr/>
		4,257,433	0.30
	<b>France — 11.67% (10.89%)</b>		
EUR15,195,000	France Government Index Linked Bond 1.1% 25/07/2022	16,185,817	1.13
EUR13,098,000	France Government Index Linked Bond 2.1% 25/07/2023	14,597,927	1.02
EUR14,555,000	France Government Index Linked Bond 0.25% 25/07/2024	14,808,414	1.04
EUR7,950,000	France Government Index Linked Bond 0.1% 01/03/2025	7,830,387	0.55
EUR3,400,000	France Government Index Linked Bond 0.1% 01/03/2026	3,293,906	0.23
EUR15,492,000	France Government Index Linked Bond 1.85% 25/07/2027	19,165,855	1.34
EUR8,995,000	France Government Index Linked Bond 0.1% 01/03/2028	9,208,473	0.65
EUR6,630,000	France Government Index Linked Bond 0.1% 01/03/2029	6,772,799	0.47
EUR6,745,000	France Government Index Linked Bond 3.4% 25/07/2029	11,276,353	0.79
EUR11,480,000	France Government Index Linked Bond 0.7% 25/07/2030	13,130,499	0.92
EUR7,765,000	France Government Index Linked Bond 3.15% 25/07/2032	14,152,519	0.99
EUR3,700,000	France Government Index Linked Bond 0.099% 01/03/2036	3,942,636	0.28
EUR5,530,000	France Government Index Linked Bond 0.1% 25/07/2036	6,274,191	0.44
EUR9,145,000	France Government Index Linked Bond 1.8% 25/07/2040	16,268,281	1.14
EUR7,630,000	France Government Index Linked Bond 0.1% 25/07/2047	9,776,830	0.68
		<hr/>	<hr/>
		166,684,887	11.67
	<b>Germany — 3.61% (3.26%)</b>		
EUR12,033,939	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2023	12,049,272	0.84
EUR12,080,000	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2026	12,434,052	0.87
EUR15,006,855	Germany (Federal Republic) Index Linked Bond 0.5% 15/04/2030	17,108,718	1.20

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>Germany — (cont.)</b>		
EUR7,020,000	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2046	9,908,822	0.70
		51,500,864	3.61
	<b>Italy — 7.93% (7.93%)</b>		
EUR7,130,000	Italy Government Index Linked Bond 0.1% 15/05/2022	6,831,109	0.48
EUR8,350,000	Italy Government Index Linked Bond 0.1% 15/05/2023	7,883,160	0.55
EUR13,395,000	Italy Government Index Linked Bond 2.6% 15/09/2023	15,804,070	1.11
EUR9,405,000	Italy Government Index Linked Bond 2.35% 15/09/2024	9,936,172	0.69
EUR2,600,000	Italy Government Index Linked Bond 0.648% 15/05/2026	2,473,028	0.17
EUR8,955,000	Italy Government Index Linked Bond 3.1% 15/09/2026	10,850,147	0.76
EUR11,935,000	Italy Government Index Linked Bond 1.3% 15/05/2028	12,528,560	0.88
EUR6,400,000	Italy Government Index Linked Bond 0.4% 15/05/2030	6,137,988	0.43
EUR10,970,000	Italy Government Index Linked Bond 1.25% 15/09/2032	11,944,916	0.84
EUR10,070,000	Italy Government Index Linked Bond 2.35% 15/09/2035	15,572,294	1.09
EUR8,680,000	Italy Government Index Linked Bond 2.55% 15/09/2041	13,271,297	0.93
		113,232,741	7.93
	<b>Spain — 2.84% (2.81%)</b>		
EUR700,000	Spain Government Index Linked Bond 0.3% 30/11/2021	668,180	0.05
EUR3,450,000	Spain Government Index Linked Bond 0.15% 30/11/2023	3,321,063	0.23
EUR9,665,000	Spain Government Index Linked Bond 1.8% 30/11/2024	10,242,601	0.72
EUR8,426,000	Spain Government Index Linked Bond 0.65% 30/11/2027	8,873,321	0.62
EUR9,195,000	Spain Government Index Linked Bond 1% 30/11/2030	10,358,240	0.73
EUR6,350,000	Spain Government Index Linked Bond 0.7% 30/11/2033	7,047,623	0.49
		40,511,028	2.84
	<b>Sweden — 0.93% (0.89%)</b>		
SEK20,060,000	Swedish Government Index Linked Bond 0.25% 01/06/2022	1,927,323	0.14
SEK21,175,000	Swedish Government Index Linked Bond 1% 01/06/2025	2,207,056	0.15
SEK21,100,000	Swedish Government Index Linked Bond 0.125% 01/06/2026	2,155,384	0.15
SEK11,000,000	Swedish Government Index Linked Bond 0.125% 01/12/2027	1,134,320	0.08
SEK22,010,000	Swedish Government Index Linked Bond 3.5% 01/12/2028	3,592,656	0.25

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>Sweden — (cont.)</b>			
SEK6,000,000	Swedish Government Index Linked Bond 0.125% 01/06/2030	609,387	0.04
SEK15,300,000	Swedish Government Index Linked Bond 0.125% 01/06/2032	1,720,568	0.12
		13,346,694	0.93
<b>ASIA — 4.12% (4.21%)</b>			
<b>Japan — 4.12% (4.21%)</b>			
JPY290,000,000	Japanese Government Index Linked Bond 0.1% 10/09/2023	2,158,932	0.15
JPY466,500,000	Japanese Government Index Linked Bond 0.1% 10/03/2024	3,455,171	0.24
JPY619,500,000	Japanese Government Index Linked Bond 0.1% 10/09/2024	4,469,225	0.31
JPY1,532,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2025	11,081,475	0.78
JPY1,053,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2026	7,597,513	0.53
JPY1,179,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2027	8,527,411	0.60
JPY1,170,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2028	8,394,146	0.59
JPY1,225,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2029	8,731,508	0.61
JPY622,000,000	Japanese Government Index Linked Bond 0.198% 10/03/2030	4,464,263	0.31
		58,879,644	4.12
<b>PACIFIC BASIN — 2.21% (2.07%)</b>			
<b>Australia — 1.48% (1.37%)</b>			
AUD4,975,000	Australia Government Index Linked Bond 1.25% 21/02/2022	3,272,597	0.23
AUD5,525,000	Australia Government Index Linked Bond 3% 20/09/2025	4,580,656	0.32
AUD4,550,000	Australia Government Index Linked Bond 0.75% 21/11/2027	2,947,723	0.21
AUD3,970,000	Australia Government Index Linked Bond 2.5% 20/09/2030	3,536,373	0.25
AUD3,090,000	Australia Government Index Linked Bond 2% 21/08/2035	2,637,682	0.18
AUD2,610,000	Australia Government Index Linked Bond 1.25% 21/08/2040	2,005,035	0.14
AUD2,900,000	Australia Government Index Linked Bond 1% 21/02/2050	2,123,815	0.15
		21,103,881	1.48
<b>New Zealand — 0.73% (0.70%)</b>			
NZD3,935,000	New Zealand Government Index Linked Bond 2% 20/09/2025	2,544,997	0.18
NZD3,905,000	New Zealand Government Index Linked Bond 3% 20/09/2030	2,966,959	0.21
NZD2,390,000	New Zealand Government Index Linked Bond 2.5% 20/09/2035	1,852,091	0.13
NZD500,000	New Zealand Government Index Linked Bond 2.703% 20/09/2035	387,467	0.02

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>New Zealand — (cont.)</b>			
NZD3,350,000	New Zealand Government Index Linked Bond 2.5% 20/09/2040	2,696,578	0.19
		<hr/>	<hr/>
		10,448,092	0.73
<b>FORWARD CURRENCY CONTRACTS</b>			
<b>— 0.81% (2.21%)</b>			
GBP(28,131) AUD51,000	Sold Sterling for Australian Dollar (Expires 06/01/2021) <sup>1</sup>	350	—
GBP(46,940) CAD81,000	Sold Sterling for Canadian Dollar (Expires 06/01/2021) <sup>1</sup>	561	—
GBP(5,814) DKK48,000	Sold Sterling for Danish Krone (Expires 06/01/2021) <sup>1</sup>	73	—
GBP(487,771) EUR541,000	Sold Sterling for Euro (Expires 06/01/2021) <sup>1</sup>	6,062	—
NZD(19,853,000) GBP10,471,599	Sold New Zealand Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	112,427	0.01
CAD(77,000) GBP44,297	Sold Canadian Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	(153)	—
USD(166,343,170) GBP124,447,069	Sold US Dollars for Sterling (Expires 06/01/2021) <sup>1</sup>	1,450,853	0.10
NZD(24,000) GBP12,606	Sold New Zealand Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	83	—
JPY(52,500,000) GBP376,813	Sold Japanese Yen for Sterling (Expires 06/01/2021) <sup>1</sup>	3,377	—
JPY(297,300,000) GBP2,136,041	Sold Japanese Yen for Sterling (Expires 06/01/2021) <sup>1</sup>	21,327	—
USD(1,000,000,000) GBP748,387,039	Sold US Dollars for Sterling (Expires 06/01/2021) <sup>1</sup>	8,974,562	0.63
EUR(284,000) GBP255,668	Sold Euro for Sterling (Expires 06/01/2021) <sup>1</sup>	124	—
AUD(37,171,000) GBP20,552,088	Sold Australian Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	107,556	0.01
CAD(61,324,000) GBP35,447,757	Sold Canadian Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	47,066	—
DKK(35,629,000) GBP4,302,226	Sold Danish Krone for Sterling (Expires 06/01/2021) <sup>1</sup>	(4,918)	—
EUR(510,000) GBP459,652	Sold Euro for Sterling (Expires 06/01/2021) <sup>1</sup>	753	—
DKK(45,000) GBP5,448	Sold Danish Krone for Sterling (Expires 06/01/2021) <sup>1</sup>	8	—
JPY(7,928,980,000) GBP57,065,109	Sold Japanese Yen for Sterling (Expires 06/01/2021) <sup>1</sup>	665,757	0.05
EUR(2,619,000) GBP2,375,070	Sold Euro for Sterling (Expires 06/01/2021) <sup>1</sup>	18,486	—
AUD(139,000) GBP76,427	Sold Australian Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	(25)	—
USD(1,521,000) GBP1,126,185	Sold US Dollars for Sterling (Expires 06/01/2021) <sup>1</sup>	1,538	—
NZD(37,000) GBP19,518	Sold New Zealand Dollar for Sterling (Expires 06/01/2021) <sup>1</sup>	212	—
EUR(91,000,000) GBP81,717,272	Sold Euro for Sterling (Expires 06/01/2021) <sup>1</sup>	(164,820)	(0.01)

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>FORWARD CURRENCY CONTRACTS</b>			
<b>— (cont.)</b>			
EUR(118,904,000)	Sold Euro		
GBP106,847,610	for Sterling (Expires 06/01/2021) <sup>1</sup>	(142,591)	(0.01)
DKK(28,000)	Sold Danish Krone		
GBP3,383	for Sterling (Expires 06/01/2021) <sup>1</sup>	(1)	—
CAD(392,000)	Sold Canadian Dollar		
GBP227,239	for Sterling (Expires 06/01/2021) <sup>1</sup>	947	—
EUR(84,000,000)	Sold Euro		
GBP75,380,256	for Sterling (Expires 06/01/2021) <sup>1</sup>	(203,214)	(0.01)
AUD(1,025,000)	Sold Australian Dollar		
GBP565,582	for Sterling (Expires 06/01/2021) <sup>1</sup>	1,818	—
USD(7,749,000)	Sold US Dollars		
GBP5,811,906	for Sterling (Expires 06/01/2021) <sup>1</sup>	82,199	—
CAD(229,000)	Sold Canadian Dollar		
GBP132,108	for Sterling (Expires 06/01/2021) <sup>1</sup>	(88)	—
AUD(48,000)	Sold Australian Dollar		
GBP26,470	for Sterling (Expires 06/01/2021) <sup>1</sup>	69	—
EUR(105,000,000)	Sold Euro		
GBP94,428,705	for Sterling (Expires 06/01/2021) <sup>1</sup>	(50,632)	—
EUR(11,217,000)	Sold Euro		
GBP10,056,007	for Sterling (Expires 06/01/2021) <sup>1</sup>	(37,086)	—
AUD(245,000)	Sold Australian Dollar		
GBP135,691	for Sterling (Expires 06/01/2021) <sup>1</sup>	937	—
USD(44,101,000)	Sold US Dollars		
GBP33,011,930	for Sterling (Expires 06/01/2021) <sup>1</sup>	403,100	0.03
USD(3,575,000)	Sold US Dollars		
GBP2,673,069	for Sterling (Expires 06/01/2021) <sup>1</sup>	29,670	—
DKK(231,000)	Sold Danish Krone		
GBP28,143	for Sterling (Expires 06/01/2021) <sup>1</sup>	217	—
JPY(10,300,000)	Sold Japanese Yen		
GBP73,553	for Sterling (Expires 06/01/2021) <sup>1</sup>	288	—
JPY(3,100,000)	Sold Japanese Yen		
GBP22,199	for Sterling (Expires 06/01/2021) <sup>1</sup>	149	—
DKK(558,000)	Sold Danish Krone		
GBP67,199	for Sterling (Expires 06/01/2021) <sup>1</sup>	(257)	—
NZD(127,000)	Sold New Zealand Dollar		
GBP67,106	for Sterling (Expires 06/01/2021) <sup>1</sup>	838	—
SEK(969,000)	Sold Swedish Krona		
GBP85,452	for Sterling (Expires 07/01/2021) <sup>1</sup>	448	—
SEK(5,042,000)	Sold Swedish Krona		
GBP441,809	for Sterling (Expires 07/01/2021) <sup>1</sup>	(494)	—
SEK(105,000)	Sold Swedish Krona		
GBP9,221	for Sterling (Expires 07/01/2021) <sup>1</sup>	10	—
SEK(146,609,000)	Sold Swedish Krona		
GBP12,986,340	for Sterling (Expires 07/01/2021) <sup>1</sup>	125,266	0.01
SEK(190,000)	Sold Swedish Krona		
GBP16,688	for Sterling (Expires 07/01/2021) <sup>1</sup>	21	—
GBP(77,236)	Sold Sterling		
JPY10,840,000	for Japanese Yen (Expires 06/01/2021) <sup>1</sup>	1,021	—
GBP(13,588)	Sold Sterling		
NZD26,000	for New Zealand Dollar (Expires 06/01/2021) <sup>1</sup>	172	—
GBP(17,592)	Sold Sterling		
SEK200,000	for Swedish Krona (Expires 07/01/2021) <sup>1</sup>	350	—

## Portfolio Statement continued

Holding/ Nominal Value	Investment
	<b>FORWARD CURRENCY CONTRACTS</b>
	— (cont.)
GBP(1,186,184)	Sold Sterling
USD1,599,000	for US Dollars (Expires 06/01/2021) <sup>1</sup>
<b>Portfolio of investments<sup>2</sup></b>	
<b>Net other assets</b>	
<b>Total net assets</b>	

Market Value £	% of Net Assets
13,735	—
11,468,151	0.81
1,425,789,334	99.84
2,343,089	0.16
<b>£1,428,132,423</b>	<b>100.00%</b>

<sup>1</sup> Unlisted securities are valued at the Manager's best assessment of their fair and reasonable value.

<sup>2</sup> Including investment liabilities.

Total purchases for the period: £332,874,750.

Total sales for the period: £181,810,260.

## Financial Statements

### Statement of Total Return for the period ended 5 December 2020

	05/12/20		05/12/19	
	£	£	£	£
<b>Income</b>				
Net capital gains		66,552,915		17,589,379
Revenue	6,257,501		9,533,047	
Expenses	(1,200,191)		(1,124,358)	
Interest payable and similar charges	(1,605)		(3,570)	
<b>Net revenue before taxation</b>	<b>5,055,705</b>		<b>8,405,119</b>	
Taxation	—		—	
<b>Net revenue after taxation for the period</b>		<b>5,055,705</b>		<b>8,405,119</b>
Total return before distributions	71,608,620		25,994,498	
Distributions	(5,057,009)		(8,407,179)	
<b>Change in net assets attributable to Unitholders from investment activities</b>		<b>£66,551,611</b>		<b>£17,587,319</b>

### Statement of Change in Net Assets attributable to Unitholders for the period ended 5 December 2020

	05/12/20		05/12/19	
	£	£	£	£
Opening net assets attributable to Unitholders		1,278,184,366		1,141,237,716
Amounts received on issue of units	216,216,413		219,974,872	
Amounts paid on cancellation of units	(135,495,289)		(64,811,729)	
		80,721,124		155,163,143
<b>Change in net assets attributable to Unitholders from investment activities</b>		<b>66,551,611</b>		<b>17,587,319</b>
Retained distributions on accumulation units	2,675,322		4,383,648	
<b>Closing net assets attributable to Unitholders</b>		<b>£1,428,132,423</b>		<b>£1,318,371,826</b>

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 5 December 2020

	05/12/20 £	05/06/20 £
<b>ASSETS</b>		
<b>Fixed assets:</b>		
Investments	1,426,393,613	1,276,548,884
<b>Current assets:</b>		
Debtors	17,509,816	4,962,701
Cash and bank balances	4,207,898	3,847,556
<b>Total assets</b>	<b>1,448,111,327</b>	<b>1,285,359,141</b>
<b>LIABILITIES</b>		
<b>Investment liabilities</b>		
	(604,279)	(496,996)
<b>Creditors:</b>		
Bank overdrafts	(348,448)	(3,460,663)
Distributions payable	(2,501,137)	(2,102,068)
Other creditors	(16,525,040)	(1,115,048)
<b>Total liabilities</b>	<b>(19,978,904)</b>	<b>(7,174,775)</b>
<b>Net assets attributable to Unitholders</b>	<b>£1,428,132,423</b>	<b>£1,278,184,366</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).

## 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, and in response to COVID-19, the Manager has considered, amongst other things, factors such as Fund size, cash flows through the Fund and Fund liquidity.

## Fund Information

### Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
F-Class			
Distribution Units	1,440	2,532	56.87
Accumulation Units	184,383	306,979	60.06
I-Class			
Distribution Units	139,348,691	244,531,705	56.99
Accumulation Units	616,658,735	1,010,155,569	61.05
C-Class			
Distribution Units	174,116,023	305,259,326	57.04
Accumulation Units	175,384,935	285,453,881	61.44
L-Class			
Distribution Units	321,702,132	563,717,444	57.07
Accumulation Units	736,084	1,319,494	55.79

**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.**

### Ongoing Charges Figures

	5 Dec 20	5 Jun 20
F-Class	0.51%	0.51%
I-Class	0.25%	0.27%
C-Class	0.15%	0.17%
L-Class	0.04%	0.07%

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

#### **F-Class**

The distribution payable on 5 February 2021 is 0.1165p per unit for distribution units and 0.1233p per unit for accumulation units.

#### **I-Class**

The distribution payable on 5 February 2021 is 0.1866p per unit for distribution units and 0.1992p per unit for accumulation units.

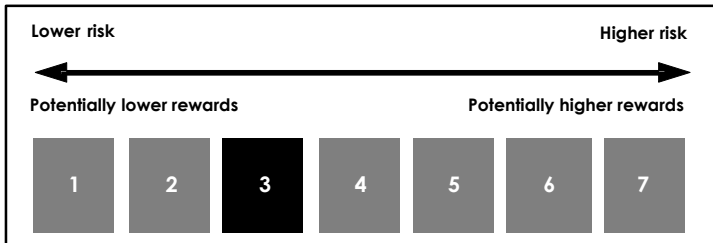
#### **C-Class**

The distribution payable on 5 February 2021 is 0.2152p per unit for distribution units and 0.2307p per unit for accumulation units.

#### **L-Class**

The distribution payable on 5 February 2021 is 0.2461p per unit for distribution units and 0.2379p 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 three 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:	28 August 2013
Period end dates for distributions:	5 June, 5 December
Distribution dates:	5 August, 5 February
Minimum initial lump sum investment:	I-Class £1,000,000 C-Class* £100,000,000 L-Class** £100,000
Valuation point:	3pm
Fund management fees:	F-Class*** Annual 0.51% I-Class Annual 0.25% C-Class* Annual 0.15% L-Class** Annual 0.04%
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 an agreement with the Manager or an affiliate of the Manager.

\*\*\* 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 8:30am to 6:00pm, 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.

### Information on Tracking Error

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

Using monthly returns, over the review period, the annualised Tracking Error of the Fund is 0.09%, whilst over the last three years to the end of November 2020, the annualised Tracking Error of the Fund is 0.09%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Fund's Prospectus of +/-0.50% per annum.

### 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.

### Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Fund. 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 Fund in the form of a payment from the Manager. This provides an enhanced return to the Fund, though the size of any return will be dependent on the size of subscriptions and redemptions.

## General Information continued

### Significant Change

#### Changes to Pricing Methodology

We have recently reviewed the way we calculate prices for your funds. Following the review, we have decided to adopt a standardised way of pricing funds across most of our Unit Trust fund range.

Previously we used four different methods for calculating fund prices. With effect from 1 December 2020, we have adopted a 'single swing pricing' method.

The move to a standardised pricing method will:

1. Make our pricing simpler;
2. Make it easier for you to compare prices across our funds; and
3. Make it easier for you to compare our funds to funds offered by our competitors.

This new pricing method means that on each day all our customers receive the same price regardless of whether they are buying or selling their investments.

If you'd like to know more about this change and what it means for you, then you can visit our website at [legalandgeneral.com/swing-pricing](https://legalandgeneral.com/swing-pricing). If you have any questions about the change or require further information, please contact us Monday to Friday between 9:00am and 5:00pm on 0370 050 0955 or email us at [investments@landg.com](mailto:investments@landg.com).

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



## 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

A. Clare\*  
E. Cowhey\*  
A. J. C. Craven  
S. Hynes  
H. Solomon  
L. W. Toms  
A. R. Toutouchi\*

\*Non-executive Director

### Secretary

J. McCarthy

### Registrar

Legal & General (Unit Trust Managers) Limited  
P.O. Box 6080,  
Wolverhampton WV1 9RB  
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 Global Services SE UK Branch  
Trustee and Depositary Services  
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 Auditor

KPMG LLP  
15 Canada Square,  
London E14 5GL

### Investment Adviser

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





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