

# L&G ESG China CNY Bond UCITS ETF

ETF (UCITS compliant) USD Distributing ETF Class



## FUND AIM

The L&G ESG China CNY Bond UCITS ETF (the “ETF”) aims to track the performance of the J.P. Morgan China Custom Liquid ESG Capped Index (the “Index”). More information on the Index can be found on page 2 of this document.

## RISK AND REWARD PROFILE



This ETF is rated 3 due to the nature of its investments and its risks.

The rating is calculated based on historical data and may not be a reliable indication of the ETF’s future risk profile.

The risk category may shift over time.

The lowest category on the above scale does not mean “risk free”.

## WHO IS THIS FUND FOR?

- The ETF is designed for investors looking for a combination of growth and income from an investment in eligible fixed-rate CNY-denominated government and policy bank bonds which can form part of their existing savings portfolio.
- Although investors can take their money out at any time, this ETF may not be appropriate for those who plan to withdraw their money within five years.
- This fund is not designed for investors who cannot afford more than a minimal loss of their investment.
- If you do not understand the information in this document, the key investor information document or the prospectus, we recommend that you seek additional information or advice to help you decide if this ETF is suitable for you.

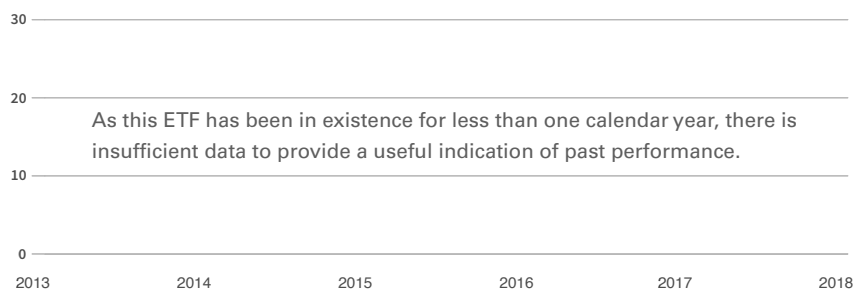
## FUND FACTS

|                                   |                             |  |  |  |
|-----------------------------------|-----------------------------|--|--|--|
| Fund size<br><b>\$484.8m</b>      | Base currency<br><b>USD</b> | Modified duration<br><b>4.00 years</b> | Index ticker<br><b>GBIECLEC</b>                                  | Replication method<br><b>Physical - full replication</b> |
| Listing date<br><b>9 Dec 2020</b> | Domicile<br><b>Ireland</b>  | Yield to maturity<br><b>2.86%</b>      | Index<br><b>J.P. Morgan China Custom Liquid ESG Capped Index</b> |  |

## COSTS

Ongoing charge  
**0.30%**

## PERFORMANCE (%) IN USD



|          | 1 month | 6 months | 1 year | 3 years | Launch |
|----------|---------|----------|--------|---------|--------|
| ■ NAV    | -       | -        | -      | -       | -      |
| ■ Index  | -       | -        | -      | -       | -      |
| Relative | -       | -        | -      | -       | -      |

## FUND SNAPSHOT

- The L&G ESG China CNY Bond UCITS ETF aims to provide exposure to the government and policy bank bond market in China.
- **Does it promote sustainability characteristics?** The Fund promotes a range of environmental and social characteristics which are met by tracking the Index. Further information on how such characteristics are met by the Fund can be found in the Fund Supplement.

## ANNUAL PERFORMANCE (%)

| 12 Months to 30 September | 2021 | 2020 | 2019 | 2018 | 2017 |
|---------------------------|------|------|------|------|------|
| NAV                       | -    | -    | -    | -    | -    |
| Index                     | -    | -    | -    | -    | -    |
| Relative                  | -    | -    | -    | -    | -    |

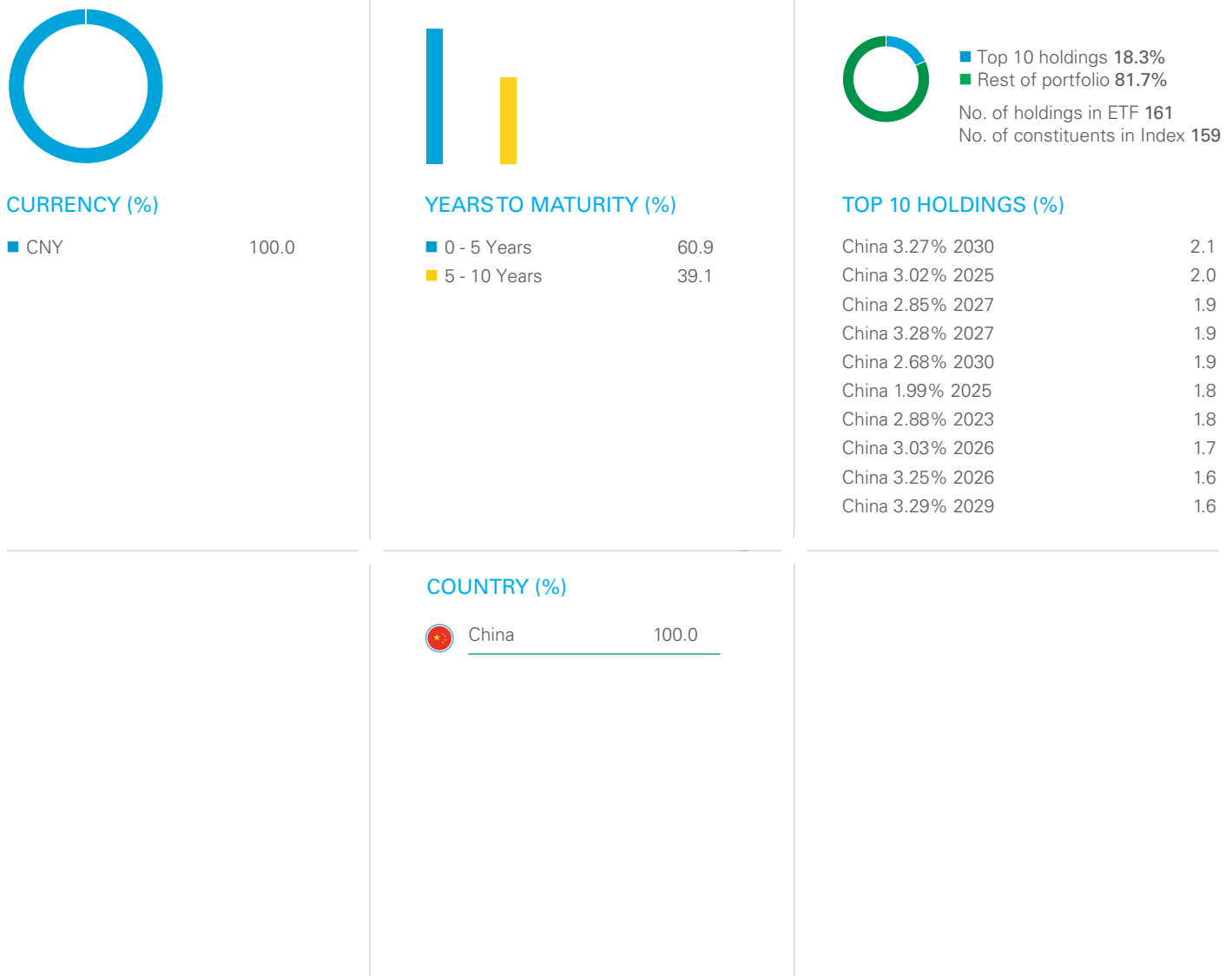
Performance for the USD Distributing ETF class, listed on 9 December 2020. Source: Lipper. Performance assumes all ETF charges have been taken and that all income generated by the investments, after deduction of tax, remains in the ETF.

**Past performance is not a guide to the future.**



## PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding. In order to minimise transaction costs, the Fund will not always own all the assets that constitute the index and on occasion it will own assets that are not in the index. The number of fund holdings can also differ from the index due to corporate events and proxy holdings.



### INDEX DESCRIPTION

The Index aims to track the performance of eligible fixed-rate, bullet, CNY-denominated government and policy bank bonds. The index applies an ESG scoring and screening methodology to tilt toward issuers ranked higher on ESG criteria, and to underweight issuers that rank lower.



### INDEX FUND MANAGEMENT TEAM

The Index Fund Management team comprises 25 fund managers, supported by two analysts. Management oversight is provided by the Global Head of Index Funds. The team has average industry experience of 15 years, of which seven years has been at LGIM, and is focused on achieving the equally important objectives of close tracking and maximising returns.

## KEY RISKS

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- An investment in the ETF involves a significant degree of risk. Any decision to invest should be based on the information contained in the relevant prospectus. Prospective investors should obtain their own independent accounting, tax and legal advice and should consult their own professional advisers to ascertain the suitability of the ETF as an investment.
- Investing in emerging market government and policy bank bonds will expose the ETF to any political, social and economic instability in the relevant countries. Investing in the Chinese Interbank Bond Market via Bond Connect is subject to regulatory risk. The governing rules and regulations of this regime may be subject to change with minimal notice and have the potential to be applied retrospectively. Any suspension imposed by the Chinese authorities on the trading of securities via Bond Connect would have adverse implications for the acquisition and disposition of the ETF's assets.
- Changes to interest rates will have a significant impact on bond prices and the ETF's value.
- If a bond issuer fails to make scheduled coupon payments or fails to repay the principal amount of a bond at maturity (i.e. is in "default"), this may significantly impact the ETF's value.
- Bond markets can be "illiquid" (i.e. have limited trading activity) which may mean that the ETF is not able to buy and sell bonds at fair prices.
- Third party service providers (such as counterparties entering into financial derivative instruments with the ETF or the ETF's depository) may go bankrupt and fail to pay money due to the ETF or return property belonging to the ETF.
- If the Index provider stops calculating the Index or if the ETF's license to track the Index is terminated, the ETF may have to be closed.
- It may not always be possible to buy and sell ETF shares on a stock exchange or at prices closely reflecting the NAV.
- There is no capital guarantee or protection on the value of the ETF. Investors can lose all the capital invested in the ETF.
- Please refer to the "Risk Factors" section of the Issuer's Prospectus and the Fund Supplement.

For more information, please refer to the key investor information document on our website [🔗](#)

## TRADING INFORMATION

| Exchange              | Currency | ISIN         | SEDOL   | Ticker | Bloomberg |
|-----------------------|----------|--------------|---------|--------|-----------|
| London Stock Exchange | USD      | IE00BLRPQL76 | BMHMZG3 | DRGN   | DRGN LN   |
| London Stock Exchange | GBP      | IE00BLRPQL76 | BMVSW99 | DRGG   | DRGG LN   |
| Deutsche Börse        | EUR      | IE00BLRPQL76 | BMHMZF2 | DRGN   | DRGN GY   |
| Borsa Italiana        | EUR      | IE00BLRPQL76 | BMHMZD0 | DRGN   | DRGN IM   |
| SIX Swiss Exchange    | CHF      | IE00BLRPQL76 | BLFHF63 | DRGN   | DRGN SW   |

The currency shown is the trading currency of the listing.



## SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe's largest asset managers and a major global investor, with assets under management of £1,326.8 billion (as at 30 June 2021). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Source: LGIM internal data as at 30 June 2021. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. The AUM includes the value of securities and derivatives positions.

## COUNTRY REGISTRATION

|             |                |             |
|-------------|----------------|-------------|
| Austria     | Denmark        | Finland     |
| France      | Germany        | Ireland     |
| Italy       | Luxembourg     | Netherlands |
| Norway      | Spain          | Sweden      |
| Switzerland | United Kingdom |             |

## AVAILABILITY

|                          |     |
|--------------------------|-----|
| ISA eligible             | Yes |
| SIPP eligible            | Yes |
| UK Fund Reporting Status | Yes |

## TO FIND OUT MORE

Visit [lgimETF.com](https://www.lgimETF.com)

Call **0345 070 8684**

Email [fundsales@lgim.com](mailto:fundsales@lgim.com)

Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Call charges will vary.

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**Important Information**

A copy of the English version of the prospectus of the Fund is available on LGIM Fund Centre and may also be obtained from Legal & General Investment Management, 2 Dublin Landings, Office 1-W-131, North Dock, Dublin 1, Ireland. Where required under national rules, the key investor information document will also be available in the local language of the relevant EEA Member State. A summary of investor rights associated with an investment in the Fund shall be available from [www.lgim.com/investor\\_rights](http://www.lgim.com/investor_rights)

We are also obliged to disclose that the Management Company has the right to terminate the arrangements made for marketing.

A decision may be taken at any time to terminate the arrangements made for the marketing of the Fund in any EEA Member State in which it is currently marketed. In such circumstances, Shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the Fund free of any charges or deductions for at least 30 working days from the date of such notification.

This is a marketing communication. Please refer to the prospectus of the Fund and to the KIID before making any final investment decisions.

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The shares (the "Shares") discussed in this document are issued in relation to the relevant sub-fund (or share class(es) thereof) described in this document (together, the "Fund").

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**Prospectus:** Investors should refer to the section entitled "Risk Factors" in the Fund's prospectus for further details of these and other risks associated with an investment in the Shares. The information in this document is designed solely for use in the relevant countries in which the Fund has been registered for public distribution and is not intended for residents of any other countries. The distribution of the prospectus and the offering, sale and delivery of Shares in other jurisdictions may be restricted by law.

**For United Kingdom investors:** The Fund is a recognised scheme under section 264 of the Financial Services and Markets Act 2000 and so the prospectus may be distributed to investors in the United Kingdom. Copies of all documents (i.e. the prospectus, the key investor information document, the latest annual audited report and financial statements and semi-annual unaudited report and financial statements and the constitution) are available in the United Kingdom from [www.lgimeta.com](http://www.lgimeta.com).

**For Austrian investors:** Investors should base their investment decision only on the relevant prospectus, the Key Investor Information Document, any supplements or addenda thereto, copies of the Memorandum and Articles of Association and the annual and semi-annual report, which can be obtained free of charge upon request at the Paying and Information Agent in Austria, Erste Bank der oesterreichischen Sparkassen AG, Graben 21, 1010 Wien, Österreich and on [www.lgimETF.com](http://www.lgimETF.com).

**For Dutch investors:** The Fund has been registered with the Netherlands Authority for the Financial Markets following the UCITS passport-procedure pursuant to section 2:72 of the Dutch Financial Supervision Act.

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**For German investors:** Investors should base their investment decision only on the relevant prospectus and the Key Investor Information Document. The offering of the Shares of the Fund has been notified to the German Financial Services Supervisory Authority (BaFin) in accordance with section 310 of the German Investment Code (KAGB). The Key Investor Information Document (in the German language), the prospectus, any supplements or addenda thereto, copies of the Memorandum and Articles of Association and the annual and semi-annual report, can be obtained free of charge upon request at the Paying and Information Agent in Germany, HSBC Trinkaus & Burkhardt AG, Königsallee 21-23, 40212 Düsseldorf and on [www.lgimETF.com](http://www.lgimETF.com). The current offering and redemption prices as well as the net asset value and possible notifications of the investors can also be requested free of charge at the same address. This document is a marketing communication within the meaning of Section 63 para. 6 of the German Securities Trading Act (WpHG). It is not investment research within the meaning of Art. 36 of the Commission Delegated Regulation (EU) 2017/565 and therefore does not meet all legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

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