

Legal & General
Global Health and Pharmaceuticals
Index Trust

**Annual Manager's Report
for the year ended
7 January 2017**

**EVERY
DAY
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* These collectively comprise the Authorised Fund Manager's Report.

Manager's Investment Report

Investment Objective and Policy

The investment objective of this Trust is to secure capital growth from a portfolio of securities representing companies engaged in Health, Pharmaceuticals and Biotechnology.

Securities representing all such companies in the FTSE World Index will be held with weightings generally proportionate to their market capitalisation.

From time to time non-Index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class distribution units rose by 16.12%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates. On this basis, over the review year, the Trust rose by 16.76% on a capital only basis compared with the FTSE World Health and Pharmaceutical Index rise of 16.70% (Source: Rimes), producing a tracking difference of +0.06%.

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.

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Market/Economic Review

Global equity markets were volatile in the first half of the review year, recording heavy losses during the opening weeks of 2016, on concerns over the economic outlook for China and further weakness in commodity markets. Over the remainder of the year, data releases have highlighted divergent trends in the major economies. The US economy continued to grow steadily, despite fluctuations in quarterly Gross Domestic Product (GDP), while Donald Trump's unexpected victory in the November presidential election focused investors on the prospect of increased infrastructure spending and tax cuts, which was favourably received by financial markets anticipating fiscal stimulus, pro-business policies and strengthening growth. The US was the best performing major market in Sterling terms for the period as a whole although the strengthening Dollar remains a significant impediment for revenue growth.

Manager's Investment Report continued

In the UK, the Bank of England cut interest rates to 0.25% and extended its asset purchase programme, known as quantitative easing (QE), to support the economy after the UK unexpectedly voted to leave the European Union (EU) in the June referendum, causing Sterling to fall to a 31-year low against the US Dollar. Inflationary pressures remained relatively low despite oil prices rising strongly on balance throughout the year. With the Eurozone experiencing very low levels of inflation, the European Central Bank (ECB) continued to sanction large-scale QE, announcing another extension in December, to shore up business and consumer confidence.

In Japan, economic growth remained weak while inflation was well below its 2% target, although a stronger labour market did begin to lift wages. In January, the Bank of Japan became the latest central bank to adopt the unorthodox policy of negative interest rates, following the ECB, Swiss National Bank and the Swedish Riksbank.

Trust Review

At the end of the year under review, there were 89 companies in the FTSE World Index classified as Pharmaceuticals and Biotechnology, and a further 65 companies classified under the Health Care Equipment and Services sector. These sub sectors account for approximately 70% and 30% of the portfolio respectively.

The top 10 holdings in the portfolio are shown below. These represent almost 40% of the Trust by market value and consist of the 10 largest Pharmaceutical companies in the world.

Johnson & Johnson (US)

Pfizer (US)

Novartis (Switzerland)

Roche (Switzerland)

Merck & Company (US)

United Health Group (US)

Amgen (US)

Abbvie (US)

Gilead Sciences (US)

Medtronic (Ireland)

The March quarterly Index review resulted in six additions, of which Orpea (France) and Straumann Holdings (Switzerland) were the biggest. There were no deletions in March 2016. There were a further 27 changes to the free share capital of constituents with the largest increases being Incyte and Regeneron Pharmaceuticals (both US), and the largest decreases being Gilead Sciences, Merck & Company and Biogen Idec (all US).

The June quarterly Index review resulted in no additions and no deletions. There were 40 changes to the free share capital of constituents with the largest increases being Novartis (Switzerland) and Otsuka Holdings (Japan), and the largest decreases being Gilead Sciences, Pfizer (both US) and Sanofi (France).

Manager's Investment Report continued

The September Index review resulted in 4 additions, of which Resmed (US) was the largest, and 1 deletion. There were 30 changes to the free share capital of constituents with the largest increases being Bangkok Dusit Medical Services PCL (Thailand) and Shire (UK), and the largest decreases being Medtronic plc (US) and Fresenius (Germany).

The December Index review resulted in 1 addition, Koninklijke Philips (Netherlands) following a GICS sector reclassification, and no deletions. There were 23 changes to the free share capital of constituents with the largest increases being Stryker (US) and Fresenius SE & Co KGaA (Germany), and the largest decreases being Allergan and Gilead Sciences (both US).

Outside the reviews, there were up-weights for Baxalta, Zimmer Holdings and Abbvie (all US) in February 2016 following secondary offerings. In June 2016, Baxalta was deleted from the Index after its acquisition by Shire (UK) in a cash and stock deal worth \$29.3 billion.

Outlook

As we head into 2017, we see steady global growth and deflation continuing, aided by increasingly supportive US fiscal policy. So far risk assets have been buoyed by diminishing deflation concerns. With several economies at full employment, most notably the US, the sharp move higher in headline inflation could lead to a more rapid increase in wage growth, stronger core inflation and a faster-than-expected pace of Fed hikes.

We also worry about political developments. The Trump presidency raises the spectre of increased protectionism which could further damage already weak productivity growth. There is also increased concern about the direction of US foreign policy. Across Europe, meanwhile, there are a number of important elections. So far, the anti-establishment vote has not appeared to dent confidence, but a repeat in France could expose the underlying frailties of both the Euro and the European Union.

The UK economy has been surprisingly resilient following the Brexit vote, but the consequences of the fall in the exchange rate could be felt more strongly during 2017. As inflation rises, real incomes will come under pressure and consumer spending should soften. We also expect weak business investment and less employment growth as uncertainty around the UK's future relationship with the EU leads to a deferral of expansion plans. In this environment, the Bank of England (BoE) is likely to be faced with a combination above-target inflation but sluggish growth.

Monetary conditions remain exceptionally loose in the Euro area while core inflation is uncomfortably low. Sentiment surveys suggest that growth will remain at a reasonable pace, while unemployment is falling in most countries, albeit from high levels. If inflation expectations can continue to move back towards levels that are consistent with their mandate, the ECB might be in a position to consider tapering later in 2017.

Manager's Investment Report continued

Despite this backdrop of uncertainty the Trust remains well positioned to capture the performance of the Index.

Legal & General Investment Management Limited

(Investment Adviser)

18 January 2017

Authorised Status

Authorised Status

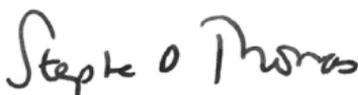
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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)



S. D. Thomas
(Director)

Legal & General (Unit Trust Managers) Limited
23 February 2017

Statement of the Responsibilities

Statement of the Manager's Responsibilities

The Manager of the Trust is required by the FCA Collective Investment Schemes sourcebook (COLL) to prepare financial statements for each accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the net revenue and the net capital gains or losses on the Scheme property for the accounting period, and the financial position of the Trust at the end of that period. In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable;
- state whether applicable Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Trust will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Trust in accordance with the Trust Deed, the Prospectus and the COLL, maintain proper accounting records to enable them to ensure that the financial statements comply with the Statement of Recommended Practice for Authorised Funds issued by The Investment Association in May 2014 and the COLL and take in these respects reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of the Responsibilities continued

Statement of the Trustee's Responsibilities

The Depositary in its capacity as Trustee of Legal & General Global Health & Pharmaceuticals Index Trust must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping all of custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Report of the Trustee

Report of the Trustee to the Unitholders of the Legal & General Global Health and Pharmaceuticals Index Trust (“the Trust”) for the year ended 7 January 2017

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust’s units and the application of the Trust’s income in accordance with the Regulations and the Scheme documents of the Trust; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

Northern Trust Global Services Limited
UK Trustee and Depositary Services
23 February 2017

Portfolio Statement

Portfolio Statement as at 7 January 2017

All investments are in ordinary shares or common stocks unless otherwise stated. The percentages in brackets show the equivalent country holdings at 7 January 2016.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
UNITED KINGDOM — 4.67% (4.88%)			
104,935	AstraZeneca	4,780,840	1.79
403,512	GlaxoSmithKline	6,385,577	2.38
11,103	Hikma Pharmaceutical	214,732	0.08
31,617	Mediclinic Interna	248,035	0.09
73,159	Smith & Nephew	888,150	0.33
		12,517,334	4.67
NORTH AMERICA — 58.99% (57.10%)			
United States — 58.87% (56.31%)			
142,122	Abbott Laboratories	4,622,238	1.73
134,190	Abbvie	6,922,703	2.58
29,231	Aetna	2,961,654	1.11
18,694	Alexion Pharmaceuticals	2,107,997	0.79
5,079	Alnylam Pharmaceuticals	176,645	0.07
62,114	Amgen	7,994,332	2.98
21,879	Anthem	2,563,752	0.96
44,666	Baxter International	1,631,765	0.61
17,651	Becton Dickinson & Company	2,370,467	0.89
18,073	Biogen Idec	4,302,578	1.61
14,006	BioMarin Pharmaceutical	994,931	0.37
113,721	Boston Scientific	2,026,035	0.76
138,408	Bristol-Myers Squibb	6,703,304	2.50
6,102	C.R. Bard	1,135,362	0.42
64,562	Celgene	6,267,290	2.34
13,993	Centene	683,153	0.26
21,267	Cigna	2,448,368	0.91
16,417	DaVita Healthcare Partners	870,252	0.32
19,677	Dentsply International	927,273	0.35
17,437	Edwards Lifesciences	1,378,345	0.51
81,296	Eli Lilly & Co	4,970,600	1.86
50,656	Express Scripts Holding	2,899,034	1.08
109,271	Gilead Sciences	6,717,410	2.51
23,543	HCA Insurance Holdings	1,465,645	0.55
6,736	Henry Schein	850,932	0.32
22,504	Hologic	728,428	0.27
12,333	Humana	2,003,531	0.75
12,049	Illumina	1,355,360	0.51
13,959	Incyte	1,210,146	0.45
3,155	Intuitive Surgical	1,631,673	0.61
227,621	Johnson & Johnson	21,449,453	8.01
8,552	Laboratory Corporation of America Holdings	895,980	0.33
230,085	Merck & Company	11,152,694	4.16
6,920	Patterson Companies	237,360	0.09
502,706	Pfizer	13,615,762	5.08
11,538	Quest Diagnostics	864,566	0.32
11,894	Quintiles Transnational Holdings	749,910	0.28
6,765	Regeneron Pharmaceuticals	1,960,727	0.73
11,411	Resmed	573,676	0.21
27,010	Stryker	2,567,819	0.96
32,839	Thermo Fisher Scientific	3,884,813	1.45

Portfolio Statement continued

Holding/ Nominal	Investment Value	Market Value £	% of Net Assets
	United States — (cont.)		
79,614	United Health Group	10,423,066	3.89
7,236	Universal Health Services 'B'	634,828	0.24
7,562	Varian Medical Systems	546,811	0.20
20,254	Vertex Pharmaceuticals	1,295,907	0.48
6,193	Waters	701,258	0.26
16,676	Zimmer Holdings	1,412,530	0.53
41,259	Zoetis	1,802,999	0.67
		157,691,362	58.87
	Canada — 0.12% (0.79%)		
25,796	Valeant Pharmaceuticals International	322,993	0.12
	IRELAND — 5.44% (6.92%)		
10,918	Alkermes	531,433	0.20
31,137	Allergan	5,517,495	2.06
18,600	Endo International	250,910	0.10
4,430	Jazz Pharmaceuticals	410,549	0.15
8,983	Mallinckrodt	382,054	0.14
115,919	Medtronic	6,710,233	2.51
10,903	Perrigo	757,427	0.28
		14,560,101	5.44
	SOUTH AMERICA — 0.03% (0.00%)		
	Brazil — 0.03% (0.00%)		
30,400	Odontoprev	92,171	0.03
	CHANNEL ISLANDS — 1.35% (0.92%)		
	JERSEY — 1.35% (0.92%)		
54,380	Shire	2,646,403	0.99
6,688	Shire (ADR)	976,615	0.36
		3,623,018	1.35
	CONTINENTAL EUROPE — 19.27% (19.46%)		
	Belgium — 0.21% (0.26%)		
9,841	UCB	552,939	0.21
	Denmark — 2.56% (3.44%)		
7,346	CHR Hansen	336,575	0.12
8,216	Coloplast	459,963	0.17
4,501	Genmab	676,520	0.25
5,534	Lundbeck 'H'	190,277	0.07
151,774	Novo Nordisk	4,520,475	1.69
18,296	Novozymes 'B'	534,599	0.20
10,653	William Demant	153,243	0.06
		6,871,652	2.56
	Finland — 0.12% (0.08%)		
8,500	Orion Corporation 'B'	318,589	0.12
	France — 3.06% (3.04%)		
1,090	BioMérieux	134,080	0.05
16,594	Essilor International	1,499,445	0.56
2,615	Ipsen	160,487	0.06
3,520	Orpea	228,334	0.09
92,699	Sanofi	6,056,067	2.26
2,194	Sartorius Stedim Biotech	114,326	0.04
		8,192,739	3.06

Portfolio Statement continued

Holding/ Nominal	Investment Value	Market Value £	% of Net Assets
Germany — 1.59% (1.39%)			
33,166	Fresenius	2,122,699	0.79
17,471	Fresenius Medical Care	1,208,458	0.45
10,743	Merck	941,746	0.35
		4,272,903	1.59
Hungary — 0.08% (0.06%)			
11,912	Gedeon Richter	213,711	0.08
Italy — 0.08% (0.00%)			
9,046	Recordati Spa	215,493	0.08
Luxembourg — 0.11% (0.00%)			
797	Eurofins Scientific	282,401	0.11
Netherlands — 1.34% (0.72%)			
4,943	GrandVision	88,462	0.03
76,190	Koninklijke Philips	1,858,085	0.69
37,849	Mylan	1,168,295	0.44
20,144	Qiagen	469,772	0.18
		3,584,614	1.34
Spain — 0.29% (0.28%)			
27,601	Grifols 'A'	463,805	0.17
22,714	Grifols 'B'	313,464	0.12
		777,269	0.29
Sweden — 0.08% (0.19%)			
15,567	Gefinge	208,923	0.08
Switzerland — 9.75% (10.00%)			
7,830	Actelion	1,428,142	0.53
4,229	Lonza Group	624,581	0.23
195,692	Novartis	11,689,015	4.36
58,797	Roche	11,321,289	4.23
1,757	Roche Holding	343,787	0.13
4,194	Sonova Holding	416,183	0.16
886	Straumann	282,500	0.11
		26,105,497	9.75
AFRICA — 0.32% (0.36%)			
South Africa — 0.32% (0.36%)			
1,082	Adcock Ingram Holdings Warrants	193	—
30,600	Aspen Pharmacare Holdings	500,606	0.19
74,128	Life Healthcare Group Holdings	146,892	0.05
115,010	Netcare	218,405	0.08
		866,096	0.32
MIDDLE EAST — 0.86% (1.62%)			
Israel — 0.86% (1.62%)			
75,603	Teva Pharmaceutical Industries	2,300,385	0.86
ASIA — 6.45% (6.47%)			
Japan — 5.84% (5.94%)			
15,700	Alfresa Holdings	212,693	0.08
4,700	Asahi Intecc	157,381	0.06
175,600	Astellas Pharma	2,011,559	0.75
18,308	Chugai Pharmaceutical	442,263	0.16
52,500	Daiichi Sankyo	908,596	0.34

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
Japan — (cont.)			
14,200	Dainippon Sumitomo	204,729	0.08
22,200	Eisai	1,065,454	0.40
6,200	Hisamitsu Pharmaceutical	260,267	0.10
2,500	Kaken Pharmaceutical	113,126	0.04
2,400	Kissei Pharmaceutical	49,673	0.02
5,500	Kobayashi Pharmaceutical	197,954	0.07
3,700	Kyorin Holdings	68,800	0.03
22,000	Kyowa Hakko Kirin	255,923	0.09
11,500	Medipal Holdings	148,989	0.06
4,700	Miraca Holdings	176,686	0.07
17,400	Mitsubishi Tanabe Pharma	282,238	0.10
1,000	Mochida Pharmaceutical	58,826	0.02
5,400	Nihon Kohden	98,606	0.04
4,500	Nippon Shinyaku	187,650	0.07
8,300	Nipro	76,792	0.03
26,300	Olympus	752,502	0.28
38,000	Ono Pharmaceutical	686,485	0.26
35,400	Otsuka Holdings	1,284,699	0.48
3,900	Peptidream	166,974	0.06
7,400	Rohto Pharmaceutical	97,932	0.04
33,800	Santen Pharmaceutical	348,248	0.13
2,400	Sawai Pharmaceutical	107,432	0.04
24,400	Shionogi	965,504	0.36
7,170	Suzuken (ADR)	194,917	0.07
11,900	Systemex	575,761	0.21
3,875	Taisho Pharmaceutical	267,605	0.10
63,800	Takeda Pharmaceutical	2,203,879	0.82
26,400	Terumo	806,824	0.30
8,214	Topcon	100,700	0.04
5,200	Tsumura & Company	119,823	0.04
		15,657,490	5.84
Malaysia — 0.10% (0.10%)			
236,600	IHH Healthcare	274,370	0.10
South Korea — 0.31% (0.32%)			
6,495	Celltrion	464,905	0.17
882	Hanmi Holdings	35,045	0.01
636	Hanmi Pharmaceutical	126,354	0.05
1,100	Samsung Biologics	117,875	0.05
585	Yuhan	80,181	0.03
		824,360	0.31
Taiwan — 0.02% (0.00%)			
8,500	OBI Pharma	64,168	0.02
Thailand — 0.18% (0.11%)			
730,100	Bangkok Dusit Medical Services	376,985	0.14
24,000	Bumrungrad Hospital	100,995	0.04
		477,980	0.18
PACIFIC BASIN — 1.61% (1.46%)			
Australia — 1.46% (1.33%)			
11,804	Ansell	175,094	0.07
4,903	Cochlear	359,593	0.13
37,751	CSL	2,294,404	0.86
126,491	Healthscope	178,087	0.07

Portfolio Statement continued

Holding/ Nominal	Value	Investment	Market Value £	% of Net Assets
		Australia — (cont.)		
	10,461	Ramsay Health Care	436,870	0.16
	35,592	Sonic Healthcare	460,927	0.17
			3,904,975	1.46
		New Zealand — 0.15% (0.13%)		
	46,381	Fisher & Paykel Healthcare	228,603	0.09
	35,068	Ryman Healthcare	163,683	0.06
			392,286	0.15
Portfolio of investments			265,165,819	98.99
Net other assets			2,693,343	1.01
Total net assets			£267,859,162	100.00%

Total purchases for the year: £56,199,416.

Total sales for the year: £15,937,132.

Independent Auditors' Report

Independent Auditors' Report to the Unitholders of Legal & General Global Health and Pharmaceuticals Index Trust (the "Trust")

Report on the financial statements

Our opinion

In our opinion, Legal & General Global Health and Pharmaceuticals Index Trust's financial statements, (the "financial statements"):

- give a true and fair view of the financial position of the Trust as at 7 January 2017 and of the net revenue and the net capital gains of the scheme property of the Trust for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

What we have audited

The financial statements, included within the Annual Manager's Report, comprise:

- the balance sheet as at 7 January 2017;
- the statement of total return for the year then ended;
- the statement of change in net assets attributable to unitholders for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information; and
- the distribution tables.

The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) , the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (the "Statement of Recommended Practice for UK Authorised Funds"), the Collective Investment Schemes sourcebook and the Trust Deed.

In applying the financial reporting framework, the Authorised Fund Manager has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Independent Auditors' Report continued

Opinions on matters prescribed by the Collective Investment Schemes sourcebook

In our opinion:

- we have obtained all the information and explanations we consider necessary for the purposes of the audit; and
- the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Propriety of accounting records and information and explanations received

Under the Collective Investment Schemes sourcebook we are required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Authorised Fund Manager

As explained more fully in the Authorised Fund Manager's Responsibilities Statement set out on page 7, the Authorised Fund Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose.

We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report continued

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (“ISAs (UK & Ireland)”). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Trust’s circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Authorised Fund Manager; and
- the overall presentation of the financial statements.
- We primarily focus our work in these areas by assessing the directors’ judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.
- We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Manager’s Report (the “Annual Report”) to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 February 2017

Notes:

- a) The maintenance and integrity of the Legal & General website is the responsibility of the Manager; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial Statements

Statement of Total Return for the year ended 7 January 2017

	Notes	07/01/17		07/01/16	
		£	£	£	£
Income					
Net capital gains	3		32,729,394		6,687,671
Revenue	4	4,509,428		3,270,175	
Expenses	5	(1,512,284)		(1,397,733)	
Interest payable and similar charges	7		(726)		—
Net revenue before taxation		2,996,418		1,872,442	
Taxation	6	(520,413)		(368,852)	
Net revenue after taxation for the year			<u>2,476,005</u>		<u>1,503,590</u>
Total return before distributions			35,205,399		8,191,261
Distributions	7		(2,482,157)		(1,552,636)
Change in net assets attributable to Unitholders from investment activities			<u>£32,723,242</u>		<u>£6,638,625</u>

Statement of Change in Net Assets attributable to Unitholders for the year ended 7 January 2017

	07/01/17		07/01/16	
	£	£	£	£
Opening net assets attributable to Unitholders		193,793,867		150,286,342
Amounts received on issue of units		57,657,976		49,951,932
Amounts paid on cancellation of units		(18,735,067)		(14,656,363)
		<u>38,922,909</u>		<u>35,295,569</u>
Change in net assets attributable to Unitholders from investment activities		32,723,242		6,638,625
Retained distributions on accumulation units		<u>2,419,144</u>		<u>1,573,331</u>
Closing net assets attributable to Unitholders		<u>£267,859,162</u>		<u>£193,793,867</u>

Financial Statements continued

Balance Sheet as at 7 January 2017

	Notes	07/01/17 £	07/01/16 £
ASSETS			
Fixed assets:			
Investments		265,165,819	192,220,787
Current assets:			
Debtors	8	877,810	715,793
Cash and bank balances	9	3,592,535	1,509,218
Total assets		<u>269,636,164</u>	<u>194,445,798</u>
LIABILITIES			
Creditors:			
Bank overdrafts	9	(79)	(49)
Distributions payable		(537,268)	(192,990)
Other creditors	10	(1,239,655)	(458,892)
Total liabilities		<u>(1,777,002)</u>	<u>(651,931)</u>
Net assets attributable to Unitholders		<u>£267,859,162</u>	<u>£193,793,867</u>

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. Summary of Significant Accounting Policies

(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.

The Trust has early adopted the amendment to FRS 102 in respect of the fair value hierarchy/valuation techniques disclosure.

The principal accounting policies which have been applied consistently are set out below.

(b) Functional and Presentation Currency

The functional and presentation currency of the Trust is Sterling.

(c) Recognition of revenue

Revenue from quoted equities and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge.

Special dividends are treated as either revenue or capital depending on the facts of each particular case.

All other revenue is recognised on an accruals basis.

(d) Treatment of expenses

All expenses (other than those relating to the purchase and sale of investments) are charged against revenue on an accruals basis.

Notes to the Financial Statements continued

(e) Distribution Policy

The policy is to distribute all available revenue, after deduction of those expenses which are chargeable in calculating the distribution.

The Fund management fee (FMF) is deducted from revenue for the purpose of calculating the distribution.

The ordinary element of stock dividends are treated as revenue and may form part of the distribution, depending on the terms of the stock dividend, which is in accordance with the COLL. In the case of an enhanced stock dividend, the value of the enhancement is treated as capital and does not form part of the distribution.

Distributions which have remained unclaimed by Unitholders for over six years are credited to the capital property of the Trust.

(f) Basis of valuation of investments

All investments are valued at their fair value as at 3pm on 6 January 2017, being the last working day of the accounting year.

Where values cannot be readily determined, the securities are valued at the Manager's best assessment of their fair and reasonable value.

(g) Taxation

Provision is made for Taxation at current rates on the excess of investment revenue over expenses, with relief for overseas taxation taken where appropriate.

Deferred tax is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences that are regarded as permanent. Any liability to deferred tax is provided for at the average rate of tax expected to apply.

(h) Foreign exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at 3pm on 6 January 2017, being the last working day of the accounting year.

3. Net capital gains

The net capital gains during the year comprise:

Non-derivative securities
Foreign exchange gains
Forward currency contracts
Net capital gains

	07/01/17	07/01/16
	£	£
	32,682,748	6,682,346
	99,091	20,689
	(52,445)	(15,364)
	<u>32,729,394</u>	<u>6,687,671</u>

Notes to the Financial Statements continued

4. Revenue

	07/01/17	07/01/16
	£	£
UK franked dividends	546,511	409,275
Non-taxable overseas dividends	3,961,963	2,859,880
Bank interest	954	1,020
	<u>4,509,428</u>	<u>3,270,175</u>

5. Expenses

	07/01/17	07/01/16
	£	£
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic fee	—	478,901
Fund management fees	1,512,284	856,704
Registration fees	—	62,128
	<u>1,512,284</u>	<u>1,397,733</u>

Audit fees of £8,735 plus VAT of £1,747 (£8,600 plus VAT of £1,720 as at 7 January 2016) have been borne by the Manager out of its fund management fee.

Notes to the Financial Statements continued

6. Taxation

(a) Analysis of taxation charge in year

	07/01/17	07/01/16
	£	£
Overseas tax	520,413	368,852
Current tax [note 6(b)]	520,413	368,852
Deferred tax [note 6(c)]	—	—
Total taxation	<u>520,413</u>	<u>368,852</u>

(b) Factors affecting taxation charge for the year

The current tax charge excludes capital gains and losses for the reason that Authorised Unit Trusts are not subject to Corporation Tax on these items. Current tax differs from taxation assessed on net revenue before taxation as follows:

Net revenue before taxation	<u>2,996,418</u>	<u>1,872,442</u>
Net revenue before taxation multiplied by the applicable rate of Corporation Tax at 20% (2016: 20%)	599,284	374,488
Effects of:		
Overseas tax	520,413	368,852
Revenue not subject to taxation	(901,695)	(654,035)
Excess unutilised management expenses	<u>302,411</u>	<u>279,547</u>
Current tax	<u>520,413</u>	<u>368,852</u>

(c) Provision for deferred tax

At the year end, there is a potential deferred tax asset of £1,261,917 (7 January 2016: £959,506) due to surplus management expenses.

It is unlikely the Trust will generate sufficient taxable profits in the future to utilise this amounts and therefore no deferred tax asset has been recognised (7 January 2016: same).

Notes to the Financial Statements continued

7. Distributions

The distributions take account of revenue received on the creation of units and revenue deducted on the cancellation of units and comprise:

	07/01/17	07/01/16
	£	£
Final distribution	<u>2,956,412</u>	<u>1,766,321</u>
Add: Revenue deducted on cancellation of units	137,870	97,037
Less: Revenue received on creation of units	<u>(612,125)</u>	<u>(310,722)</u>
Distributions for the year	2,482,157	1,552,636
Interest payable and similar charges		
Bank overdraft interest	<u>726</u>	<u>—</u>
	<u>2,482,883</u>	<u>1,552,636</u>

The differences between the net revenue after taxation and the distributions for the year are as follows:

	07/01/17	07/01/16
	£	£
Net revenue after taxation for the year	2,476,005	1,503,590
Add: Equalisation uplift	<u>6,152</u>	<u>49,046</u>
Distributions for the year	2,482,157	1,552,636

8. Debtors

	07/01/17	07/01/16
	£	£
Amounts receivable for creation of units	176,984	65,981
Sales awaiting settlement	—	148,503
Receivable for FX contracts	273	120
Accrued revenue	256,871	192,925
Recoverable overseas tax	<u>443,682</u>	<u>308,264</u>
	<u>877,810</u>	<u>715,793</u>

9. Net uninvested cash

	07/01/17	07/01/16
	£	£
Cash and bank balances	3,592,535	1,509,218
Bank overdrafts	<u>(79)</u>	<u>(49)</u>
Net uninvested cash	<u>3,592,456</u>	<u>1,509,169</u>

Notes to the Financial Statements continued

10. Creditors

	07/01/17	07/01/16
	£	£
Amounts payable for cancellation of units	246,903	263,899
Purchases awaiting settlement	821,673	49,282
Accrued expenses	171,079	145,711
	<u>1,239,655</u>	<u>458,892</u>

11. Contingent liabilities and outstanding commitments

Contingent liabilities and outstanding commitments at the balance sheet date were:

	07/01/17	07/01/16
	£	£
Commitments on rights issues	—	3,349
Total	<u>—</u>	<u>3,349</u>

12. Financial Instruments and Associated Risks

The investments of a Trust in financial securities and derivatives are subject to normal market fluctuations and other risks inherent in investing in such instruments. Legal & General (Unit Trust Managers) Limited (UTM) is the Authorised Fund Manager and has responsibility for ensuring appropriate risk management processes are implemented for each Unit Trust.

The UTM Board has delegated the risk oversight function to the Fund Manager Oversight Committee (FMOC), a committee of the Legal & General Investment Management (Holdings) Limited (LGIMH) Board that meets monthly. The primary objective of the FMOC is to ensure proper oversight of the investment management activities and associated services performed by LGIM, its delegates and other Fund Managers, under the Investment Management Agreement (IMA), on behalf of UTM in its capacity as Authorised Fund Manager. The committee consists of senior members of LGIMH, and members of the UTM Board. Other senior staff members are also in attendance, as required by the agenda.

Each Trust has Investment Guidelines, an Investment Objective and Investment Restrictions, against which the fund manager will operate. These are set out in Schedule 1 of the IMA between LGIM and UTM. The Schedule is maintained by each fund manager, reviewed by the LGIM Operational Risk and Compliance Teams and approved senior members of UTM on behalf of the UTM board. The Schedule provides the detail needed to determine the risk profile for each fund. Fund managers are not permitted to invest into any new instruments without first gaining approval from UTM.

The Investment Objective and Policy of this Trust is detailed on page 2.

Notes to the Financial Statements continued

(a) Market Risk arising from other price risk

Market Risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar instruments traded in the market.

The assets held by the Trust can be seen in the Portfolio Statement starting on page 10. Movements in the prices of these investments result in movements in the performance of the Trust. The Manager adheres to the investment guidelines established in the Trust Deed, the Prospectus, the COLL and the Trust's IOG, and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

At 7 January 2017, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £13,258,291 (7 January 2016: £9,611,040).

(b) Interest Rate Risk

Interest Rate Risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The Trust's only interest bearing financial instruments were its bank balances and overdraft facilities as disclosed in note 9. Cash is deposited and overdraft facilities utilised on normal commercial terms and earn or bear interest based on LIBOR or its overseas equivalent.

In the event of a change in interest rates, there would be no material impact upon the assets of the Trust.

Notes to the Financial Statements continued

(c) Foreign Currency Risk

Foreign Currency Risk is the risk of movements in the value of financial instruments as a result of fluctuations in exchange rates. This risk may be managed by the use of forward currency contracts or currency futures as necessary. Forward currency contracts were utilised during the current and preceding period.

At 7 January 2017, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £2,517,749 (7 January 2016: £1,810,740).

The direct foreign currency profile of the Trust's net assets at the balance sheet date was:

07/01/17 Currency	Net foreign currency assets		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian Dollar	1	3,905	3,906
Brazilian Real	—	92	92
Canadian Dollar	—	323	323
Danish Krone	8	6,872	6,880
Euro	42	17,029	17,071
Hungarian Forint	1	214	215
Israeli Shekel	—	2,300	2,300
Japanese Yen	—	15,657	15,657
Malaysian Ringgit	—	274	274
Mexican Peso	2	—	2
New Zealand Dollar	8	392	400
South African Rand	4	866	870
South Korean Won	—	824	824
Swedish Krona	4	209	213
Swiss Franc	72	26,105	26,177
Taiwan Dollar	8	64	72
Thai Bhat	—	478	478
US Dollar	896	174,396	175,292

07/01/16 Currency	Net foreign currency assets		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian Dollar	10	2,579	2,589
Canadian Dollar	4	1,530	1,534
Danish Krone	3	6,668	6,671
Euro	8	10,120	10,128
Hungarian Forint	1	118	119
Israeli Shekel	—	3,144	3,144
Japanese Yen	3	11,514	11,517
Malaysian Ringgit	—	197	197
Mexican Peso	2	—	2
New Zealand Dollar	4	264	268
Singapore Dollar	—	—	—
South African Rand	2	700	702
South Korean Won	—	607	607
Swedish Krona	12	363	375
Swiss Franc	29	19,370	19,399
Thai Bhat	—	209	209
US Dollar	18	123,595	123,613

Notes to the Financial Statements continued

(d) Credit Risk

Credit Risk is the risk of suffering financial loss as a result of a counterparty to a financial transaction being unable to fulfil their financial obligations as they fall due.

This risk is managed by appraising the credit profile of financial instruments and issuers in line with the Trust's investment objective and policy.

(e) Liquidity Risk

Liquidity Risk relates to the capacity to meet liabilities as they fall due. The primary source of this risk to the Trust is the liability to Unitholders for any cancellation of units.

This risk is minimised by holding a large proportion of readily realisable assets, cash balances and via access to overdraft facilities.

(f) Derivative Risk - Sensitivity Analysis

Derivative Risk arises from uncertainty about future market movements. This risk is managed by the policies shown within Market risk.

At the balance sheet date, no derivatives were held that could impact the Trust in a significant way (7 January 2016: same).

Notes to the Financial Statements continued

(g) Fair value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no material difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

The Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Trust's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Trust's financial instruments as at the balance sheet date were:

07/01/17	Assets	Liabilities
Valuation technique	£	£
Level 1	265,165,819	—
Level 2	—	—
Level 3	—	—
Total	265,165,819	—

07/01/16	Assets	Liabilities
Valuation technique	£	£
Level 1	192,220,787	—
Level 2	—	—
Level 3	—	—
Total	192,220,787	—

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

Notes to the Financial Statements continued

13. Portfolio transaction costs

07/01/17	Value	Commissions		Taxes		Total
Purchases	£'000	£'000	%	£'000	%	£'000
Equities	56,165	17	0.03	17	0.03	56,199
Total	56,165	17	0.03	17	0.03	56,199

07/01/17	Value	Commissions		Taxes		Total
Sales	£'000	£'000	%	£'000	%	£'000
Equities	15,941	(4)	0.03	—	—	15,937
Total	15,941	(4)	0.03	—	—	15,937

Commissions and taxes as % of average net assets

Commissions 0.01%

Taxes 0.01%

07/01/16	Value	Commissions		Taxes		Total
Purchases	£'000	£'000	%	£'000	%	£'000
Equities	51,619	16	0.03	16	0.03	51,651
Total	51,619	16	0.03	16	0.03	51,651

07/01/16	Value	Commissions		Taxes		Total
Sales	£'000	£'000	%	£'000	%	£'000
Equities	15,198	(4)	0.03	—	—	15,194
Total	15,198	(4)	0.03	—	—	15,194

Commissions and taxes as % of average net assets

Commissions 0.01%

Taxes 0.01%

Transaction costs consist of expenses incurred in the process of the purchase and sales of securities above the cost of the securities.

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.08% (7 January 2016: 0.19%).

Notes to the Financial Statements continued

14. Unit classes

The Trust currently has three unit classes: R-Class, I-Class and F-Class. The annual management charge and fund management fee on each unit class can be found on page 42. The net asset value per unit of each unit class and the number of units in each class are given in the comparative tables on pages 35 to 40. The distribution per unit class is given in the distribution table on page 33. All classes have the same rights on winding up.

R-Class	Distribution	Accumulation
Opening Units	11,886,195	170,016,282
Units issued	2,357,312	7,699,770
Units cancelled	(1,614,987)	(8,511,882)
Units converted	(585,087)	(6,042,545)
Closing Units	12,043,433	163,161,625

I-Class	Distribution	Accumulation
Opening Units	26,161,380	151,684,280
Units issued	41,854,236	48,747,470
Units cancelled	(6,241,117)	(16,590,978)
Units converted	583,327	5,543,451
Closing Units	62,357,826	189,384,223

F-Class	Distribution	Accumulation
Opening Units	1,216	198,543
Units issued	—	73,446
Units cancelled	—	(76,356)
Units converted	—	38,143
Closing Units	1,216	233,776

Notes to the Financial Statements continued

15. Ultimate controlling party and related party transactions

The Manager and Trustee are regarded as controlling parties of the Trust by virtue of having the ability to act in concert in respect of Trust operations. The ultimate controlling parties of the Manager and Trustee are Legal & General Group Plc and Northern Trust Global Services Limited, respectively. These entities and their subsidiaries are also related parties of the Trust.

Legal & General (Unit Trust Managers) Limited acts as the principal on all the transactions of the units in the Trust. The aggregated monies received through creations or paid on cancellations are disclosed in the statement of change in net assets attributable to unitholders.

At the year end, the Manager and its associates held 0.00% (0.00% as at 7 January 2016) of the Trust's units in issue.

There were no units held by the Trustee or its associates. Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 5, 7, 8 and 10 to the financial statements, the statement of change in net assets attributable to unitholders. Within note 10, accrued expenses (including amounts due to associates and agents) of £Nil (£Nil as at 7 January 2016) are due to the Trustee and £171,079 (£145,711 as at 7 January 2016) are due to the Manager.

16. Post balance sheet market movements

As at the close of business on the balance sheet date the Net Asset Value per R-Class distribution unit was 54.86p. The Net Asset Value per R-Class distribution unit for the Trust was 56.31p as at 3pm on 22 February 2017. This represents an increase of 2.64% from the year end value.

Distribution Table

Distribution Table for the year ended 7 January 2017

Group 1: units purchased prior to a distribution period.

Group 2: units purchased during a distribution period.

Equalisation is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. As capital it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

Final dividend distribution in pence per unit	Period			
	08/01/16 to 07/01/17			
	Net Revenue	Equalisation	Distribution 07/03/17	Distribution 07/03/16
R-Class Distribution Units				
Group 1	0.3326	—	0.3326	0.2309
Group 2	0.0563	0.2763	0.3326	0.2309
R-Class Accumulation Units				
Group 1	0.3701	—	0.3701	0.2557
Group 2	0.0909	0.2792	0.3701	0.2557
I-Class Distribution Units				
Group 1	0.7973	—	0.7973	0.6327
Group 2	0.1361	0.6612	0.7973	0.6327
I-Class Accumulation Units				
Group 1	0.9574	—	0.9574	0.7497
Group 2	0.3372	0.6202	0.9574	0.7497
F-Class Distribution Units				
Group 1	0.7179	—	0.7179	0.5682
Group 2	—	0.7179	0.7179	0.5682
F-Class Accumulation Units				
Group 1	0.8178	—	0.8178	0.6400
Group 2	0.2890	0.5288	0.8178	0.6400

Trust Information

The Comparative Tables on pages 35 to 40 give the performance of each active share class in the Trust.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per unit divided by the opening net asset value per unit. It differs from the Trust's performance disclosed in the Manager's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Trust.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by a fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

Trust Information continued

Comparative Tables

R-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	07/01/17 (pence per unit)	07/01/16 (pence per unit)	07/01/15 (pence per unit)
Opening net asset value per unit	47.30	45.04	35.53
Return before operating charges*	8.48	3.04	10.19
Operating charges (calculated on average price)	(0.59)	(0.55)	(0.45)
Return after operating charges*	7.89	2.49	9.74
Distributions on income units	(0.33)	(0.23)	(0.23)
Closing net asset value per unit	54.86	47.30	45.04
* after direct transaction costs of:	0.01	0.01	0.02

Performance

Return after charges	16.68%	5.53%	27.41%
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Other Information

Closing net asset value (£)	6,607,055	5,622,192	5,779,593
Closing number of units	12,043,433	11,886,195	12,831,086
Operating charges	1.15%	1.15%	1.15%
Direct transaction costs	0.02%	0.02%	0.07%

Prices

Highest unit price	56.97p	51.05p	45.49p
Lowest unit price	43.31p	43.43p	35.14p

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.

Trust Information continued

Comparative Tables continued

R-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	07/01/17 (pence per unit)	07/01/16 (pence per unit)	07/01/15 (pence per unit)
Opening net asset value per unit	52.60	49.85	39.11
Return before operating charges*	9.42	3.36	11.23
Operating charges (calculated on average price)	(0.65)	(0.61)	(0.49)
Return after operating charges*	8.77	2.75	10.74
Distributions	(0.37)	(0.26)	(0.25)
Retained distributions on accumulation units	0.37	0.26	0.25
Closing net asset value per unit	61.37	52.60	49.85
* after direct transaction costs of:	0.01	0.01	0.03

Performance

Return after charges	16.67%	5.52%	27.46%
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Other Information

Closing net asset value (£)	100,139,971	89,425,215	88,167,364
Closing number of units	163,161,625	170,016,282	176,881,585
Operating charges	1.15%	1.15%	1.15%
Direct transaction costs	0.02%	0.02%	0.07%

Prices

Highest unit price	63.36p	56.50p	50.09p
Lowest unit price	48.16p	48.06p	38.67p

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.

Trust Information continued

Comparative Tables continued

I-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	07/01/17 (pence per unit)	07/01/16 (pence per unit)	07/01/15 (pence per unit)
Opening net asset value per unit	47.35	45.09	35.56
Return before operating charges*	8.53	3.04	10.26
Operating charges (calculated on average price)	(0.16)	(0.15)	(0.12)
Return after operating charges*	8.37	2.89	10.14
Distributions on income units	(0.80)	(0.63)	(0.61)
Closing net asset value per unit	54.92	47.35	45.09
* after direct transaction costs of:	0.01	0.01	0.02

Performance

Return after charges	17.68%	6.41%	28.52%
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Other Information

Closing net asset value (£)	34,249,394	12,388,624	9,629,819
Closing number of units	62,357,826	26,161,380	21,357,936
Operating charges	0.31%	0.31%	0.31%
Direct transaction costs	0.02%	0.02%	0.07%

Prices

Highest unit price	57.40p	51.23p	45.89p
Lowest unit price	43.39p	43.75p	35.19p

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.

Trust Information continued

Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	07/01/17 (pence per unit)	07/01/16 (pence per unit)	07/01/15 (pence per unit)
Opening net asset value per unit	56.86	53.43	41.57
Return before operating charges*	10.24	3.61	12.01
Operating charges (calculated on average price)	(0.19)	(0.18)	(0.15)
Return after operating charges*	10.05	3.43	11.86
Distributions	(0.96)	(0.75)	(0.71)
Retained distributions on accumulation units	0.96	0.75	0.71
Closing net asset value per unit	66.91	56.86	53.43
* after direct transaction costs of:	0.01	0.01	0.03

Performance

Return after charges	17.68%	6.42%	28.53%
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Other Information

Closing net asset value (£)	126,714,211	86,250,389	46,623,572
Closing number of units	189,384,223	151,684,280	87,267,463
Operating charges	0.31%	0.31%	0.31%
Direct transaction costs	0.02%	0.02%	0.07%

Prices

Highest unit price	68.93p	60.70p	53.65p
Lowest unit price	52.10p	51.84p	41.12p

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.

Trust Information continued

Comparative Tables continued

F-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	07/01/17 (pence per unit)	07/01/16 (pence per unit)	07/01/15 (pence per unit)
Opening net asset value per unit	47.45	45.15	35.62
Return before operating charges*	8.52	3.09	10.25
Operating charges (calculated on average price)	(0.23)	(0.22)	(0.17)
Return after operating charges*	8.29	2.87	10.08
Distributions on income units	(0.72)	(0.57)	(0.55)
Closing net asset value per unit	55.02	47.45	45.15
* after direct transaction costs of:	0.01	0.01	0.02

Performance

Return after charges	17.47%	6.36%	28.30%
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Other Information

Closing net asset value (£)	669	577	549
Closing number of units	1,216	1,216	1,216
Operating charges	0.45%	0.45%	0.45%
Direct transaction costs	0.02%	0.02%	0.07%

Prices

Highest unit price	57.40p	51.28p	45.91p
Lowest unit price	43.45p	43.75p	35.23p

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.

Trust Information continued

Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	07/01/17 (pence per unit)	07/01/16 (pence per unit)	07/01/15 (pence per unit)
Opening net asset value per unit	53.83	50.65	39.47
Return before operating charges*	9.68	3.43	11.38
Operating charges (calculated on average price)	(0.26)	(0.25)	(0.20)
Return after operating charges*	9.42	3.18	11.18
Distributions	(0.82)	(0.64)	(0.61)
Retained distributions on accumulation units	0.82	0.64	0.61
Closing net asset value per unit	63.25	53.83	50.65
* after direct transaction costs of:	0.01	0.01	0.03

Performance

Return after charges	17.50%	6.28%	28.33%
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Other Information

Closing net asset value (£)	147,862	106,870	85,444
Closing number of units	233,776	198,543	168,692
Operating charges	0.45%	0.45%	0.45%
Direct transaction costs	0.02%	0.02%	0.07%

Prices

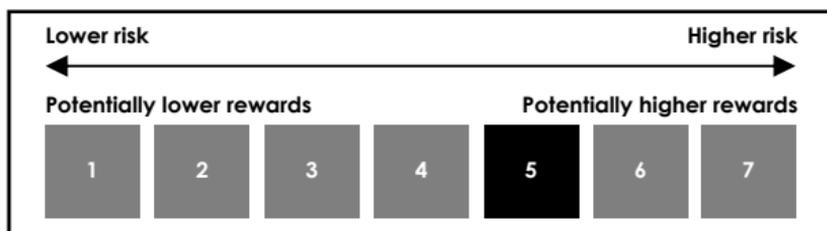
Highest unit price	65.18p	57.53p	50.86p
Lowest unit price	49.32p	49.09p	39.04p

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.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category is based on the rate at which the Trust has moved up and down in the past.
- This Trust is in category five because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

General Information

Constitution

Launch date:	1 November 2000
Period end date for distribution:	7 January
Distribution date:	7 March
Minimum initial lump sum investment:	R-Class £500 I-Class £1,000,000 F-Class* £500
Valuation point:	3pm
Fund management fee:	R-Class Annual 1.15% I-Class Annual 0.31% F-Class* Annual 0.45%
Initial charge:	R-Class Nil I-Class Nil F-Class* Nil

* F-Class units are only available to:

- i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Trust and
- ii) authorised intermediaries or 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.

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/fund-information/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 telephoning, 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 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.

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

General Information continued

Prospectus and Manager's Reports

The Manager will send to all persons on the Unitholder Register annual and interim short form 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.

Using monthly returns, over the review year, the annualised Tracking Error of the Trust is 0.07%, whilst the annualised Tracking Error of the Trust over the last 3 years to the end of December 2015 was 0.11%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-0.75% per annum.

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. With effect from 1 January 2016, 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, through 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 Global Health and Pharmaceuticals Index Trust, as a UCITS Fund, is required to disclose the aggregate remuneration paid by the UCITS Manager and by the UCITS Fund to Identified Staff, together with the number of beneficiaries and, where relevant, performance fees paid by the UCITS Fund. 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.

EU Member States had until 18 March 2016 to transpose the Directive into National Law and the UCITS Remuneration Guidelines will apply from 1 January 2017, although early adoption is permitted. The reporting period covered by this report does not span an entire calendar year from when the guidelines became effective and as such the UCITS Manager has taken the decision not to disclose the part year figures, instead waiting to disclose full calendar year, meaningful figures in next year's annual report.

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

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

Directors of the Manager

R. M. Bartley

A. J. C. Craven

S. Hynes (appointed 29 June 2016)

H. Solomon

S. D. Thomas

L. W. Toms (appointed 17 May 2016)

A. R. Toutounchi* (appointed 10 May 2016)

M. J. Zinkula

* 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 Limited

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

General Information continued

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Investment Adviser

Legal & General Investment Management Limited
One Coleman Street,
London EC2R 5AA
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Legal & General
(Unit Trust Managers) Limited
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