

L&G Future World Global Equity Focus Fund

Investing for the world you want to live in

An actively managed, bottom-up concentrated strategy for investors seeking resilient companies with sustainable returns. The high conviction, low carbon portfolio integrates ESG factors by focusing on active engagement and long-term themes, investing in companies benefiting from long-term structural growth and the potential for positive change.

The Future World Global Equity Focus Fund invests in sustainable growth companies within resilient industries with high operational returns at attractive valuations. By integrating long term themes, environmental, social and governance (ESG) factors and fundamental, bottom-up analysis, we believe we can deliver sustainable long-term returns as well as positive outcomes through our focused active engagement with the companies we invest in.

Why choose the Legal & General World Global Equity Focus Fund?



Future world

Investing in a world we want to live in

- Our Future World range allows you to invest in funds that don't just track the market – they seek to make positive change
- Excludes: companies in perennial breach of UN Global Compact, pure thermal coal, controversial weapons



High conviction approach

Concentrated, focused, bottom-up

- High conviction portfolio of 30-40 stocks
- Active research
- Idiosyncratic sources of return
- Bottom-up selection, with top-down risk evaluation
- Systematic position sizing and rebalancing



Sustainable growth

Long term sustainable future

- Own companies with long-term sustainable growth at attractive prices with very limited dependence on economic outlooks
- These companies will have sustainable high rates of return, favourable exposure to structural growth trends that benefit from long-term themes
- Importantly, the companies will also offer products, services and solutions that are aligned to achieving a more sustainable and lower-carbon world



Responsible investing

Seeking better outcomes

- No investments in tobacco
- No investments in alcohol
- No investments in gambling
- No investments in carbon-intensive sectors

What are the future world funds?

The Future World funds are for investors who wish to express a conviction on ESG themes. The funds extend LGIM's approach to responsible investing across a broad array of asset classes and strategies.

Fund objective

The fund aims to generate long-term capital growth by investing in equity securities on a global basis, including the emerging markets. The fund uses a comparator reference benchmark of MSCI World Net Index.

Benchmark

MSCI World Index

Number of companies

30-40

Fund vehicle

SICAV

Fund costs

OCF 0.55% (I class – Acc)

Investment process

Our high conviction approach has resulted in a portfolio of 30-40 global stocks. The focus is to own companies with long-term sustainable growth at attractive prices versus their underlying value and with very limited dependence on economic outlooks. We will target companies that can provide sustainable high rates of return, favourable exposure to structural growth trends that benefit from long-term themes. Importantly, the companies will also offer products, services and solutions that are aligned to achieving a more sustainable and lower-carbon world. We exclude tobacco, alcohol, controversial weapons, companies with low ESG scores and those with the highest CO₂ emission intensity.

We have a systematic approach to position sizing and rebalancing, based on weighted upside, drawdown risk and end market correlation.

Responsible investing and active engagement

We believe that responsible investing can strengthen long-term returns, through mitigating risks and unearthing investment opportunities. This is because, in our view, ESG factors are financially material and are currently not being priced correctly, as markets lack the information necessary to do so.





The fund utilises LGIM’s global research and engagement platform, to stress-test company resiliency and provide forward-looking assessments of ESG performance. Alongside the activities of LGIM’s Investment Stewardship team, the platform facilitates active engagement with investee companies in order to drive positive change.

Fundamental analysis

Our experienced equity research team undertakes comprehensive bottom-up analysis into companies, incorporating the long-term views, fundamental sector and company analysis, and material ESG factors, alongside a strict valuation discipline. This evidence-based approach allows us to assess companies’ growth prospects.

Our belief is that fundamental, bottom-up evaluation requires deep industry research, high company engagement and an assessment of financially material ESG factors by sector and company.

We believe in what we do – in addition to voicing our active engagement with companies, we are invested alongside our investors and aligned on performance objectives.

High engagement	Full ESG integration	Low carbon
<p>Strive to effect positive change in the companies and assets in which we invest</p>  <ul style="list-style-type: none"> • 3,000 management meetings and ESG engagements • 200 meetings across all portfolio companies • Voting across our asset base 	<p>Considerations drive approach and outcome</p>  <ul style="list-style-type: none"> • Fundamental company and sector research • Financial materiality approach • Input from external data, proprietary research and cross-asset research 	<p>Reducing carbon footprint</p> <div style="background-color: #92d050; padding: 2px; text-align: center; font-weight: bold;">Carbon emissions intensity*</div>  <p style="text-align: right;">↓ 87% vs MSCI World</p> <div style="background-color: #92d050; padding: 2px; text-align: center; font-weight: bold;">Carbon reserves intensity**</div>  <p style="text-align: right;">↓ 100% vs MSCI World</p>
<p>*The figures are calculated as tonnes of CO₂e per \$100m revenue. **The figures are calculated as tonnes of CO₂e per \$1m of market capitalisation.</p>		

Investment team

The fund is managed by Shaunak Mazumder, a senior fund manager on the Active Equities team.

He is supported by a highly experienced team of active equities investment professionals as well as the broader LGIM investment teams including Global Fixed Income and Asset Allocation.

Legal & General Investment Management (LGIM)

LGIM is the investment management arm of Legal & General Group, a FTSE 100 company. We are one of Europe’s largest asset managers and a major global investor, with assets under management of £1,196 billion.*

*Source: As at 31 December 2019, the total value of assets under management across the group was £1,196 billion, including derivative assets and assets managed by LGIMA.

Contact us

For further information please contact your usual LGIM representative



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Important information

*Call charges will vary and calls will be monitored and recorded.

The value of investments and any income from them may fall as well as rise and investors may get back less than they invest. No investment decisions should be made without first reviewing the key investor information document of the Fund ("KIID") which can be obtained from HYPERLINK "<http://www.lgim.com>" www.lgim.com. This factsheet is only directed at investors resident in jurisdictions where this fund is registered for sale. It is not an offer or invitation to persons outside of those jurisdictions. We reserve the right to reject any applications from outside of such jurisdictions.

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