

Legal & General Global Technology Index Trust  
**Annual Manager's Report**  
**for the year ended**  
**10 August 2018**

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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 of companies engaged in Information Technology.

Securities representing all such companies in the FTSE World Index will normally 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.

The Trust may hold derivatives for the purpose of Efficient Portfolio Management.

## Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class accumulation units rose by 29.99%. 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 30.48% on a capital only basis, compared to the Sterling capital return of the FTSE World Technology Index of 29.78% (Source: Bloomberg), producing a tracking difference of 0.70%.

**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

The global economic background has improved over the past twelve months, led by solid growth in the major developed economies, although recent indicators suggest there has been some loss of momentum, particularly in Europe. Despite a rise in commodity prices, with the oil price (Brent crude) recovering to \$79 per barrel in May, its highest level since 2014, inflationary pressures worldwide have remained subdued by historical standards.

In the US, economic activity remains in good shape, underpinned by improving consumer and business sentiment, a strong labour market and a recovery in the energy sector. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates three times over the last twelve months. The Fed also began unwinding its asset purchase programme, known as quantitative easing (QE), in October. In December, Congress approved US President Donald Trump's tax reforms which include a cut in the main rate of corporation tax from 35% to 21%.

Global information technology shares staged a vigorous rally over the 12 month period, outperforming broader global equities by a considerable margin. A string of better-than-expected quarterly earnings updates from sector heavyweights such as

## Manager's Investment Report continued

Microsoft and Google-parent Alphabet drove the rally, helping the sector to recover from a brief decline in March as a data security scandal hit Facebook. Microchip makers Micron Technology and NVIDIA were among the leading stock-level risers, amid optimism over the demand outlook in areas such as AI and graphics processors for gaming applications. Ongoing demand for cloud-based services also boosted software giants Microsoft and salesforce.com.

### Trust Review

Companies held within the Trust are held with weightings generally proportionate to those of the benchmark Index. Therefore, investment activity, other than to raise or invest cash, is only necessary when there are changes to the benchmark Index, or as a result of a corporate action.

At the end of the reporting year, there were 91 companies in the FTSE World Index classified as Technology Hardware & Equipment and a further 78 companies classified as Software & Computer Services. These sectors accounted for approximately 48% and 52% of the Trust's benchmark Index respectively, by market value.

The 10 largest constituents, the largest quoted technology companies in the world, were Apple, Microsoft, Facebook, Alphabet, Intel, Cisco Systems, Taiwan Semiconductor Manufacturing, NVIDIA, Oracle and IBM. Of these companies, which together account for 62% of the value of the Index, only Taiwan Semiconductor Manufacturing (Taiwan) is based outside the US.

The three largest countries by market value in the Index were the US (83.9%), Taiwan (4.2%) and Japan (3.1%).

During the reporting year there were four Index reviews carried out by FTSE. The September 2017 quarterly Index review resulted in seven additions and no deletions. The largest additions were Gartner, CDW and Arista Networks, all in the US. Of the 17 changes to the free share capital of constituents the largest was a decrease in weight for ASML in the Netherlands.

The December 2017 Index review resulted in no additions and no deletions, There were however, 33 changes to the free share capital of constituents with the largest increase being Oracle (US) and the largest decreases being Apple, Micron Technology and IBM (all US).

The March 2018 quarterly Index review resulted in two additions and one deletion. The largest additions were Cadence Design Systems (US) and GlobalWafers (Taiwan). Of the 38 changes to the free share capital of constituents the largest was an increase in weight for ASML in the Netherlands.

The June 2018 quarterly Index review resulted in one addition and no deletions. The addition Amadeus IT Group (Spain) was 0.53% in the Index. Of the 105 changes to the free share capital of constituents the largest was a decrease in weight for Apple (US).

Outside of the review Mobileye N.V. (US) was acquired by Intel (US) in a \$14bn cash deal and deleted from the Index

## Manager's Investment Report continued

### Outlook

We expect the recent strong economic growth to continue for the time being. However, there are a number of indicators which suggest that the global economy is moving towards the latter stages of the economic cycle; unemployment is low, inflation is starting to rise, the yield curve is flattening and credit spreads are moving wider.

From our perspective, there are three key risks of which to be mindful: that inflation could rise faster than expected, a further strengthened US Dollar which would squeeze other nations and trade wars. On the latter, the existing set of tariffs on steel, aluminium and solar panels are relatively small. However, it is the significant escalation that could cause wider issues. Escalation increases the risk of a more negative financial market reaction and damage to business and consumer confidence. While tariffs on steel and aluminium are less visible to consumers, widespread tariffs will hit high-profile consumer goods such as electronics and clothing. If a full-scale trade war becomes a reality, we see it as inflationary and negative for US, Chinese and global growth. However, this scenario is not part of our base case outlook and we see the current rhetoric from Trump as part of his usual negotiating position to reach a more stable and agreeable outcome.

The Trust remains well positioned to capture performance of the Technology sector.

Legal & General Investment Management Limited  
(Investment Adviser)  
29 August 2018

## 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  
27 September 2018

## Statement of Responsibilities

### Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Trust and of the net income and net gains or losses on the property of the Trust for the period.

In preparing the financial statements, the Manager is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, the Prospectus and the COLL Rules.

## Statement of Responsibilities continued

### Statement of the Trustee's Responsibilities

The Depositary in its capacity as Trustee of Legal & General Global Technology 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 of all 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 are 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).

## Report of the Trustee

### **Report of the Trustee to the Unitholders of the Legal & General Global Technology Index Trust ("the Trust") for the year ended 10 August 2018**

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.

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 PLC  
UK Trustee and Depositary Services  
27 September 2018

# Portfolio Statement

## Portfolio Statement as at 10 August 2018

All investments are in ordinary shares unless otherwise stated. The percentages in brackets show the equivalent holdings at 10 August 2017.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>UNITED KINGDOM — 0.24% (0.30%)</b>		
11,078	Micro Focus International ADR	137,649	0.05
10,984	Micro Focus International	135,598	0.05
55,472	The Sage Group	371,884	0.14
		<b>645,131</b>	<b>0.24</b>
	<b>IRELAND — 0.24% (0.22%)</b>		
16,774	Seagate Technology	669,643	0.24
	<b>CHANNEL ISLANDS — 0.15% (0.18%)</b>		
7,936	Amdocs	399,354	0.15
	<b>CONTINENTAL EUROPE — 7.30% (7.29%)</b>		
	<b>Austria — 0.08% (0.00%)</b>		
3,913	ams	221,809	0.08
	<b>Finland — 0.44% (0.70%)</b>		
279,663	Nokia 'A'	1,151,256	0.42
14,655	Nokia 'B'	60,289	0.02
		<b>1,211,545</b>	<b>0.44</b>
	<b>France — 0.86% (1.03%)</b>		
4,726	Atos	413,847	0.15
8,232	Capgemini	807,518	0.30
6,831	Dassault Systèmes	790,140	0.29
1,301	Iliad	147,278	0.05
3,226	Ingenico Group	200,344	0.07
		<b>2,359,127</b>	<b>0.86</b>
	<b>Germany — 2.18% (2.47%)</b>		
59,379	Infineon Technologies	1,161,230	0.43
51,174	SAP	4,535,361	1.66
5,959	United Internet	244,613	0.09
		<b>5,941,204</b>	<b>2.18</b>
	<b>Netherlands — 2.23% (2.24%)</b>		
21,509	ASML	3,456,113	1.27
4,350	Gemalto	194,049	0.07
18,578	NXP Semiconductors	1,374,393	0.50
32,831	STMicroelectronics	529,155	0.20
21,467	Yandex	525,386	0.19
		<b>6,079,096</b>	<b>2.23</b>
	<b>Poland — 0.01% (0.02%)</b>		
3,730	Asseco Poland	34,591	0.01
	<b>Spain — 0.52% (0.00%)</b>		
21,665	Amadeus IT Group	1,404,905	0.52

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>Sweden — 0.58% (0.58%)</b>			
13,148	Hexagon	602,875	0.22
2,205	Telefonaktiebolaget LM Ericsson 'A'	13,553	0.01
156,229	Telefonaktiebolaget LM Ericsson 'B'	960,514	0.35
		<b>1,576,942</b>	<b>0.58</b>
<b>Switzerland — 0.40% (0.25%)</b>			
8,219	Garmin	412,692	0.15
7,868	Logitech International	281,965	0.10
3,021	Temenos Group	401,514	0.15
		<b>1,096,171</b>	<b>0.40</b>
<b>NORTH AMERICA — 82.52% (78.80%)</b>			
<b>United States — 81.63% (77.96%)</b>			
25,928	Adobe Systems	5,143,472	1.88
49,561	Advanced Micro Devices	744,971	0.27
12,602	Akamai Technologies	758,098	0.28
15,712	Alphabet 'A'	15,461,889	5.66
16,028	Alphabet 'C'	15,587,669	5.71
19,692	Analog Devices	1,457,733	0.53
4,615	ANSYS	618,461	0.23
258,861	Apple	42,260,985	15.48
55,104	Applied Materials	2,076,997	0.76
4,027	Arista Networks	845,828	0.31
12,145	Autodesk	1,277,608	0.47
23,233	Broadcom	3,853,505	1.41
17,723	CA	603,890	0.22
15,784	Cadence Design Systems	559,130	0.20
7,336	CDK Global	368,067	0.13
9,203	CDW	613,003	0.22
18,166	Cerner	938,244	0.34
255,096	Cisco Systems	8,760,164	3.21
8,227	Citrix Systems	718,539	0.26
32,311	Cognizant Technology Solutions	1,924,204	0.70
49,694	Corning	1,277,846	0.47
11,027	Dell Technologies	818,975	0.30
16,505	DXC Technology	1,120,371	0.41
3,855	F5 Networks	543,392	0.20
89,328	Facebook	12,625,117	4.62
5,215	Gartner	573,363	0.21
7,369	Harris	945,534	0.35
88,991	Hewlett Packard Enterprise	1,108,546	0.41
92,216	HP	1,735,021	0.64
5,591	IAC	812,363	0.30
49,218	IBM	5,579,327	2.04
248,004	Intel	9,484,108	3.47
13,200	Intuit	2,187,739	0.80
22,688	Juniper Networks	478,158	0.18
8,646	KLA-Tencor	772,304	0.28
8,904	Lam Research	1,256,624	0.46
15,799	Maxim Integrated Products	763,288	0.28

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>United States — (cont.)</b>		
12,287	Microchip Technology	825,563	0.30
62,130	Micron Technology	2,506,658	0.92
399,914	Microsoft	34,287,757	12.56
9,848	Motorola Solutions	939,116	0.34
7,782	NCR	170,789	0.06
15,794	NetApp	1,025,990	0.38
18,156	Nuance Communications	235,287	0.09
30,648	NVIDIA	6,112,038	2.24
153,007	Oracle	5,811,623	2.13
4,759	Palo Alto Networks	797,487	0.29
9,353	Perspecta	158,355	0.06
7,414	Qorvo	486,973	0.18
79,039	Qualcomm	4,023,916	1.47
9,321	Red Hat	1,056,697	0.39
38,380	salesforce.com	4,385,080	1.61
9,896	ServiceNow	1,458,844	0.53
9,996	Skyworks Solutions	728,751	0.27
8,489	Splunk	700,509	0.26
33,370	Symantec	496,883	0.18
8,168	Synopsys	598,944	0.22
52,321	Texas Instruments	4,555,294	1.67
44,567	Twitter	1,108,228	0.41
6,208	VeriSign	746,568	0.27
4,165	VMware	503,069	0.18
17,435	Western Digital	896,110	0.33
8,207	Workday	880,416	0.32
13,763	Xilinx	768,200	0.28
		222,919,678	81.63
	<b>Bermuda — 0.21% (0.16%)</b>		
30,478	Marvell Technology Group	503,342	0.19
7,500	VTech	65,208	0.02
		568,550	0.21
	<b>Canada — 0.56% (0.54%)</b>		
5,269	Blackberry (CAD)	42,226	0.01
27,352	Blackberry (USD)	219,241	0.08
13,421	CGI Group 'A'	675,127	0.25
1,091	Constellation Software	607,944	0.22
		1,544,538	0.56
	<b>Cayman Islands — 0.12% (0.14%)</b>		
16,519	ASM Pacific Technology	152,791	0.06
138,000	FIH Mobile	15,317	0.01
153,400	Semiconductor Manufacturing International	151,243	0.05
		319,351	0.12
	<b>AFRICA — 0.01% (0.02%)</b>		
	<b>South Africa — 0.01% (0.02%)</b>		
7,656	EOH	20,405	0.01

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>ASIA — 8.40% (11.79%)</b>		
	<b>Japan — 3.10% (3.59%)</b>		
9,875	Advantest	176,960	0.06
11,900	Brother Industries	191,830	0.07
54,700	Canon	1,391,459	0.51
2,500	Canon Marketing Japan	41,204	0.01
4,900	Capcom	98,988	0.04
5,106	CyberAgent	226,849	0.08
19,863	Fujifilm	678,251	0.25
104,000	Fujitsu	567,947	0.21
3,200	Hitachi High-Technologies	98,521	0.04
5,500	Itochu Techno-Solutions	86,596	0.03
2,700	Koei Tecmo	46,107	0.02
24,200	Konica Minolta	185,880	0.07
2,800	LINE	94,936	0.03
14,050	NEC	299,662	0.11
5,277	Nomura Research Institute	195,559	0.07
1,600	NS Solutions	37,470	0.01
32,200	NTT Data	298,893	0.11
3,600	OBIC	244,375	0.09
300	OBIC Business Consultants	18,983	0.01
1,600	Oracle Japan	104,983	0.04
5,200	Otsuka Corporation	136,147	0.05
39,300	Renesas Electronics	233,081	0.09
34,500	Ricoh	278,440	0.10
4,500	Rohm	300,367	0.11
1,900	SCREEN	109,320	0.04
2,000	SCSK	73,267	0.03
14,000	Seiko Epson	193,541	0.07
3,900	Square Enix	134,166	0.05
11,900	Sumco	186,181	0.07
4,100	TIS	146,421	0.05
8,200	Tokyo Electron	1,089,732	0.40
6,200	Trend Micro	293,465	0.11
66,800	Yahoo! Japan	193,592	0.07
		<hr/>	
		8,453,173	3.10
		<hr/>	
	<b>Singapore — 0.00% (1.93%)</b>		
	<b>South Korea — 1.16% (1.36%)</b>		
2,343	Kakao	207,701	0.08
10,916	LG Display	167,730	0.06
1,465	NAVER	785,322	0.29
1,633	Samsung SDS	254,326	0.09
1,697	SK	302,049	0.11
28,021	SK Hynix	1,463,118	0.53
		<hr/>	
		3,180,246	1.16
		<hr/>	
	<b>Taiwan — 4.09% (4.85%)</b>		
146,621	Acer	90,727	0.03
17,688	Advantech	92,039	0.03
173,333	ASE Technology	339,498	0.12

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>Taiwan — (cont.)</b>		
36,245	Asustek Computer	247,913	0.09
447,566	AU Optronics	147,630	0.05
27,572	Chicony Electronics	47,800	0.02
200,901	Compal Electronics	96,832	0.04
44,000	Epistar	42,246	0.02
12,000	GlobalWafers	137,617	0.05
33,540	HTC	40,351	0.01
443,983	Innolux	128,852	0.05
151,953	Inventec	95,387	0.04
77,546	MediaTek	544,289	0.20
44,948	Nanya Technology	84,130	0.03
29,099	Novatek Microelectronics	117,933	0.04
102,470	Pegatron	180,527	0.07
135,738	Quanta Computer	182,217	0.07
28,142	Realtek Semiconductor	100,382	0.04
64,388	Synnex Technology International	73,182	0.03
1,262,283	Taiwan Semiconductor Manufacturing	7,891,565	2.89
16,000	Transcend Information	31,625	0.01
606,179	United Microelectronics	277,448	0.10
499	United Microelectronics ADR	1,104	—
42,944	Vanguard International Semiconductor	90,261	0.03
153,484	Wistron	87,714	0.03
		<b>11,169,269</b>	<b>4.09</b>
	<b>Thailand — 0.05% (0.06%)</b>		
10,700	Intouch	14,204	0.01
86,100	Intouch NVDR	114,297	0.04
		<b>128,501</b>	<b>0.05</b>
	<b>MIDDLE EAST — 0.36% (0.42%)</b>		
	<b>Israel — 0.35% (0.40%)</b>		
6,954	Check Point Software Technologies	618,436	0.23
3,126	NICE	261,809	0.09
5,201	Tower Semiconductor	84,275	0.03
		<b>964,520</b>	<b>0.35</b>
	<b>Turkey — 0.01% (0.02%)</b>		
6,344	Aselsan Elektronik Sanayi Ve Ticaret	19,621	0.01

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	PACIFIC BASIN — 0.04% (0.04%)		
	New Zealand — 0.04% (0.04%)		
4,553	Xero	116,660	0.04
<b>Portfolio of investments<sup>1</sup></b>		271,044,030	99.26
<b>Net other assets</b>		2,026,868	0.74
<b>Total net assets</b>		<b>£273,070,898</b>	<b>100.00%</b>

<sup>1</sup> All investments are admitted to an official stock exchange unless otherwise stated.

Total purchases for the year: £55,845,927.

Total sales for the year: £42,013,043.

# Independent Auditor's Report

## Independent auditor's report to the Unitholders of Legal & General Global Technology Index Trust ('the Trust')

### **Opinion**

We have audited the financial statements of the Trust for the year ended 10 August 2018 which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Tables for the Trust and the accounting policies set out on pages 19 and 20.

In our opinion, the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Trust as at 10 August 2018 and of the net revenue and the net capital gains on the property of the Trust for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to UK Authorised Funds, and the COLL Rules.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Other information**

The Manager (Legal & General (Unit Trust Managers) Limited) is responsible for the other information presented in the Annual Manager's Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in Manager's Report for the financial year is consistent with the financial statements.

## Independent Auditor's Report continued

### ***Matters on which we are required to report by exception***

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

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

### ***Manager's responsibilities***

As explained more fully in their statement set out on page 6, the Manager is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### ***Auditor's responsibilities***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### ***The purpose of our audit work and to whom we owe our responsibilities***

This report is made solely to the Trust's unitholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ("the COLL Rules") issued by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Trust's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Jatin Patel  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square,  
London E14 5GL  
27 September 2018

## Financial Statements

### Statement of Total Return for the year ended 10 August 2018

Notes	10/08/18		10/08/17	
	£	£	£	£
<b>Income</b>				
Net capital gains	3	59,412,153		32,531,392
Revenue	4	3,394,668	2,726,815	
Expenses	5	(1,119,215)	(926,310)	
Interest payable and similar charges	7	(350)	(2,563)	
<b>Net revenue before taxation</b>		<u>2,275,103</u>	<u>1,797,942</u>	
Taxation	6	(473,955)	(350,998)	
<b>Net revenue after taxation for the year</b>		<u>1,801,148</u>	<u>1,446,944</u>	
<b>Total return before distributions</b>		<u>61,213,301</u>	<u>33,978,336</u>	
Distributions	7	(1,801,877)	(1,449,035)	
<b>Change in net assets attributable to Unitholders from investment activities</b>		<u><b>£59,411,424</b></u>	<u><b>£32,529,301</b></u>	

### Statement of Change in Net Assets attributable to Unitholders for the year ended 10 August 2018

	10/08/18		10/08/17	
	£	£	£	£
<b>Opening net assets attributable to Unitholders</b>		199,707,089		107,768,867
Amounts received on issue of units	57,642,037		73,099,597	
Amounts paid on cancellation of units	(45,475,053)	(15,334,879)		
		<u>12,166,984</u>		<u>57,764,718</u>
<b>Change in net assets attributable to Unitholders from investment activities</b>		59,411,424		32,529,301
Retained distributions on accumulation units		<u>1,785,401</u>		<u>1,644,203</u>
<b>Closing net assets attributable to Unitholders</b>		<u><b>£273,070,898</b></u>		<u><b>£199,707,089</b></u>

## Financial Statements continued

### Balance Sheet as at 10 August 2018

	Notes	10/08/18 £	10/08/17 £
<b>ASSETS</b>			
<b>Fixed assets:</b>			
Investments		271,044,030	197,830,913
<b>Current assets:</b>			
Debtors	8	1,771,250	738,999
Cash and bank balances	9	<u>1,821,308</u>	<u>2,106,745</u>
<b>Total assets</b>		<b><u>274,636,588</u></b>	<b><u>200,676,657</u></b>
<b>LIABILITIES</b>			
<b>Creditors:</b>			
Bank overdrafts	9	(50)	(60)
Other creditors	10	<u>(1,565,640)</u>	<u>(969,508)</u>
<b>Total liabilities</b>		<b><u>(1,565,690)</u></b>	<b><u>(969,568)</u></b>
<b>Net assets attributable to Unitholders</b>		<b><u>£273,070,898</u></b>	<b><u>£199,707,089</u></b>

# 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 Management 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 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. Revenue from unquoted equity investments is recognised net of attributable tax credits when the dividend is declared.

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.

### (e) Distribution Policy

The policy is to distribute all available revenue, after deduction of those expenses which are chargeable in calculating the distribution, on an annual basis, in accordance with the COLL.

Fund management fees are deducted from revenue for the purpose of calculating the distribution.

The ordinary element of stock dividends is treated as revenue and forms part of the distribution. 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.

## Notes to the Financial Statements continued

### 2. Summary of Significant Accounting Policies continued

#### (f) Basis of Valuation of Investments

All investments are valued at their fair value as at 3pm on 10 August 2018, being the last working day of the accounting year. The fair value for non-derivative securities is bid market price. The fair value for derivative instruments is the cost of closing out the contract on 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 10 August 2018, being the last working day of the accounting year.

### 3. Net capital gains

The net capital gains during the year comprise:

Non-derivative securities

Currency gains

Net capital gains

	10/08/18	10/08/17
	£	£
Non-derivative securities	59,401,309	32,526,058
Currency gains	10,844	5,334
Net capital gains	<u>59,412,153</u>	<u>32,531,392</u>

### 4. Revenue

UK Franked dividends

Taxable overseas dividends

Non-taxable overseas dividends

Franked stock dividends

Bank interest

	10/08/18	10/08/17
	£	£
UK Franked dividends	24,594	17,170
Taxable overseas dividends	—	820
Non-taxable overseas dividends	3,353,221	2,696,945
Franked stock dividends	14,869	7,041
Bank interest	1,984	4,839
	<u>3,394,668</u>	<u>2,726,815</u>

## Notes to the Financial Statements continued

### 5. Expenses

Payable to the Manager,  
associates of the Manager  
and agents of either of them:

Fund management fees

Total expenses

	10/08/18	10/08/17
	£	£
	1,119,215	926,310
	<u>1,119,215</u>	<u>926,310</u>

Audit fees of £8,900 plus VAT of £1,780 have been borne by the Manager out of its fund management fee. In the prior year, the total audit fee was £8,700 plus VAT of £1,740.

## Notes to the Financial Statements continued

### 6. Taxation

#### (a) Analysis of taxation charge in year

	10/08/18	10/08/17
	£	£
Overseas tax	473,955	350,998
Current tax [note 6(b)]	473,955	350,998
Deferred tax [note 6(c)]	—	—
Total taxation	<u>473,955</u>	<u>350,998</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>2,275,103</u>	<u>1,797,942</u>
Net revenue before taxation multiplied by the applicable rate of Corporation tax of 20% (2017: 20%)	455,021	359,588
<b>Effects of:</b>		
Overseas tax	473,955	350,998
Revenue not subject to taxation	(678,537)	(544,114)
Excess management expenses not utilised	<u>223,516</u>	<u>184,526</u>
Current tax	<u>473,955</u>	<u>350,998</u>

#### (c) Provision for deferred tax

There is no deferred tax provision in the current or preceding year. At the year end there is a potential deferred tax asset of £894,528 (10 August 2017: £671,012) due to surplus management expenses.

It is unlikely the Trust will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised (10 August 2017: 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:

	10/08/18	10/08/17
	£	£
Final distribution	1,785,401	1,644,203
	<u>1,785,401</u>	<u>1,644,203</u>
Add: Revenue deducted on cancellation of units	231,506	69,085
Less: Revenue received on creation of units	(215,030)	(264,253)
	<u>(215,030)</u>	<u>(264,253)</u>
<b>Distributions for the year</b>	<b>1,801,877</b>	<b>1,449,035</b>
<b>Interest payable and similar charges</b>		
Bank overdraft interest	350	2,563
	<u>350</u>	<u>2,563</u>
	<u>1,802,227</u>	<u>1,451,598</u>

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

	10/08/18	10/08/17
	£	£
Net revenue after taxation for the year	1,801,148	1,446,944
Equalisation effect of conversions	729	2,091
	<u>729</u>	<u>2,091</u>
<b>Distributions for the year</b>	<b>1,801,877</b>	<b>1,449,035</b>

### 8. Debtors

	10/08/18	10/08/17
	£	£
Accrued revenue	346,605	314,124
Amounts receivable for creation of units	1,378,998	196,949
Overseas tax recoverable	18,411	14,784
Receivable for foreign exchange contracts	15,006	491
Sales awaiting settlement	12,230	212,651
	<u>12,230</u>	<u>212,651</u>
	<u>1,771,250</u>	<u>738,999</u>

## Notes to the Financial Statements continued

### 9. Net uninvested cash

	10/08/18	10/08/17
	£	£
Cash and bank balances	1,821,308	2,106,745
Bank overdrafts	<u>(50)</u>	<u>(60)</u>
Net uninvested cash	<u>1,821,258</u>	<u>2,106,685</u>

### 10. Other creditors

	10/08/18	10/08/17
	£	£
Accrued expenses	126,352	113,251
Amounts payable for cancellation of units	—	383,963
Purchases awaiting settlement	<u>1,439,288</u>	<u>472,294</u>
	<u>1,565,640</u>	<u>969,508</u>

### 11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (10 August 2017: same).

## Notes to the Financial Statements continued

### 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 LGIMH 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.

#### (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 9. 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 10 August 2018, 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 £13,552,202 (10 August 2017: £9,891,546).

## Notes to the Financial Statements continued

### 12. Financial Instruments and Associated Risks continued

#### (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.

#### (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 not utilised during the current or the preceding year.

At 10 August 2018, 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 £2,725,252 (10 August 2017: £1,982,479).

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

10/08/18 Currency	Net foreign currency assets		Total £'000
	Monetary exposures £'000	Non-monetary exposures £'000	
Australian Dollar	1	117	118
Canadian Dollar	1	1,502	1,503
Euro	194	15,096	15,290
Hong Kong Dollar	3	385	388
Israeli Shekel	1	346	347
Japanese Yen	82	8,453	8,535
Polish Zloty	—	35	35
South African Rand	1	20	21
South Korean Won	1	3,180	3,181
Swedish Krona	42	1,577	1,619
Swiss Franc	3	905	908
Taiwan Dollar	70	11,168	11,238
Thai Baht	—	129	129
Turkish Lira	—	20	20
US Dollar	1,590	227,604	229,194

## Notes to the Financial Statements continued

### 12. Financial Instruments and Associated Risks continued

#### (c) Foreign Currency Risk continued

10/08/17 Currency	Net foreign currency assets		Total £'000
	Monetary exposures £'000	Non-monetary exposures £'000	
Canadian Dollar	2	1,046	1,048
Euro	49	10,868	10,917
Hong Kong Dollar	22	369	391
Israeli Shekel	1	254	255
Japanese Yen	76	7,171	7,247
New Zealand Dollar	—	71	71
Polish Zloty	—	35	35
South African Rand	1	46	47
South Korean Won	—	2,716	2,716
Swedish Krona	2	1,159	1,161
Swiss Franc	—	220	220
Taiwan Dollar	93	9,690	9,783
Thai Baht	—	121	121
Turkish Lira	1	37	38
US Dollar	773	163,424	164,197

#### (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.

## Notes to the Financial Statements continued

### 12. Financial Instruments and Associated Risks continued

#### (f) 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 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:

<b>10/08/18</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Basis of Valuation</b>	<b>£</b>	<b>£</b>
Level 1 - Quoted Prices	271,044,030	—
Level 2 - Observable Market Data	—	—
Level 3 - Unobservable Data	—	—
<b>Total</b>	<b>271,044,030</b>	<b>—</b>

<b>10/08/17</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Basis of Valuation</b>	<b>£</b>	<b>£</b>
Level 1 - Quoted Prices	197,830,913	—
Level 2 - Observable Market Data	—	—
Level 3 - Unobservable Data	—	—
<b>Total</b>	<b>197,830,913</b>	<b>—</b>

#### **Level 1**

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

#### **Level 2**

Valuation techniques using observable inputs other than quoted prices within Level 1.

#### **Level 3**

Valuation techniques using unobservable inputs.

## Notes to the Financial Statements continued

### 13. Portfolio transaction costs

10/08/18	Value	Commissions		Taxes		Total
Purchases	£'000	£'000	%	£'000	%	£'000
Equities	55,828	16	0.03	2	—	55,846
<b>Total</b>	<b>55,828</b>	<b>16</b>	<b>0.03</b>	<b>2</b>	<b>—</b>	<b>55,846</b>

  

10/08/18	Value	Commissions		Taxes		Total
Sales	£'000	£'000	%	£'000	%	£'000
Equities	42,030	(10)	0.02	(7)	0.02	42,013
<b>Total</b>	<b>42,030</b>	<b>(10)</b>	<b>0.02</b>	<b>(7)</b>	<b>0.02</b>	<b>42,013</b>

Commissions and taxes as % of average net assets

Commissions 0.01%

Taxes 0.00%

10/08/17	Value	Commissions		Taxes		Total
Purchases	£'000	£'000	%	£'000	%	£'000
Equities	76,445	24	0.03	3	—	76,472
<b>Total</b>	<b>76,445</b>	<b>24</b>	<b>0.03</b>	<b>3</b>	<b>—</b>	<b>76,472</b>

  

10/08/17	Value	Commissions		Taxes		Total
Sales	£'000	£'000	%	£'000	%	£'000
Equities	17,921	(5)	0.03	(3)	0.02	17,913
<b>Total</b>	<b>17,921</b>	<b>(5)</b>	<b>0.03</b>	<b>(3)</b>	<b>0.02</b>	<b>17,913</b>

Commissions and taxes as % of average net assets

Commissions 0.02%

Taxes 0.00%

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 0.05% (10 August 2017: 0.06%).

## Notes to the Financial Statements continued

### 14. Unit classes

A list of unit classes in issue and the fund management fee on each unit class can be found on page 38. 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 34 to 36. The distributions per unit class are given in the distribution table on page 32. All classes have the same rights on winding up.

<b>R-Class</b>	<b>Accumulation</b>
Opening Units	159,777,854
Units issued	19,504,969
Units cancelled	(5,686,781)
Units converted	(924,807)
Closing Units	172,671,235

<b>F-Class</b>	<b>Accumulation</b>
Opening Units	927,547
Units issued	70,629
Units cancelled	(226,345)
Units converted	148,300
Closing Units	920,131

<b>I-Class</b>	<b>Accumulation</b>
Opening Units	343,949,676
Units issued	107,099,723
Units cancelled	(96,084,327)
Units converted	704,903
Closing Units	355,669,975

## Notes to the Financial Statements continued

### 15. Ultimate controlling party and related party transactions

The Manager is regarded as a related party to the Trust because it provides key management personnel services to the Trust. The ultimate controlling party of the Manager is Legal & General Group Plc. Subsidiaries of Legal & General Group Plc are also considered related parties to 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.

Equalisation amounts relating to creations and cancellations of units are shown within note 7. Fees received by the Authorised Fund Manager from the Trust plus any rebates paid by the Authorised Fund Manager to the Trust are shown within notes 3, 4 and 5 as applicable. Any outstanding fees, amounts outstanding on creations or cancellations of units in the Trust, or rebates receivable by the Trust from the Manager are shown within notes 8 and 10 as applicable.

At the year end, the Manager and its associates held 0.00% (0.00% as at 10 August 2017) of the Trust's units in issue.

### 16. Post balance sheet market movements

As at the close of business on the balance sheet date the Net Asset Value per R-Class accumulation unit was 48.43p. The Net Asset Value per R-Class accumulation unit for the Trust as at 3pm on 26 September 2018 was 48.09p. This represents a decrease of 0.70% from the year end value.

## Distribution Table

### Distribution Table for the year ended 10 August 2018

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	
			11/08/17	to 10/08/18
<b>R-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>10/10/18</b>	<b>10/10/17</b>
Group 1	Revenue	Equalisation	0.1224	0.0977
			—	
Group 2	0.0695	0.0529	0.1224	0.0977
<b>F-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>10/10/18</b>	<b>10/10/17</b>
Group 1	Revenue	Equalisation	0.3493	0.3557
			—	
Group 2	0.1040	0.2453	0.3493	0.3557
<b>I-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>10/10/18</b>	<b>10/10/17</b>
Group 1	Revenue	Equalisation	0.4416	0.4316
			—	
Group 2	0.2596	0.1820	0.4416	0.4316

## Trust Information

The Comparative Tables on pages 34 to 36 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 Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Year ending	10/08/18 (pence per unit)	10/08/17 (pence per unit)	10/08/16 (pence per unit)
Opening net asset value per unit	37.25	29.84	22.71
Return before operating charges*	11.55	7.79	7.41
Operating charges (calculated on average price)	(0.37)	(0.38)	(0.28)
Return after operating charges*	11.18	7.41	7.13
Distributions	(0.12)	(0.10)	(0.10)
Retained distributions on accumulation units	0.12	0.10	0.10
Closing net asset value per unit	48.43	37.25	29.84
* after direct transaction costs of:	0.01	0.01	—

#### Performance

Return after charges	30.01%	24.83%	31.40%
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#### Other Information

Closing net asset value (£)	83,626,750	59,510,132	44,800,690
Closing number of units	172,671,235	159,777,854	150,156,534
Operating charges†	0.90%	1.13%	1.16%
Direct transaction costs	0.02%	0.02%	0.02%

#### Prices

Highest unit price	48.48p	38.43p	30.01p
Lowest unit price	36.42p	28.71p	19.85p

† Operating charges, otherwise known as the 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 Trust and is calculated based on the last period's figures.

**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	10/08/18 (pence per unit)	10/08/17 (pence per unit)	10/08/16 (pence per unit)
Opening net asset value per unit	38.58	30.68	23.19
Return before operating charges*	11.97	8.07	7.60
Operating charges (calculated on average price)	(0.20)	(0.17)	(0.11)
Return after operating charges*	11.77	7.90	7.49
Distributions	(0.35)	(0.36)	(0.31)
Retained distributions on accumulation units	0.35	0.36	0.31
Closing net asset value per unit	50.35	38.58	30.68
* after direct transaction costs of:	0.01	0.01	—

#### Performance

Return after charges	30.51%	25.75%	32.30%
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#### Other Information

Closing net asset value (£)	463,323	357,832	56,646
Closing number of units	920,131	927,547	184,637
Operating charges†	0.46%	0.46%	0.46%
Direct transaction costs	0.02%	0.02%	0.02%

#### Prices

Highest unit price	50.40p	39.74p	30.85p
Lowest unit price	37.73p	29.54p	20.27p

† Operating charges, otherwise known as the 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 Trust and is calculated based on the last period's figures.

**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	10/08/18 (pence per unit)	10/08/17 (pence per unit)	10/08/16 (pence per unit)
Opening net asset value per unit	40.66	32.28	24.37
Return before operating charges*	12.62	8.50	7.99
Operating charges (calculated on average price)	(0.15)	(0.12)	(0.08)
Return after operating charges*	12.47	8.38	7.91
Distributions	(0.44)	(0.43)	(0.37)
Retained distributions on accumulation units	0.44	0.43	0.37
Closing net asset value per unit	53.13	40.66	32.28
* after direct transaction costs of:	0.01	0.01	—

##### Performance

Return after charges	30.67%	25.96%	32.46%
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##### Other Information

Closing net asset value (£)	188,980,825	139,839,125	62,911,531
Closing number of units	355,669,975	343,949,676	194,875,372
Operating charges†	0.32%	0.32%	0.32%
Direct transaction costs	0.02%	0.02%	0.02%

##### Prices

Highest unit price	53.18p	41.87p	32.47p
Lowest unit price	39.76p	31.08p	21.30p

† Operating charges, otherwise known as the 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 Trust and is calculated based on the last period's figures.

**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 (unaudited)



- 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 number highlighted above reflects the rate at which the Trust's unit price has moved up and down in the past. If the Trust has less than five years' track record, the number also reflects the rate at which the Index the Trust tracks has moved up and down in the past. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money.
- The Trust is in category six because it invests in company shares which are sensitive to variations in the stock market. The value of company shares can change substantially over short periods of time. Company shares are generally considered to be higher risk investments than bonds or cash.
- 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 (unaudited)

### Constitution

Launch date:	1 November 2000
Period end date for distributions:	10 August
Distribution date:	10 October
Minimum initial lump sum investment:	R-Class £100 F-Class* £500 I-Class £1,000,000
Minimum monthly contributions:	R-Class £20 F-Class* £50 I-Class N/A
Valuation point:	3pm
Fund management fees:	R-Class Annual 0.70% <sup>†</sup> (0.95% prior to 1 June 2018) F-Class* Annual 0.46% I-Class Annual 0.32%
Initial charge:	R-Class Nil F-Class* Nil I-Class Nil

\*F-Class units are only 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.

<sup>†</sup> With effect from 1 June 2018 - See Significant Changes on page 41.

### Pricing and Dealing

The prices are published on the internet at [www.legalandgeneral.com/investments/fund-information/daily-fund-prices](http://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 completing an application form or on the internet at [www.legalandgeneral.com](http://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 (unaudited) 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 0.51%, whilst over the last three years to the end of August 2018, the annualised Tracking Error of the Trust is 0.45%. 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. 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 (unaudited) 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 Technology Index 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:

### Controlled Function

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Scheme (Pro-rated) (£'000)
32	6,726	11,997	87

### Material Risk Takers

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Fund (Pro-rated) (£'000)
22	2,281	3,000	3

### Controlled Functions

As at 31 December 2017, Legal & General Unit Trust Managers Limited (UTM) engaged the services of six employees of Legal & General Investment Management (Holdings) Limited (LGIMH), plus a further two employees of Legal & General Resources (LGR) to act as Directors. In addition, there was one non-executive Director. UTM also engaged the services of a further twenty LGIMH employees and a further three 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 pro-rated 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 the 31 December 2017, UTM engaged the services of Legal & General Investment Management's Index Fund Management Team, which consists of 22 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 pro-rated 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 (unaudited) continued

### Significant Changes

#### **Change in Fund Management Fee (FMF)**

With effect from 1 June 2018, the FMF for R-Class units have been reduced from 0.95% to 0.70%.

#### **Change of Auditor**

With effect from 28 April 2018, PricewaterhouseCoopers LLP ceased to be Independent Auditors of the Trust and KPMG LLP have been appointed. The change of Auditor has no impact on the way the Trust is operated.

#### **General Data Protection Regulation (GDPR)**

Legal & General takes your privacy very seriously. Under data protection legislation, we have classified ourselves as a 'data controller'. This means that we are subject to certain obligations relating to how we process personal data. These obligations include, without limitation, providing individuals with certain information regarding how we process their personal data.

We will use the personal data you have provided to us in connection with an investment in units of Legal & General Global Technology Index Trust, including your name, age, contact details, bank account details, transactions and the invested amount, and any information regarding the dealing in units in accordance with all applicable data protection laws and our Privacy Policy which is available from 25 May 2018 at [www.lgim.com/UTMprivacy](http://www.lgim.com/UTMprivacy) (or available upon request). Our Privacy Policy sets out, amongst other things, the purpose or purposes for which your personal data is collected and intended to be processed and also contains any other information prescribed by data protection legislation.

## General Information (unaudited) 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

R. M. Bartley  
A. J. C. Craven  
S. Hynes  
H. Morrissey (appointed 5 July 2017)  
H. Solomon  
S. D. Thomas  
L. W. Toms  
A. R. Toutouchi\*  
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 PLC  
Trustee and Depository 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 Auditors

KPMG LLP  
15 Canada Square,  
London E14 5GL

### Investment Adviser

Legal & General Investment Management Limited  
One Coleman Street,  
London EC2R 5AA  
Authorised and regulated by the Financial Conduct Authority







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

Legal & General  
(Unit Trust Managers) Limited  
Registered in England and Wales No. 01009418  
Registered office:  
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London EC2R 5AA  
[www.legalandgeneral.com](http://www.legalandgeneral.com)

