

Legal & General Future World Sustainable UK Equity
Fund (formerly Legal & General UK Select Equity
Fund)

**Interim Manager's Report
for the period ended
31 March 2022
(Unaudited)**



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Manager's Investment Report

Investment Objective and Policy

With effect from 15 February 2022, the Fund's Investment Objective and Policy were updated to provide more detail on the permitted investment universe and additional clarity on the investment guidelines and the Benchmark Index used. The previous and revised Investment Objective and Policy are set out below:

Prior to 15 February 2022

The objective of the Fund is to provide growth above that of the FTSE All-Share TR Net Index, the "Benchmark Index". The Fund aims to outperform the Benchmark Index by 3% per annum. This objective is before the deduction of any charges and measured over rolling three year periods.

The Fund is actively managed and invests at least 90% in the shares of UK companies. These are companies that are incorporated, headquartered or which have their principal business activities in the UK, or companies that are listed in the UK and constituents of the Benchmark Index.

Over a market cycle (typically three to five years), the Fund will comprise a portfolio of on average 30 to 60 companies selected by the Manager following research of each company. At times the Fund's portfolio may be concentrated.

The Fund may also invest in collective investment schemes including those managed or operated by the Manager or an affiliate of the Manager as well as participatory notes, preference shares, cash, permitted deposits and money market instruments (such as treasury bills).

In addition, the Fund is also permitted to receive and hold warrants and convertible bonds as a result of corporate actions.

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

From 15 February 2022

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 by 2% per annum, before the deduction of charges and measured over rolling three year periods.

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.

Over a market cycle (typically three to five years), the Fund will comprise on average 30 to 60 companies. The Fund's portfolio will be concentrated.

The Fund may also invest in collective investment schemes including those managed or operated by the Manager or an affiliate of the Manager as well as participatory notes, preference shares, cash, permitted deposits and money market instruments (such as treasury bills).

In addition, the Fund is also permitted to receive and hold warrants and convertible bonds as a result of corporate actions.

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

Manager's Investment Report continued

Managers Investment Report

During the period under review, the published price of the Fund's A-Class accumulation units fell by 18.40%, whilst the FTSE All-Share Index rose by 3.17% 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.

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

Market/Economic Review

Over the review period, inflationary pressures and the prospect of tighter monetary policy have dominated the thoughts of market participants, with the pandemic-era support from central banks and successful vaccination rollouts across developed markets an increasingly distant memory.

The monetary and fiscal support put in place in the immediate aftermath of the pandemic had remained in force, with interest rates stuck at historic lows across the UK, Europe and US. However, December saw the Bank of England move one of the first among developed market policymakers, raising rates for the first time in three years and again shortly before the reporting period ended.

As far as equity markets were concerned, fears over higher inflation and a subsequent rise in rates remained front and centre for investors, while the emergence of a new COVID-19 variant, Omicron, early in the period prompted initial market jitters at the prospect of further economic restrictions amid fears, largely proved unfounded, over the efficacy of vaccines on the variant. Meanwhile, Russia's invasion of Ukraine in mid-February caused notable volatility towards the end of the period. Despite this heightened volatility, UK large cap equities finished in broadly positive territory, outperforming the global average, although medium and smaller-sized companies fared less well, ending the period in negative territory.

Fund Review

The Fund strongly underperformed its benchmark index driven from an unfavourable market environment, with investors shifting their focus to factors such as value and dividend yield. Both factors are typically beneficiaries of a rising interest rate environment while factors such as growth underperforms. The Fund's focus on quality growth stocks was therefore not rewarded over the period of review. Subsequently growth sectors such as technology and industrials, with both lagging the broader market, detracted from returns. An underweight position in the energy and basic materials sectors also weighed on performance as both sectors strongly outperformed supported by rising commodity and oil prices over the period.

The main driver to the underperformance was stock selection which was generally weak across the board but particularly within the technology sector. Our positions in consumer review website, Trustpilot Group and print solutions GB Group featured among the largest individual detractors to returns. Other notable stock detractors came from positions in boohoo Group and Genus while not owning positions in Shell and HSBC also hurt given the rising interest rate environment and rising oil prices over the period.

Manager's Investment Report continued

In terms of trading activity, we sold out of Dalata Hotel Group, Just Eat Takeaway.com, Made.com Group, Network International and introduced new positions in DS Smith, Dunelm Group, Electrocomponents, Grainger, Hill & Smith, Intermediate Capital Group, Oxford Nanopore Technologies, Reckitt Benckiser Group, Sage Group, Smith & Nephew, Spirax-Sarco Engineering, and Tate & Lyle.

Outlook

Looking ahead, economic momentum remains strong with the global post-COVID-19 reopening boosting spending and sentiment. Equity valuations recovered in March but have further to go to recoup all of the year's losses. We are most optimistic that this trend can continue across global equity markets. However, inflation pressure has accelerated, and central bankers are determined to bring this under control with aggressive policy, sharpening the risk of a policy mistake over the longer-term. We have therefore become more cautious over this horizon even if we are looking to take advantage of pockets of value over the near term.

Legal & General (Unit Trust Managers) Limited
(Investment Adviser)
22 April 2022

Important Note from the Manager

Since January 2020, global financial markets have been affected by the COVID-19 pandemic. Whilst causing major uncertainty within markets and disrupting businesses, as well as everyday life, the success of vaccination rollout programs around the globe has seen markets stabilise and a degree of normality return. As lockdown measures in major economies are relaxed, we are cognisant of an upturn in infection rates and the potential for restrictions and volatility to return. As such, the Manager is monitoring the situation on an on-going basis.

In response to recent 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
(Investment Adviser)
March 2022

Authorised Status

Authorised Status

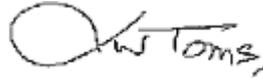
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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
31 May 2022

Portfolio Statement

Portfolio Statement as at 31 March 2022

All investments are in ordinary shares unless otherwise stated. The percentages in brackets show the equivalent holdings at 30 September 2021.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	UNITED KINGDOM — 89.51% (84.94%)		
	Alternative Energy — 1.91% (2.21%)		
1,093,329	Ceres Power	8,046,901	1.91
	Chemicals — 2.53% (2.25%)		
134,686	Croda International	10,685,987	2.53
	Construction & Materials — 2.19% (2.12%)		
1,353,502	Marshalls	9,224,116	2.19
	General Industrials — 1.98% (0.00%)		
2,573,964	DS Smith	8,349,939	1.98
	Industrial Engineering — 8.90% (4.22%)		
451,172	Hill & Smith	6,722,463	1.59
3,157,866	Rotork	10,288,327	2.44
87,092	Spirax-Sarco Engineering	10,895,209	2.58
576,440	Weir Group	9,655,370	2.29
		37,561,369	8.90
	Beverages — 1.54% (1.98%)		
363,710	Fevertree Drinks	6,488,586	1.54
	Food Producers — 3.42% (2.40%)		
228,181	Cranswick	8,141,498	1.93
848,403	Tate & Lyle	6,264,608	1.49
		14,406,106	3.42
	Household Goods & Home Construction — 1.87% (1.33%)		
133,925	Reckitt Benckiser Group	7,882,826	1.87
	Leisure Goods — 2.17% (2.30%)		
353,640	Keywords Studios	9,145,130	2.17
	Personal Goods — 4.92% (7.06%)		
346,003	Unilever	12,162,005	2.88
738,739	Watches of Switzerland Group	8,613,697	2.04
		20,775,702	4.92
	Pharmaceuticals & Biotechnology — 9.22% (8.41%)		
246,281	AstraZeneca	25,179,770	5.97
206,489	Genus	5,851,898	1.38
1,950,836	Oxford Nanopore Technologies	7,881,377	1.87
		38,913,045	9.22
	Life Insurance — 2.51% (2.71%)		
727,532	St. James's Place	10,581,953	2.51

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Real Estate Investment & Services — 2.01% (0.00%)		
2,874,269	Grainger	8,473,345	2.01
	Real Estate Investment Trusts — 4.13% (5.16%)		
255,459	Derwent London	8,333,073	1.97
3,736,517	Tritax Big Box REIT	9,102,155	2.16
		17,435,228	4.13
	Software & Computer Services — 8.91% (9.86%)		
335,106	AVEVA Group	8,253,661	1.96
1,428,587	Darktrace	6,417,213	1.52
1,427,289	GB Group	7,942,863	1.88
1,490,020	Sage Group	10,597,022	2.51
2,900,292	Trustpilot Group	4,367,840	1.04
		37,578,599	8.91
	Technology Hardware & Equipment — 1.60% (2.02%)		
3,884,609	Alphawave IP Group	6,766,989	1.60
	Telecommunications Service Providers — 1.78% (2.94%)		
6,450,096	Helios Towers	7,520,812	1.78
	Investment Banking and Brokerage Services — 6.04% (4.66%)		
758,872	3i Group	10,536,938	2.50
615,343	Hargreaves Lansdown	6,341,110	1.50
473,978	Intermediate Capital Group	8,605,070	2.04
		25,483,118	6.04
	Medical Equipment and Services — 1.40% (0.00%)		
482,248	Smith & Nephew	5,902,716	1.40
	Industrial Support Services — 10.60% (12.38%)		
257,267	Ashtead Group	12,544,339	2.97
2,656,416	Biffa	8,686,480	2.06
598,699	Electrocomponents	6,525,819	1.55
1,755,199	Rentokil Initial	9,274,472	2.20
2,076,232	RWS Holdings	7,702,821	1.82
		44,733,931	10.60
	Closed End Investments — 1.91% (2.40%)		
1,849,959	HgCapital Trust	8,047,322	1.91
	Personal Care, Drug and Grocery Stores — 1.82% (2.27%)		
651,002	Ocado Group	7,665,549	1.82
	Retailers — 6.15% (6.26%)		
745,300	Dunelm Group	8,317,548	1.97
3,248,603	Moonpig Group	7,036,474	1.67
2,446,082	Pets at Home Group	8,908,631	2.11

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Retailers — (cont.)		
3,422,718	Victorian Plumbing Group	1,692,534	0.40
		25,955,187	6.15
	IRELAND — 0.00% (1.45%)		
	Travel & Leisure — 0.00% (1.45%)		
	CHANNEL ISLANDS — 3.87% (5.21%)		
	Industrial Support Services — 2.73% (3.08%)		
383,102	Experian	11,512,215	2.73
	Retailers — 1.14% (2.13%)		
5,238,695	boohoo Group	4,800,740	1.14
	NETHERLANDS — 1.31% (4.17%)		
	Chemicals — 1.31% (2.06%)		
223,920	RHI Magnesita	5,535,303	1.31
	Retailers — 0.00% (2.11%)		
	SWITZERLAND — 1.61% (1.89%)		
	Beverages — 1.61% (1.89%)		
420,332	Coca-Cola HBC	6,815,683	1.61
	Portfolio of investments¹	406,288,397	96.30
	Net other assets	15,602,632	3.70
	Total net assets	£421,891,029	100.00%

¹ All investments are admitted to an official stock exchange unless otherwise stated.

Total purchases for the period: £211,030,983.

Total sales for the period: £89,186,148.

Financial Statements

Statement of Total Return for the period ended 31 March 2022

	31/03/22		31/03/21	
	£	£	£	£
Income				
Net capital (losses)/ gains		(63,123,576)		56,332,939
Revenue	1,787,251		2,486,631	
Expenses	(1,962,218)		(2,198,929)	
Interest payable and similar charges	(637)		(5,829)	
Net (expense)/revenue before taxation	<u>(175,604)</u>		<u>281,873</u>	
Taxation	—		(219,019)	
Net (expense)/revenue after taxation for the period		<u>(175,604)</u>		<u>62,854</u>
Total return before distributions		(63,299,180)		56,395,793
Distributions		<u>(156,221)</u>		<u>(114,249)</u>
Change in net assets attributable to Unitholders from investment activities		<u>£(63,455,401)</u>		<u>£56,281,544</u>

Statement of Change in Net Assets attributable to Unitholders for the period ended 31 March 2022

	31/03/22		31/03/21	
	£	£	£	£
Opening net assets attributable to Unitholders		355,884,277		315,177,407
Amounts received on issue of units	23,335,412		2,062,891	
Amounts received on in-specie transactions	145,142,727		—	
Amounts paid on cancellation of units	<u>(39,204,467)</u>		<u>(27,607,503)</u>	
		129,273,672		(25,544,612)
Change in net assets attributable to Unitholders from investment activities		(63,455,401)		56,281,544
Retained distributions on accumulation units		<u>188,481</u>		<u>110,282</u>
Closing net assets attributable to Unitholders		<u>£421,891,029</u>		<u>£346,024,621</u>

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 31 March 2022

	31/03/22 £	30/09/21 £
ASSETS		
Fixed assets:		
Investments	406,288,397	347,540,715
Current assets:		
Debtors	548,142	440,630
Cash and bank balances	17,869,468	13,429,015
Total assets	424,706,007	361,410,360
LIABILITIES		
Creditors:		
Bank overdrafts	(178,627)	(52,805)
Distributions payable	(89,561)	(771)
Other creditors	(2,546,790)	(5,472,507)
Total liabilities	(2,814,978)	(5,526,083)
Net assets attributable to Unitholders	£421,891,029	£355,884,277

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 in its assessment of the Fund's ability to meet its liabilities as they fall due. 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*	6,227,876	12,547,108	49.64
Accumulation Units	1,038,850	312,693	332.23
A-Class			
Accumulation Units	209,263,260	62,583,275	334.38
I-Class			
Distribution Units	35,686,125	12,441,978	286.82
Accumulation Units	77,938,601	21,790,108	357.68
L-Class			
Distribution Units*	84,584,698	170,412,876	49.64
Accumulation Units	7,151,619	14,718,245	48.59

* R-Class and L-Class distribution units launched on 21 March 2022.

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

	31 Mar 22	30 Sep 21
R-Class	1.37%	1.37%
A-Class	1.37%	1.37%
I-Class	0.78%	0.78%
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.

Distribution Information

R-Class

A shortfall for the R-Class arose because the expenses exceeded the revenue of the R-Class. This being the case, there is no interim distribution payable for the R-Class.

A-Class

A shortfall for the A-Class units arose because expenses exceeded the revenue of the A-Class. This being the case, there is no interim distribution payable for the A-Class.

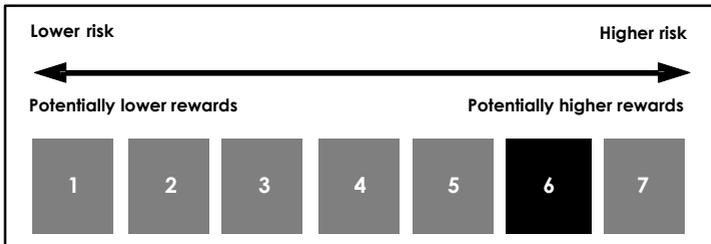
I-Class

The distribution payable on 31 May 2022 is 0.5525p per unit for distribution units and 0.6821p per unit for accumulation units.

L-Class

The distribution payable on 31 May 2022 is 0.0122p per unit for distribution units and 0.2707p 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:	2 January 1996
Period end dates for distributions:	30 September, 31 March
Distribution dates:	30 November, 31 May
Minimum initial lump sum investment:	R-Class £20 A-Class £20 I-Class £1,000,000 L-Class* £100,000
Valuation point:	12 noon
Fund Management Fees:	R-Class Annual 1.37% A-Class Annual 1.37% I-Class Annual 0.78% L-Class* Annual 0.05%
Initial charge:	Nil for all existing unit classes

- * 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.

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 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. 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

Significant Changes

Change of Trustee and Depositary

The depositary, in its capacity as trustee, of the Fund has changed with effect from 30 October 2021. The depositary is the entity we are required by regulation to appoint to carry out certain services in relation to the Fund, namely, safekeeping of the assets, cash monitoring and regulatory oversight.

As you may know, the depositary of the Fund was Northern Trust Global Services SE, UK branch (“NTGS-UK”). NTGS-UK is the UK branch of Northern Trust Global Services SE, which is a bank established in Luxembourg, and was permitted to provide trustee and depositary services into the UK by virtue of having extra permissions in the UK.

As a consequence of the UK’s decision to leave the European Union, however, the UK financial services regulator which regulates NTGS-UK, the Financial Conduct Authority (“FCA”), has provided that UK branches of EU banks are no longer able to provide trustee and depositary services into the UK and those services have to be provided from a UK incorporated company. The FCA has provided a grace period for firms to implement the new rules which came into force on 1 January 2021.

In order to comply with the new rules, Northern Trust has established Northern Trust Investor Services Limited (“NTISL”) to be the new trustee and depositary. NTISL is a company established in England and Wales and is authorised by the FCA to be a trustee and depositary. NTISL will provide the same services as NTGS-UK with the same processes and procedures in place. The change of depositary took place on 30 October 2021 and we have amended the Prospectus of the Fund to reflect the details.

Change of Fund Name

With effect from 15 February 2022, the Legal & General UK Select Equity Fund has changed its name to the Legal & General Future World Sustainable UK Equity Fund.

Change of Investment Objective and Policy

With effect from 15 February 2022, the Investment Objective and Policy were updated to provide more detail on the permitted investment universe and additional clarity on the investment guidelines. The previous and revised Investment Objective and Policy are set out on page 2.

Fund Merger

The Manager has made a proposal to unitholders in a letter dated 21 January 2022 to merge the Legal & General UK Special Situations Trust with the Legal & General Future World Sustainable UK Equity Fund. An Extraordinary General Meeting (EGM) was held on 3 March 2022 and the proposal was approved. The fund merger took place on 25 March 2022. The Trust was closed and assets transitioned to the Legal & General Future World Sustainable UK Equity Fund.

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 (appointed on 6 October 2021)
A. D. Clare*
E. Cowhey*
A. J. C. Craven
M. Jordy*
L. W. Toms
A. R. Toutounchi (resigned on 1 November 2021)

*Non-executive Director

Secretary

J. McCarthy

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
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

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

Legal & General
(Unit Trust Managers) Limited
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