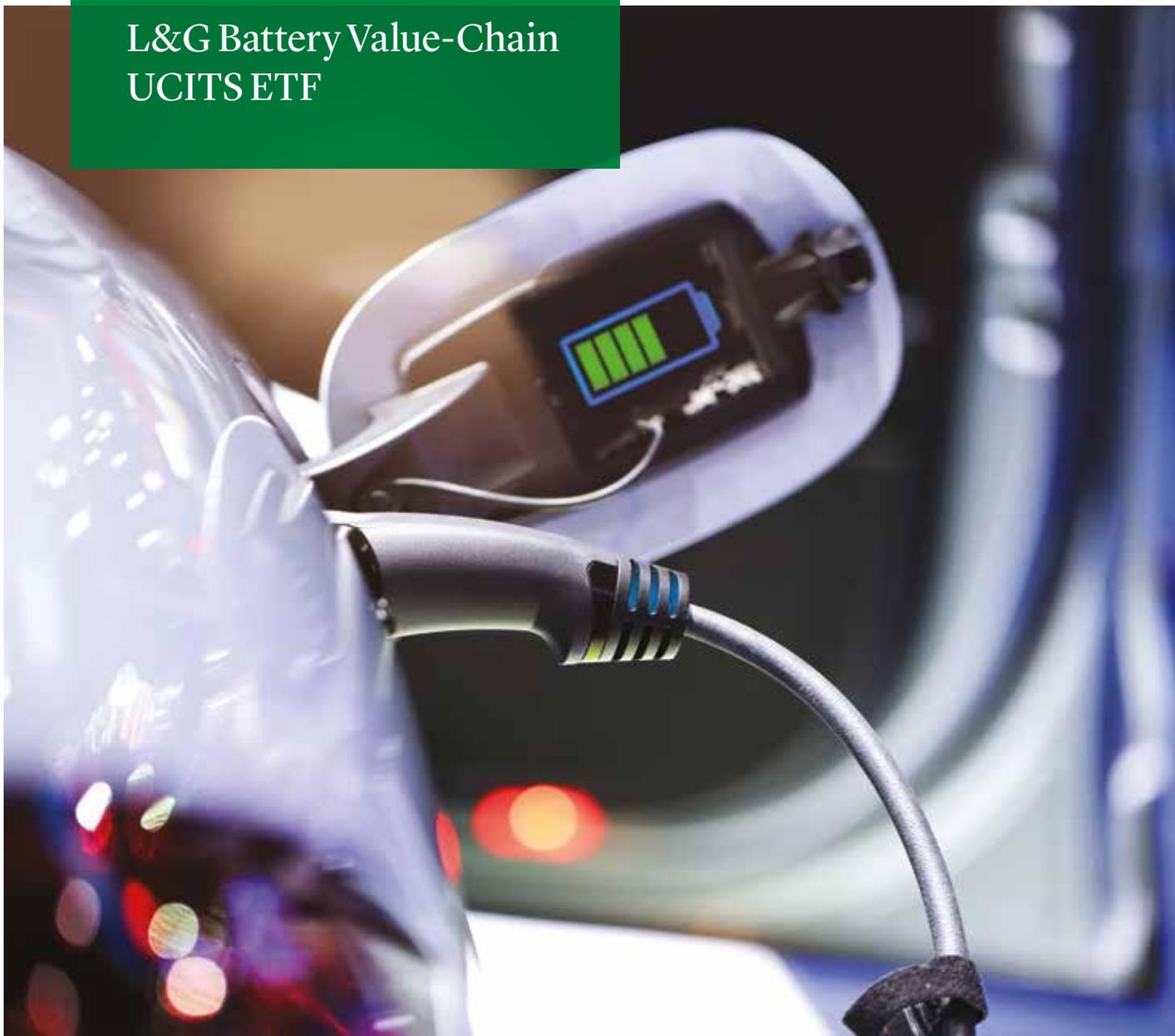


# Battery technology

L&G Battery Value-Chain  
UCITS ETF



Disruptive technology thematics range

# Battery technology L&G Battery Value-Chain UCITS ETF

New developments in battery technology are changing the way we transport and power the world, with innovation happening all along the value chain.

Significant progress has been made to improve the energy density, price, lifetime and safety of batteries while mitigating the impact on the environment. From applications such as electric vehicles (EVs) and consumer electronics to stationary storage like grid storage, battery storage technologies are currently experiencing a growth in investment, research and production.

Legal & General Investment Management is pleased to bring to market the first European exposure to track the end-to-end value chain of battery technology as above. This ETF offers investors a liquid and transparent vehicle, available on multiple European exchanges.

## Disruptive technology product range

Our world is being transformed as a new wave of innovation, often technology-led, challenges every aspect of how we live and work.

Driving this megatrend is the unending quest for productivity improvement. For investors, it is making new investment opportunities, with the potential for higher growth than traditional investments, available today.

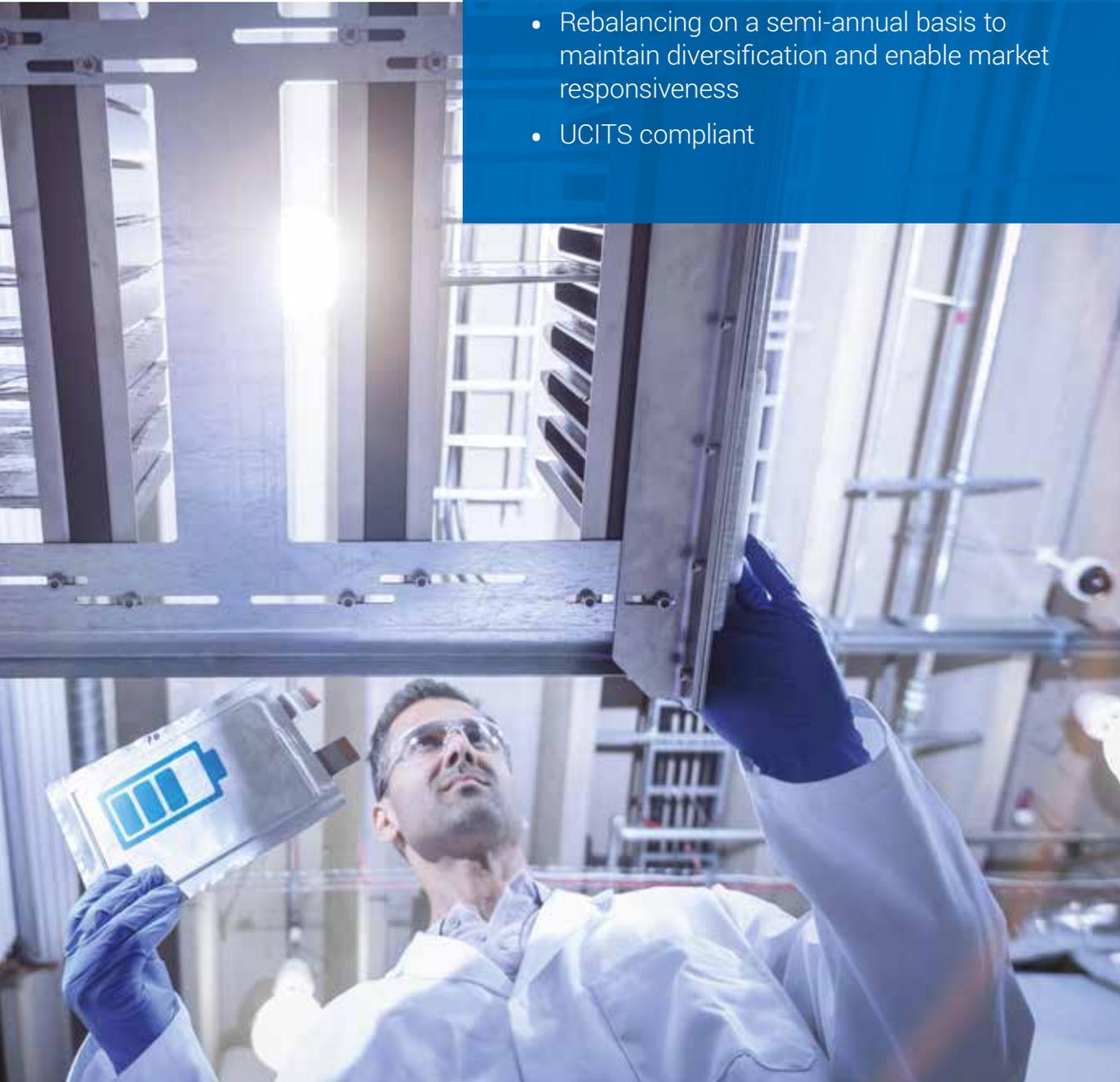
Our disruptive technology product range began with the first European robotics and automation ETF in 2014 and cyber security ETF in 2015. Battery value-chain, ecommerce logistics and pharma breakthrough ETFs were added in early 2018.

**For more information, visit: [lgimETF.com](http://lgimETF.com)**



# Key features

- Global exposure to a select basket of battery technology and mining companies
- Diversified portfolio of companies spanning multiple geographies, sectors and market caps
- Rebalancing on a semi-annual basis to maintain diversification and enable market responsiveness
- UCITS compliant



# The investment case

## Long-term investment prospects

Innovative energy storage is changing the world, from applications like EVs, hybrids, and consumer electronics to stationaries. Strict emission regulation and grid storage mandates have created opportunities for companies operating along the battery technology value chain.

The global market for large and advanced batteries reached US\$64.1 billion in 2019 and is expected to reach US\$109.9 billion by 2024 (Source: BCC Research 2020)

Lithium demand from the EV sector is expected to grow at a compound average growth rate of 19.6%: a ten times increase in usage in over 10 years (Source: IMR Metal Bulletin Research 2017).

## Industry exposure

This index is constructed using intelligence on global energy storage projects sourced from Clean Horizon’s Energy Storage Source database as well as mining sector data from Fastmarkets MB (formerly known as Metal Bulletin).

By leveraging the expertise of industry specialists, the index is better placed to provide an accurate, end-to-end reflection of the key value drivers driving the industry forward.

## Broad global exposure

Given we are in the early stages of this global megatrend, it is challenging to identify tomorrow’s winners today.

The index seeks to provide exposure to both established and emerging players in the industry through its equal weighting methodology to ensure all companies within the battery value chain are fairly represented.

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.

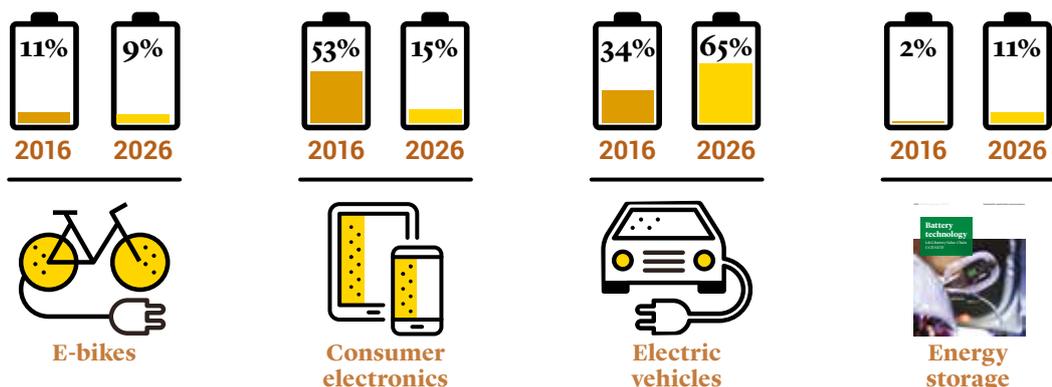
## The investment challenges

An investment in an ETF vehicle exposes an investor to the market risks associated with fluctuations in the value of these securities.

Battery-producing companies may rely on a combination of patents, copyrights and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by these companies to protect their proprietary rights will be adequate to prevent the misappropriation of their technology.

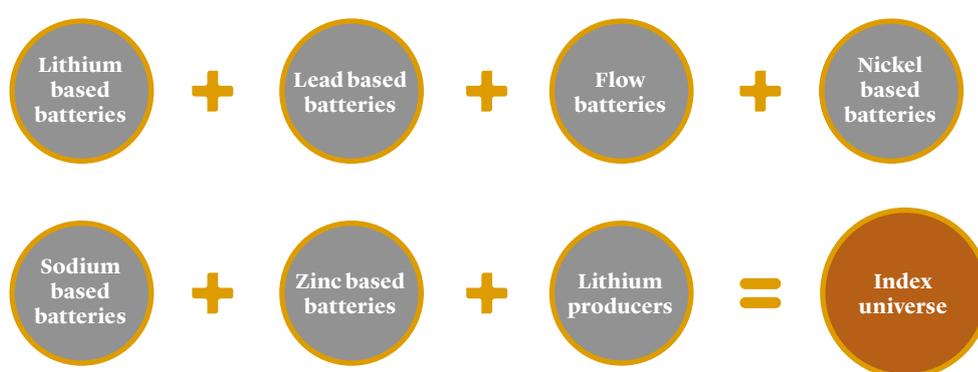
The emergence of more advanced, price competitive and new battery technologies could have an adverse effect on the revenues of certain battery-producing companies and, accordingly, may lead to a decline in the value of such companies.

## Electric vehicles are driving the demand for lithium from batteries



## Exposure to the battery value chain

The index classifies energy storage technology providers based on their core battery chemistry type and mining producers based on whether they are actively producing lithium (rather than companies that are exploring and developing lithium resources).



## Product information

Secondary Market: The shares of this exchange traded UCITS Fund are publicly admitted to trading on the secondary markets of the stock exchanges detailed below, you will need to have an account open with a stock broker in order to buy and sell the Fund.

Fund Name	L&G Battery Value-Chain UCITS ETF	UCITS Compliant	Yes
Benchmark	Solactive Battery Value-Chain Index	Domicile	Ireland
Listings and Tickers	London Stock Exchange – BATT (USD), BATG (GBP)	TER (%)	0.49
	Deutsche Börse – BATE (EUR)	Base Currency	USD
	Borsa Italiana – BATT (EUR)	Replication	Physical – Full replication
	NYSE Euronext – BATT (EUR)	Distribution	Accumulating
	SIX Swiss Exchange – BATT (CHF)	Issuer	LGIM Managers (Europe) Limited
ISIN	IE00BF0M2Z96	Promoter	Legal & General Investment Management Limited

## About the index

The Solactive Battery Value-Chain Index aims to track the performance of companies that are providers of energy storage technologies and mining companies that produce certain metals used to manufacture batteries. Eligible companies meet a minimum free-float adjusted market cap threshold of US\$200 million and a minimum three month average daily value (ADV) threshold of US\$1million.

The index follows an equal weighting scheme, with the aim to capture the growth prospects of both emerging and established companies. The index is rebalanced semi-annually and to maintain diversification and respond to evolving trends and new entrants.



# Index performance

Historical backtested performance  
Rebased 100 = March 2016



Source: Bloomberg

Indices	Cumulative returns in USD			Volatility	Sharpe Ratio
	1 year	3 years	5 years		
Solactive Battery Value-Chain Index	145.64%	94.74%	187.70%	18.19%	1.27
MSCI World Net Total Return USD Index	54.03%	43.57%	87.16%	15.81%	0.82

Annual index performance	2016	2017	2018	2019	2020	2021
Solactive Battery Value-Chain Index	16.68%	35.75%	-20.43%	17.89%	80.75%	8.04%
MSCI World Net Total Return USD Index	7.51%	22.40%	-8.71%	27.67%	15.90%	4.92%

Source: Bloomberg; all in USD; as at 31 March 2021.

All returns, correlations and volatilities are based on data in USD. Dates are from 31 March 2016 to 31 March 2021 unless otherwise stated. Sharpe ratios are based on 5 year annualised returns, 5 year annualised volatility and a risk free rate of 0.4% (average of US 5yr rates over 1 year).

The index was launched on 03 January 2018. In the period prior to that, the index values were simulated and were based on back-tested data. Simulated past performance data does not represent actual performance and should not be interpreted as an indication of actual or future performance.

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.

## Contact us

For further information about LGIM, please visit [www.lgimetf.com](http://www.lgimetf.com) or contact your usual LGIM representative.



### Important information

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Past performance is not a guide to the future.

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