

Sustainability Disclosure Requirements (SDR) Consumer Facing Disclosure

Legal & General (Unit Trust Managers) Limited (the "Manager")

Legal & General Future World ESG Tilted and Optimised Japan Index Fund (the "Fund")
Product Reference Number - 966640

Sustainability approach

The Fund replicates as closely as possible Solactive L&G Enhanced ESG Japan Index NTR (the "Benchmark Index"). The Fund will invest at least 90% in assets (directly or indirectly through depositary receipts) that make up the Benchmark Index.

The Benchmark Index provider applies the following sustainability characteristics to the Benchmark Index:

1. Benchmark Index exclusions

The Benchmark Index excludes the following:

- companies on the **L&G Future World Protection List ("FWPL")**. This list seeks to align with market practice and client expectations for responsible investment products, including companies such as those considered as perennial violators of the United Nations Global Compact, certain companies involved in the manufacture and production of controversial weapons, certain companies with involvement in mining and extraction of thermal coal, thermal coal power generation or oil sands which have not set out a clear plan aligned with the Paris Agreement to phase out thermal coal in accordance with specific criteria. The [FWPL methodology](#) sets out the Investment Manager's various assessment criteria, including revenue thresholds.
- companies deriving 5% or more of their revenues from assault weapons, as defined by the Benchmark Index provider.
- companies deriving more than 10% of their revenues from military weapon system manufacturing, as defined by the Benchmark Index provider.
- companies which are involved in tobacco production, or which derive more than 10% of their revenues from the retail sale of tobacco products and related services, as defined by the Benchmark Index provider.

Further information about these exclusions including revenues thresholds can be found at https://solactive.com/downloads/Solactive_LG_Enhanced_ESG_Methodology_Summary.pdf.

2. ESG scoring system

The Investment Manager's proprietary ESG Scoring system is used as a rules-based approach to scoring companies. The ESG scores are determined using a number of focused metrics that aim to evaluate a company's performance across a range of environmental, social and governance ("ESG") themes. Each company in the Benchmark Index is given an aggregate ESG score between 0 and 100. A score of 50 is considered a neutral score. The Benchmark Index will seek to increase its exposure to (tilt towards) companies with higher ESG scores and decrease exposure (tilt away from) companies with lower ESG scores. Where data for a given company is unavailable or only partly available across the elements of the ESG Score, the company will be allocated a neutral ESG Score. Where a company is allocated a neutral ESG Score, no tilting based on the ESG Score will be applied. For further information on the ESG score, please refer to the following [link](#).

Sustainability investment labels help investors find products that have a specific sustainability goal. This product does not have a UK sustainability investment label in accordance with the FCA's Sustainability Disclosure Requirements as it does not have a specific sustainability objective in its investment objective, which is a requirement for a sustainability investment label. However, this Fund and the benchmark index that the Fund replicates apply environmental, social and governance criteria as described in its investment policy and strategy.

3. Greenhouse gas (GHG) emissions intensity reduction pathway

The Benchmark Index aims to reduce its overall GHG Emissions Intensity in line with a reduction pathway of 7% per year on average, starting from April 2021 ("Index Base Date").

It also aims to keep its GHG Emissions Intensity at least 50% lower than the Parent Index. GHG Emissions Intensity is the weighted average of the greenhouse gas emissions intensity of the companies held in the relevant Benchmark Index. The greenhouse gas emissions intensity of a company is the company's greenhouse gas emissions divided by the Enterprise Value Including Cash (EVIC) of that company.

An automated optimisation process is applied to the Benchmark Index and the Fund's assets are weighted so that the resulting portfolio's GHG Emissions Intensity reduce in line with whichever aim (set out above) results in the largest GHG Emissions Intensity reduction.

This optimisation process uses data from a range of different types of greenhouse gas emissions. In particular, this includes:

- **Scope 1:** direct emissions from company-owned resources, like fuel combustion in vehicles; and
- **Scope 2:** indirect emissions from purchased energy, such as electricity for buildings.

The Benchmark Index does not currently include other indirect greenhouse gas emissions, such as those from a company's supply chain or product use (Scope 3) as part of the optimisation process.

Fund exclusions

In addition to the exclusions applied to the Benchmark Index (as set out above), the Fund may also exclude companies listed on **LGIM's Climate Impact Pledge** divestment list. This list includes companies, which after certain period of engagement, continue to:

- (i) not perform well against LGIM's climate assessment;
- (ii) are unresponsive to engagement recommendations; and/or; fall behind in meeting LGIM's minimum standards. If the tracking deviation limit is exceeded, holdings of companies that are on the Climate Impact Pledge divestment list may be reduced rather than fully divested. A summary of the Climate Impact Pledge is available at: https://www.lgim.com/landg-assets/lgim/_document-library/adviser/climate-pledge-report-lgim-investor-audience.pdf/



Sustainability metrics

The Manager has identified the following metrics which may be useful when considering the sustainability characteristics of the Fund:

Metrics	Sustainability Metric Performance
1. GHG Emissions Intensity of the Benchmark Index compared to the GHG Emissions Intensity of the Parent Index.	As of the last rebalance 04/04/2024, the GHG Emissions intensity of the Benchmark Index was 25.51. The GHG Emissions intensity of the Parent Index* was 80.99. * Parent index: Solactive GBS Japan Large & Mid Cap Index
2. The Investment Manager's aggregate ESG Score of the Benchmark Index compared to the aggregate ESG Score of the Parent Index, based on the Average ESG Score of the constituents.	As at 31/10/2024, the aggregate ESG score of the Benchmark Index was 55.99. The aggregate ESG score of the Parent Index* was 51.04. *Parent Index: Solactive GBS Japan Large & Mid Cap Index
3. The proportion of the Parent Index excluded by the Benchmark Index exclusions.	As at 30/04/2024, 6.43% of the Parent index* was excluded through the exclusionary criteria applied in the Benchmark Index. * Parent index: Solactive GBS Japan Large & Mid Cap Index
4. The proportion of the Fund's portfolio exposed to companies on the Climate Impact Pledge divestment list.	As at 30/09/2024, the Fund adhered to the exclusionary policy and did not have exposures to companies breaching LGIM's Climate Impact Pledge policy during the reporting period.

More information

Further information on the Fund's sustainability characteristics can be found in the Fund Details set out in the [Prospectus](#). Additional information and non-sustainability related information can be in the [Key Investor Information document](#) and/or on the [Manager's website](#). For further information on the FCA's sustainability disclosure requirements and investment labels regime, please visit the [FCA's website](#).

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Lines are open Monday to Friday 9.00am to 5.00pm. We may record and monitor calls. Call charges will vary.

Key risks

Past performance is not a guide to the future. The value of an investment and any income taken from it is not guaranteed and can go down as well as up, you may not get back the amount you originally invested.

Important information

Issued by Legal & General (Unit Trust Managers) Limited as management company for this fund. Registered in England and Wales No. 01009418. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised and Regulated by the Financial Conduct Authority No. 119273. Legal & General Investment Management Limited has been appointed as the discretionary investment manager for this Fund, it is authorised and regulated by the Financial Conduct Authority No. 119272.