

Legal & General Ethical Trust
Interim Manager's Report
for the period ended
12 June 2020
(Unaudited)



Contents

	Page Number
Manager's Investment Report	2
Authorised Status	5
Directors' Statement	5
Portfolio Statement	6
Statement of Total Return	13
Statement of Change in Net Assets attributable to Unitholders	13
Balance Sheet	14
Notes to the Financial Statements	15
Trust Information	16
Risk and Reward Profile	17
General Information	18

Manager's Investment Report

Investment Objective and Policy

The objective of the Trust is to provide growth by tracking the performance of the FTSE 350 Index, the "Benchmark Index" excluding shares of companies whose business does not meet a range of ethical and environmental guidelines ("ethical screening methodology") determined by an external agency chosen by the Manager and detailed below. This objective is after the deduction of charges and taxation.

The Benchmark Index is comprised of shares in the largest 350 companies in the UK stock market. The Trust will not have exposure to the shares of companies in the Benchmark Index that are excluded by the ethical screening methodology.

The Trust is a Replicating Fund as it seeks to replicate as closely as possible the constituents of the Benchmark Index, less those constituents excluded by the ethical screening methodology, by holding all, or substantially all, of the remaining shares in companies in the Benchmark Index in similar proportions to their weightings in the Benchmark Index. The Trust will have exposure to assets that are included in the Benchmark Index.

A summary of the methodology and the list of companies excluded is available in the document "Who's in and Who's out" on:

<https://fundcentres.lgim.com/uk/ad/fund-centre/Unit-Trust/Ethical-Trust>

The Trust may also invest in shares in companies 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 deposits.

The Trust may only hold derivatives for Efficient Portfolio Management purposes.

Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units fell by 16.05%. Although there is no published Index for those companies assessed as eligible by EIRIS, for comparison over the review period, the FTSE 350 Index (excluding Investment Trusts) on a capital only basis fell by 16.93%. Similarly, the broader based FTSE All-Share Index (excluding Investment Trusts) on a capital only basis fell by 16.88% (Source: Bloomberg). FTSE, the Index compiler, calculates these Indices at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 12 noon. Therefore, for comparative purposes the Trust has been revalued using closing prices, on this basis the Trust fell by 16.02%.

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

A resounding victory for the Conservatives in the December UK general election heralded a rally that month, particularly amongst more domestically-focused smaller companies. However, the UK market posted its worst quarterly performance since 1987 during the opening months of 2020, with smaller companies particularly hard hit by the sell-off. The impact of COVID-19 was severe on sectors such as retailers, financials, industrials and real estate, as a range of companies moved to suspend dividend payments and opted to preserve cash, to ensure they had sufficient liquidity to see themselves through the crisis.

Manager's Investment Report continued

In the UK, the more internationally focused FTSE 100 Index (-16.06%) marginally outperformed the domestically focused FTSE 250 Index (-17.87%) and underperformed the FTSE SmallCap Index (-11.31%).

Trust Activity

The Trust's selection process excludes the Tobacco and Military industries, while the Oil & Gas, Banks, Mining, Pharmaceuticals & Biotechnology and Beverages sectors are markedly underweight. Such exclusions are compensated for by an increased presence in Life Insurance, Financial Services and Support Services.

There are three principal reasons for changes to the distribution of investments in the Trust: first, changes in the list of companies which meet the ethical criteria; secondly, changes in the FTSE 350 ex Investment Trusts Index at its quarterly review; and finally, changes due to corporate activity and takeovers.

FTSE rebalances the Index every quarter and companies added to the Index are only added to the Trust once confirmation of their acceptability for inclusion is received from EIRIS.

There were two Index reviews during the period.

In December 2019, the FTSE 350 ex Investment Trusts Index quarterly Index review resulted in three additions and one deletion. C&C Group, LXI REIT and Helios Towers were added with the latter two subsequently assessed as eligible by EIRIS. Card Factory was deleted from the Index. The largest increases in free share capital were for Network International Holdings and Trainline whereas the largest decreases were for Royal Dutch Shell A and Diageo.

In March 2020, the quarterly Index review resulted in six additions and eight deletions. Chemring Group, Forterra, Petropavlovsk, XP Power and Gamesys Group were added but only Biffa was subsequently assessed as eligible by EIRIS. Hunting, 888 Holdings and NewRiver REIT were the largest deletions from the Index. The largest increases in free share capital were for Polymetal International and JD Sports Fashion, whereas the largest decreases were for Royal Dutch Shell A and Anglo American.

Outside of the reviews, there was a noticeable amount of activity including multiple cash takeovers by overseas companies taking advantage of the weak Pound. Entertainment One, Daejan Holdings and Sophos were acquired by US companies whilst EI Group was purchased by a private leisure European entity. NMC Health was removed from the Index following its continuous suspension.

Outside Index Reviews, there were numerous changes to the free share capital of constituents. Lancashire, Ocado Group, IWG, Beazley, Polypipe Group, National Express Group, Informa, J D Wetherspoon, Assura, Hays, Grainger, Dechra Pharmaceuticals, SEGRO, and SSP Group were among those raising capital via placings to either shore up balance sheets following COVID-19 or for funding opportunities. Other movements included Bovis Homes increasing its weight after buying Galliford Try's Linden Homes and subsequently changing its name to Vistry Group and Ninety One being added to the Index after it demerged from Investec.

The three largest stocks in the Trust at the end of the period were BHP Group (5.03%), National Grid (4.54%) and Prudential (4.32%).

Outlook

We know from experience that sudden bursts of risk-on sentiment rarely endure during periods of severe economic disruption and weak company fundamentals. We continue to be cautious on risk assets including equities in the short-term given the uncertainty

Manager's Investment Report continued

over the economic impact of COVID-19 and the knock-on effect on earnings. However, from a medium-term perspective, valuations have improved significantly in recent times.

The Trust remains well positioned to capture the performance of the Index.

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 Investment Management Limited

(Investment Adviser)

7 July 2020

Authorised Status

Authorised Status

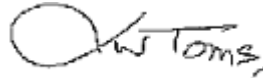
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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
30 July 2020

Portfolio Statement

Portfolio Statement as at 12 June 2020

All investments are in ordinary shares unless otherwise stated. The percentages in brackets show the equivalent holdings at 12 December 2019.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	EQUITIES — 98.90% (98.46%)		
	Oil & Gas Producers — 0.17% (0.43%)		
212,426	Cairn Energy	251,937	0.10
35,322	Energear Oil & Gas	181,555	0.07
		433,492	0.17
	Oil Equipment, Services & Distribution — 0.00% (0.07%)		
	Chemicals — 0.93% (1.02%)		
69,221	Johnson Matthey	1,439,797	0.56
118,950	Synthomer	325,447	0.13
29,604	Victrex	603,329	0.24
		2,368,573	0.93
	Forestry & Paper — 1.00% (0.98%)		
176,507	Mondi	2,548,761	1.00
	Industrial Metals & Mining — 0.30% (0.29%)		
198,689	Evrax	573,019	0.22
107,338	Ferrexpo	199,005	0.08
		772,024	0.30
	Mining — 6.87% (5.71%)		
126,352	Antofagasta	1,099,768	0.43
761,745	BHP Group	12,844,544	5.03
390,877	Centamin	632,439	0.25
66,716	Fresnillo	525,055	0.21
91,523	Hochschild Mining	181,033	0.07
79,952	KAZ Minerals	354,027	0.14
125,648	Polymetal International	1,887,861	0.74
		17,524,727	6.87
	Construction & Materials — 3.30% (3.15%)		
292,085	CRH	7,845,403	3.07
139,366	lbstock	259,778	0.10
77,279	Polypipe Group	324,186	0.13
		8,429,367	3.30
	General Industrials — 1.44% (1.37%)		
464,355	DS Smith	1,498,938	0.59
87,481	Smurfit Kappa Group	2,174,778	0.85
		3,673,716	1.44
	Electronic & Electrical Equipment — 1.91% (1.61%)		
139,145	Halma	3,062,581	1.20

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Electronic & Electrical Equipment		
	— (cont.)		
18,847	Oxford Instruments	260,089	0.10
12,305	Renishaw	475,711	0.19
42,829	Spectris	1,078,006	0.42
		<hr/>	
		4,876,387	1.91
	Industrial Engineering		
	— 2.38% (2.28%)		
67,249	Bodycote	412,909	0.16
28,597	Hill & Smith	355,746	0.14
97,019	IMI	877,052	0.35
314,454	Rotork	842,737	0.33
26,986	Spirax-Sarco Engineering	2,605,768	1.02
96,397	Weir Group	973,610	0.38
		<hr/>	
		6,067,822	2.38
	Industrial Transportation		
	— 0.40% (0.44%)		
9,154	Clarkson	213,288	0.09
14,752	James Fisher & Sons	203,873	0.08
346,370	Royal Mail	594,371	0.23
		<hr/>	
		1,011,532	0.40
	Support Services — 8.74% (9.01%)		
13,600	Biffa	27,676	0.01
122,331	Bunzl	2,337,134	0.92
589,360	Capita	242,168	0.09
39,951	Diploma	719,517	0.28
161,820	Electrocomponents	1,040,503	0.41
118,020	Equinifi Group	174,670	0.07
332,242	Experian	9,120,043	3.58
83,248	Ferguson	5,139,731	2.02
62,072	Finabl	6,843	—
79,202	Grafton Group	496,993	0.19
547,120	Hays	656,544	0.26
265,728	IWG	720,654	0.28
112,845	PageGroup	449,574	0.18
23,000	PayPoint	160,080	0.06
92,011	Travis Perkins	992,339	0.39
		<hr/>	
		22,284,469	8.74
	Automobiles & Parts		
	— 0.05% (0.06%)		
80,746	TI Fluid Systems	139,368	0.05
	Beverages — 0.92% (0.94%)		
30,236	AG Barr	142,865	0.06
95,572	Britvic	753,585	0.30
70,720	Coca-Cola HBC	1,441,981	0.56
		<hr/>	
		2,338,431	0.92
	Food Producers — 0.91% (0.86%)		
51,624	Bakkavor Group	40,989	0.02

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Food Producers — (cont.)		
18,561	Cranswick	650,006	0.25
160,940	Greencore Group	218,235	0.08
23,470	Hilton Food Group	272,252	0.11
170,319	Tate & Lyle	1,139,775	0.45
		<hr/>	
		2,321,257	0.91
	Household Goods & Home Construction — 3.15% (3.27%)		
367,423	Barratt Developments	1,920,887	0.75
44,867	Bellway	1,188,527	0.47
42,653	Berkeley Group	1,756,024	0.69
88,738	Crest Nicholson	235,511	0.09
186,092	McCarthy & Stone	133,242	0.05
81,935	Redrow	398,859	0.16
1,186,379	Taylor Wimpey	1,793,212	0.70
78,524	Vistry Group	605,813	0.24
		<hr/>	
		8,032,075	3.15
	Leisure Goods — 0.36% (0.22%)		
11,730	Games Workshop Group	917,872	0.36
	Personal Goods — 1.02% (1.08%)		
145,954	Burberry Group	2,362,266	0.92
68,124	PZ Cussons	123,032	0.05
43,856	Watches of Switzerland Group	117,753	0.05
		<hr/>	
		2,603,051	1.02
	Health Care Equipment & Services — 2.43% (2.51%)		
141,494	Mediclinic International	385,713	0.15
320,547	Smith & Nephew	5,183,245	2.03
90,102	UDG Healthcare	627,110	0.25
		<hr/>	
		6,196,068	2.43
	Pharmaceuticals & Biotechnology — 1.22% (0.95%)		
38,202	Dechra Pharmaceuticals	1,037,566	0.41
23,520	Genus	760,637	0.30
51,271	Hikma Pharmaceuticals	1,175,644	0.46
54,540	PureTech Health	142,077	0.05
		<hr/>	
		3,115,924	1.22
	Food & Drug Retailers — 5.72% (4.72%)		
35,965	Greggs	592,344	0.23
591,968	J Sainsbury	1,160,849	0.46
169,804	Ocado Group	3,335,800	1.31
3,539,008	Tesco	7,984,002	3.13
816,177	Wm Morrison Supermarkets	1,505,438	0.59
		<hr/>	
		14,578,433	5.72
	General Retailers — 5.27% (3.86%)		
308,427	B&M European Value Retail	1,154,442	0.45

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	General Retailers — (cont.)		
362,965	Dixons Carphone	331,206	0.13
35,363	Dunelm Group	397,480	0.15
67,796	Frasers Group	221,015	0.09
99,438	HomeServe	1,237,009	0.48
210,166	Howden Joinery Group	1,176,089	0.46
155,526	JD Sports Fashion	988,834	0.39
39,855	Just Eat Takeaway	2,973,980	1.17
769,449	Kingfisher	1,521,585	0.60
46,909	Next	2,353,894	0.92
173,103	Pets at Home Group	425,833	0.17
135,042	Vivo Energy	120,458	0.05
45,296	WH Smith	527,698	0.21
		13,429,523	5.27
	Media — 4.05% (4.59%)		
9,900	4imprint Group	232,650	0.09
144,150	Ascential	406,791	0.16
331,137	Auto Trader Group	1,760,324	0.69
38,828	Euromoney Institutional Investor	310,624	0.12
548,400	Informa	2,556,093	1.00
1,358,648	ITV	1,068,441	0.42
187,637	Moneysupermarket.com Group	604,191	0.24
279,914	Pearson	1,611,185	0.63
318,405	Rightmove	1,783,068	0.70
		10,333,367	4.05
	Travel & Leisure — 4.62% (6.07%)		
55,510	Carnival	709,418	0.28
358,682	Cineworld Group	277,118	0.11
167,382	Domino's Pizza Group	570,438	0.22
89,394	easyJet	726,416	0.28
447,062	FirstGroup	246,778	0.10
15,479	Go-Ahead Group	160,208	0.06
66,276	InterContinental Hotels Group	2,614,588	1.02
578,057	International Consolidated Airlines Group	1,583,298	0.62
28,217	J D Wetherspoon	305,026	0.12
223,000	Marston's	149,187	0.06
80,093	Mitchells & Butlers	171,399	0.07
175,468	National Express Group	403,576	0.16
191,212	SSP Group	535,011	0.21
167,564	Trainline	819,053	0.32
72,873	Whitbread	1,737,292	0.68
24,734	Wizz Air	783,573	0.31
		11,792,379	4.62
	Fixed Line Telecommunications — 0.20% (0.17%)		
240,238	TalkTalk Telecom Group	232,310	0.09

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Fixed Line Telecommunications — (cont.)		
20,912	Telecom Plus	280,221	0.11
		512,531	0.20
	Mobile Telecommunications — 0.08% (0.06%)		
291,177	Airtel Africa	155,489	0.06
34,844	Helios Towers	55,541	0.02
		211,030	0.08
	Electricity — 1.98% (1.80%)		
60,776	ContourGlobal	108,789	0.05
144,187	Drax Group	309,714	0.12
377,304	SSE	4,621,974	1.81
		5,040,477	1.98
	Gas, Water & Multi-utilities — 4.54% (3.56%)		
1,271,600	National Grid	11,569,017	4.54
	Banks — 4.50% (7.15%)		
13,127	Bank of Georgia Group	137,571	0.06
54,481	Close Brothers Group	594,388	0.23
25,610,403	Lloyds Banking Group	8,196,609	3.21
1,678,005	Royal Bank of Scotland Group	1,988,436	0.78
12,418	TBC Bank Group	111,389	0.04
450,773	Virgin Money UK	454,154	0.18
		11,482,547	4.50
	Nonlife Insurance — 2.39% (2.15%)		
74,961	Admiral Group	1,674,629	0.65
213,780	Beazley	912,413	0.36
500,885	Direct Line Insurance Group	1,373,927	0.54
113,976	Hastings Group	205,271	0.08
121,673	Hiscox	995,042	0.39
88,187	Lancashire	706,378	0.28
85,974	Sabre Insurance Group	231,270	0.09
		6,098,930	2.39
	Life Insurance — 9.07% (9.40%)		
1,432,607	Aviva	3,988,378	1.56
376,151	Just Group	218,167	0.09
2,168,765	Legal & General Group	4,897,071	1.92
191,703	Phoenix Group	1,222,682	0.48
951,444	Prudential	11,008,207	4.32
193,339	St. James's Place	1,796,893	0.70
		23,131,398	9.07
	Real Estate Investment & Services — 0.62% (0.85%)		
54,960	CLS	112,668	0.04
216,799	Grainger	607,471	0.24
48,359	Savills	411,051	0.16

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
Real Estate Investment & Services			
— (cont.)			
336,311	Sirius Real Estate	242,817	0.10
63,939	St. Modwen Properties	212,597	0.08
		1,586,604	0.62
Real Estate Investment Trusts			
— 5.68% (5.64%)			
947,217	Assura	760,615	0.30
59,198	Big Yellow Group	599,676	0.24
338,871	British Land	1,385,982	0.54
267,591	Capital & Counties Properties	449,285	0.18
36,567	Derwent London	1,079,458	0.42
164,692	GCP Student Living	206,194	0.08
91,342	Great Portland Estates	589,887	0.23
275,313	Hammerson	307,938	0.12
259,706	Land Securities Group	1,589,920	0.62
316,684	LondonMetric Property	646,669	0.25
187,606	LXI REIT	210,119	0.08
441,732	Primary Health Properties	669,666	0.26
74,004	Safestore	512,848	0.20
426,014	SEGRO	3,713,138	1.46
80,516	Shaffesbury	471,824	0.19
105,122	UNITE Group	957,661	0.38
48,448	Workspace Group	334,291	0.13
		14,485,171	5.68
Financial Services — 10.05% (9.32%)			
350,114	3i Group	2,868,134	1.12
164,939	Ashmore Group	702,310	0.27
103,382	Brewin Dolphin	278,098	0.11
112,289	Hargreaves Lansdown	1,856,137	0.73
101,323	Intermediate Capital Group	1,249,313	0.49
238,963	Investec	402,055	0.16
363,181	IP Group	226,988	0.09
178,525	John Laing Group	614,483	0.24
149,974	Jupiter Fund Management	357,838	0.14
114,677	London Stock Exchange Group	9,201,682	3.61
946,181	M&G	1,473,204	0.58
538,661	Man Group	728,270	0.28
119,481	Ninety One	253,778	0.10
134,276	OneSavings Bank	355,563	0.14
91,566	Paragon Banking Group	302,534	0.12
89,430	Provident Financial	174,031	0.07
20,281	Rathbone Brothers	284,340	0.11
49,580	Sanne Group	306,900	0.12
40,698	Schroders	1,190,009	0.47
14,076	Sole Realisation ¹	—	—
843,543	Standard Life Aberdeen	2,144,286	0.84
203,994	TP ICAP	666,652	0.26
		25,636,605	10.05

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Software & Computer Services		
	— 2.43% (2.71%)		
196,052	Avast	919,484	0.36
23,159	AVEVA Group	883,979	0.35
25,746	Computacenter	406,529	0.16
30,668	FDM Group	257,305	0.10
20,000	Kainos Group	141,800	0.05
118,595	Micro Focus International	535,456	0.21
399,203	Sage Group	2,591,626	1.02
44,690	Softcat	460,307	0.18
		6,196,486	2.43
	Technology Hardware & Equipment		
	— 0.20% (0.16%)		
220,041	Spirent Communications	517,096	0.20
	FORWARD CURRENCY CONTRACTS		
	— 0.00% (0.00%)		
Portfolio of investments²		252,256,510	98.90
Net other assets		2,809,216	1.10
Total net assets		£255,065,726	100.00%

¹ Delisted securities are valued at the Manager's best assessment of their fair and reasonable value.

² All investments are admitted to an official stock exchange unless otherwise stated.

Total purchases for the period: £14,601,078.

Total sales for the period: £3,436,208.

Financial Statements

Statement of Total Return for the period ended 12 June 2020

	12/06/20		12/06/19	
	£	£	£	£
Income				
Net capital (losses)/ gains		(46,048,293)		28,079,668
Revenue	2,961,632		6,225,377	
Expenses	(449,896)		(738,223)	
Interest payable and similar charges	(216)		(4)	
Net revenue before taxation	<u>2,511,520</u>		<u>5,487,150</u>	
Taxation	(2,887)		(2,939)	
Net revenue after taxation for the period		<u>2,508,633</u>		<u>5,484,211</u>
Total return before distributions		(43,539,660)		33,563,879
Distributions		<u>(2,509,676)</u>		<u>(5,485,016)</u>
Change in net assets attributable to Unitholders from investment activities		<u>£(46,049,336)</u>		<u>£28,078,863</u>

Statement of Change in Net Assets attributable to Unitholders for the period ended 12 June 2020

	12/06/20		12/06/19	
	£	£	£	£
Opening net assets attributable to Unitholders		291,660,993		263,630,766
Amounts received on issue of units	17,383,443		8,558,058	
Amounts paid on cancellation of units	<u>(10,166,570)</u>		<u>(20,001,803)</u>	
		7,216,873		(11,443,745)
Change in net assets attributable to Unitholders from investment activities		(46,049,336)		28,078,863
Retained distributions on accumulation units		<u>2,237,196</u>		<u>3,166,779</u>
Closing net assets attributable to Unitholders		<u>£255,065,726</u>		<u>£283,432,663</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 12 June 2020

	12/06/20 £	12/12/19 £
ASSETS		
Fixed assets:		
Investments	252,256,510	287,176,090
Current assets:		
Debtors	751,834	2,982,995
Cash and bank balances	2,702,468	4,180,969
Total assets	255,710,812	294,340,054
LIABILITIES		
Creditors:		
Bank overdrafts	–	(504,052)
Distributions payable	(307,687)	(574,219)
Other creditors	(337,399)	(1,600,790)
Total liabilities	(645,086)	(2,679,061)
Net assets attributable to Unitholders	£255,065,726	£291,660,993

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 Trust size, cash flows through the Trust and Trust liquidity.

Trust 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	10,963,296	19,133,315	57.30
Accumulation Units	64,598,062	71,550,114	90.28
F-Class			
Distribution Units	78,075	135,503	57.62
Accumulation Units	219,018	231,452	94.63
I-Class			
Distribution Units	20,773,053	36,292,143	57.24
Accumulation Units	96,639,596	96,437,954	100.21
L-Class			
Accumulation Units	61,794,626	139,314,105	44.36

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

	12 Jun 20	12 Dec 19
R-Class	0.60%	0.69%
F-Class	0.37%	0.45%
I-Class	0.27%	0.31%
L-Class	0.03%	0.03%

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

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 payable on 12 August 2020 is 0.4772p per unit for distribution units and 0.7460p per unit for accumulation units.

F-Class

The distribution payable on 12 August 2020 is 0.5596p per unit for distribution units and 0.9105p per unit for accumulation units.

I-Class

The distribution payable on 12 August 2020 is 0.5940p per unit for distribution units and 1.0292p per unit for accumulation units.

L-Class

The distribution payable on 12 August 2020 is 0.5086p per unit for accumulation units.

Risk and Reward Profile



- The Risk and Reward Indicator table demonstrates where the Trust 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 Trust. The shaded area in the table above shows the Trust's ranking on the Risk and Reward Indicator.
- The Trust is in category five 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 trust in the lowest category is not a risk free investment.

General Information

Constitution

Launch date:	5 July 1999
Period end dates for distributions:	12 June, 12 December
Distribution dates:	12 August, 12 February
Minimum initial lump sum investment:	R-Class £100 F-Class* £500 I-Class £1,000,000 L-Class** £100,000
Minimum monthly contributions:	R-Class £20 F-Class* £50 I-Class N/A L-Class** N/A
Valuation point:	12 noon
Fund management fees:	R-Class Annual 0.55% (0.69% prior to 23 April 2020) F-Class* Annual 0.32% (0.45% prior to 23 April 2020) I-Class Annual 0.25% (0.31% prior to 23 April 2020) L-Class** Annual 0.03%
Initial charge:	Nil for all existing unit classes

* Class F units are available to:

- (i) investors who have received advice from authorised intermediaries, platforms or other distributors in relation to their investment in units in the Trust; and
- (ii) distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

** 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.

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.

General Information continued

ISA Status

This Trust 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.

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 Trust is the measure of the volatility of the differences between the return of the Trust and the return of the Benchmark Index. It provides an indication of how closely the Trust is tracking the performance of the Benchmark Index after considering things such as Trust charges and taxation.

Although there is no published Index for those companies assessed as eligible by EIRIS, for comparison, using monthly returns over the review period, the annualised Tracking Error of the Trust is 7.57%, whilst over the last three years to the end of June 2020, the annualised Tracking Error of the Trust is 4.94%. These Tracking Errors are outside of the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-3.50% per annum. Over the review period and over the last three years, the Trust has exceeded the anticipated Tracking Error levels as set out in the Prospectus. The Trust benefitted greatly from the positive performance of ethical stocks selected by EIRIS in line with the set criteria.

Dual Pricing Arrangement

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

General Information continued

Remuneration Disclosure

In accordance with the Undertakings for collective investment in transferable securities (UCITs) Directive, often referred to as the UCITs V Directive, the Legal & General Ethical Trust, as a UCITs Scheme, is required to disclose the aggregate remuneration paid by the UCITs Manager and by the UCITs Scheme to Identified Staff, together with the number of beneficiaries, and, where relevant, performance fees paid by the UCITs Scheme. The aggregate amount of remuneration must be broken down by category of employees or other staff members and be split into fixed and variable remuneration.

The following provides information on the remuneration of persons whose professional activities have a material impact on the management company and the funds managed by it as at 31 December 2019:

Controlled Functions

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Trust (Pro-rated) (£'000)
63	12,234	16,246	160

Material Risk Takers

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Trust (Pro-rated) (£'000)
25	3,115	3,987	6

Controlled Functions

During 2019, Legal & General Unit Trust Managers Limited (UTM) engaged the services of three employees of Legal & General Investment Management (Holdings) Limited (LGIMH), plus a further one employee of Legal & General Resources (LGR) to act as Directors. There were another three non-executive Directors. In addition, there were a further two Directors during the year that were LGIMH employees that have resigned. UTM also engaged the services of a further 46 LGIMH employees and a further eight L&G Resources (LGR) employees to act in a variety of Controlled Functions, including Chief Compliance Officer, Money Laundering Reporting Officer, Client Asset Oversight, Systems and Controls Functions, Significant Management Functions and Customer Functions. These employees were also engaged by other companies in the L&G Group. The aggregate remuneration received by these individuals, for all their services across the L&G Group, is disclosed in the table above. We have prorated the remuneration figures by the Net Asset Value of the UCITS Funds as a percentage of the total assets under management of UTM.

Material Risk Takers

As at 31 December 2019, UTM engaged the services of Legal & General Investment Management's Index Fund Management team, which consists of 25 investment professionals located in our London Office. The team includes a variety of Fund Managers, Analysts and Support Staff, with the Fund Managers empowered to take discretionary investment management decisions on behalf of the Fund. The team is also engaged in managing other Legal & General UTM Funds/Schemes and is also engaged by other companies in the L&G Group. The aggregate remuneration received by the members of the team, for all their services across the L&G Group, is disclosed in the table above. We have prorated the remuneration figures by the Net Asset Value of the UCITS Funds as a percentage of the total assets under management of the Index Fund Management team.

General Information continued

Significant Changes

Change in Fund Management Fee (FMF)

With effect from 23 April 2020, the FMF for R-Class, F-Class and I-Class were reduced as shown below:

	Old FMF	New FMF
R-Class	0.69%	0.55%
F-Class	0.45%	0.32%
I-Class	0.31%	0.25%

Closure of F Class Units

As of 12 December 2019, the F-Class units were closed to new business.

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* (appointed 10 September 2019)
E. Cowhey*
A. J. C. Craven
S. Hynes
H. Morrissey (resigned 18 October 2019)
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

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

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(Unit Trust Managers) Limited
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