

L&G Hydrogen Economy UCITS ETF

FUND SUPPLEMENT

No.47

A sub-fund of Legal & General UCITS ETF Plc, an umbrella investment company with variable capital and segregated liability between its Funds incorporated with limited liability in Ireland under registration number 459936.

The Company and the Directors, whose names appear on page 10 of the Prospectus, are the persons responsible for the information contained in this Fund Supplement and accept responsibility accordingly. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of the information.

This Fund Supplement contains information relating to the L&G Hydrogen Economy UCITS ETF (the “Fund”) which is a separate Fund of Legal & General UCITS ETF Plc (the “Company”), an umbrella fund with segregated liability between its Funds. This Fund Supplement forms part of and should be read in the context of, and together with, the Company’s Prospectus dated 23 February 2022 and any other applicable addenda. Investors should also refer to the Company’s latest published annual report and audited financial statements (if any) and, if published after such report, a copy of the latest semi-annual report and unaudited financial statements. Capitalised expressions used and not defined in this Fund Supplement shall bear the meanings as set out in the Prospectus. If you are in any doubt about the action to be taken or the contents of this Fund Supplement, please consult your stockbroker, bank manager, lawyer, accountant or other independent professional adviser who, if such advice is taken in the United Kingdom, is an organisation or firm authorised or exempted pursuant to the FSMA.

Potential investors should consider the risk factors set out in the Prospectus and in this Fund Supplement before investing in this Fund. An investment in the Fund involves certain risks and may only be suitable for persons who are able to assume the risk of losing their entire investment.

The Prospectus sets forth information on investment risk, management and administration of the Fund, valuation, subscription, redemption and transfer procedures and details of fees and expenses payable by the Fund and should be read subject to the information herein.

The date of this Fund Supplement is 28 November 2022.

INVESTMENT OBJECTIVE

The investment objective of L&G Hydrogen Economy UCITS ETF (the “Fund”) is to provide exposure to companies engaged in the global hydrogen economy which seek to contribute to the reduced use of traditional fossil fuels and promote clean and sustainable energy.

INVESTMENT POLICY

In order to achieve this investment objective, the Fund will seek to track the performance of the Solactive Hydrogen Economy Index NTR (the “Index”), subject to the deduction of the TER and other expenses associated with operating the Fund as further described in the “Fees and Expenses” section of the Prospectus. It will do so by investing primarily in a portfolio of equity securities that, as far as possible and practicable, consists of the component securities of the Index in similar proportions to their weightings in the Index **may have exposure to or invest directly up to 20% of its Net Asset Value in shares issued by the same body, which limit may be raised to 35% for a single issuer in exceptional market conditions, including (but not limited to) circumstances in which such issuer occupies a dominant market position.**

Where it is not possible or practicable for the Fund to invest directly in all of the component securities of the Index (for reasons such as, but not limited to, where this would involve difficulties or substantial costs, where one or more securities in the Index becomes temporarily illiquid or unavailable, or as a result of legal restrictions or regulatory limitations that apply to the Fund but not the Index) and/or where consistent with its investment objective, the Fund may also invest in the following additional assets subject to the conditions and within the limits laid down by the Central Bank (the higher investment limits referred to above and in section 4 of Schedule III of the Prospectus applicable to index replicating funds, such as the Fund, may only be availed of when the portfolio of equity securities that the Fund invests in solely consists of the component securities of the Index):

- equity securities of companies involved in the global hydrogen economy that are not component securities of the Index, but the risk and return characteristics of which, individually or collectively, closely resemble the risk and return characteristics of constituents of the Index or of the Index as a whole;
- Depositary Receipts relating either to component securities of the Index or to equity securities of the type referred to in the bullet point immediately above; and
- FDIs – namely, total return “unfunded” OTC Swaps and exchange-traded equity futures – which may be used for investment purposes (such as gaining exposure to the Index and/or any particular constituents of the Index) in accordance with the terms set out in the sections entitled “Fund Investments”, “Unfunded OTC Swap Model” and Schedule II of the Prospectus. While the Fund may invest up to 100% of its Net Asset Value in total return “unfunded” OTC Swaps, it is not expected that this flexibility will be used. The Fund will only invest in FDIs as provided for in the RMP prepared by the Investment Manager in respect of the Fund and filed with the Central Bank.

The Fund may, in addition, employ other techniques relating to transferable securities, including entering into securities lending transactions, investing in repurchase and reverse repurchase transactions and short term money market collective investment schemes, for the purpose of efficient portfolio management only, in accordance with the terms set out in the section entitled “Efficient Portfolio Management Techniques” and Schedule II of the Prospectus. While the Fund may invest up to 100% of its Net Asset Value in repurchase and reverse repurchase transactions it is not expected that this flexibility will be used.

The maximum proportion of the Net Asset Value of the Fund that can be subject to securities lending is 10%. The proportion of the Net Asset Value of the Fund that will be subject to securities lending is expected to range from 0% to 10%.

TRACKING ERROR

The estimated anticipated (ex-ante) tracking error for the Fund in normal market conditions is 0.45% (annualised), which is the anticipated volatility of the difference between the return of the Fund’s portfolio and

the return of the Index. Investors are specifically referred to the section headed “Tracking error” in the Prospectus.

SUSTAINABILITY

The Fund has a sustainable objective and therefore it is a financial product referred to in Article 9 of the SFDR. It is expected that through the attainment of the Fund’s sustainable investment objective, this Fund will contribute to the following environmental objectives set out in Article 9 of the Taxonomy Regulation: (a) climate change mitigation; and (b) climate change adaptation. Further information on the sustainable objective of the Fund can be found in the Sustainability Disclosure annex of this Fund Supplement.

INDEX DESCRIPTION

The Index is designed to provide exposure to equity securities of global companies that are actively engaged in the hydrogen economy. The “hydrogen economy” is the use of hydrogen as a clean, low-carbon energy resource to meet the world’s energy needs.

The Index will exclude companies which are constituents of the “ESG Exclusions Index”, namely companies which (i) are non-compliant with the UN Global Compact, (ii) are associated with a controversy (i.e. companies that have been involved in events that have a severe impact on the environment and society, posing serious business risks to the company), (iii) are involved in the production or retail of tobacco, or are a related product/service, (iv) are involved in military contracting weapons or related products, (v) are directly involved or indirectly involved through corporate ownership, in controversial weapons, (vi) are involved in the retail or distribution of small arms to civilians (assault and non-assault weapons) and military/law enforcement customers, as well as key components of small arms, (vii) are involved in thermal coal extraction, power generation or supporting products/services, (viii) are involved in the generation, production of conventional oil and gas, or supporting products/services, (ix) are involved in oil sands extraction, arctic oil & gas exploration/extraction or shale energy extraction, (x) are involved in the production, retail or related services/products of alcohol, (xi) are involved in the operations, specialized equipment or supporting products/services of gambling, and (xiii) are involved in the production or distribution of adult entertainment. Such exclusions and the definition of “involvement” are determined by reference to the “ESG Exclusions Index” published by Solactive AG (the “Index Provider”) which is available at <https://solactive.com/downloads/Guideline-Solactive-ESG-Exclusions-Index.pdf>.

The Index is administered and calculated by the Index Provider.

The constituents of the Index are selected and weighted according to the construction process described below.

Determination of the Index Universe

The Index Universe consists of companies that are actively engaged in the value-chain of the hydrogen industry. “Value-chain” refers to value-creating activities within the hydrogen economy such as energy input, production, transport, storage and end-use.

Companies whose securities are eligible for inclusion in the Index Universe are determined by the Index Provider in accordance with the process described in the Index methodology, which is available at the following web address: <https://www.solactive.com/indices/?index=DE000SL0B9E5>.

1. To be eligible for inclusion in the Index, a security (each, an “**Eligible Security**”) must have:
 - 1.1. its primary listing on one of the global stock exchanges listed at Annex A of the Index methodology;
 - 1.2. a minimum free-float adjusted market capitalisation of USD 200 million, unless such security is an existing constituent of the Index in which case it shall have a minimum free float adjusted market capitalisation of USD 150 million to remain in the Index. “Free-float adjusted market capitalisation” is a measure of the total market value of the proportion of a company’s shares that are publicly traded

(i.e. “floating”) in the stock market as opposed to locked-in shares held by promoters, company officers, controlling-interest investors, or government authorities;

1.3. a minimum three-month average daily value traded of USD 1,000,000; and

2. Each Eligible Security shall be deemed to be an Index constituent if, in respect of each such security, it is determined to be engaged in the production of hydrogen, manufacturing of hydrogen related original equipment and/or related key components, providing hydrogen related mobility solutions or is an integrated hydrogen supply-chain player.

Weighting Allocation

All Index Constituents are equally weighted within the Index subject to any final adjustments to the weightings of the securities of the Index made to ensure that comparatively less liquid securities (but nevertheless meeting the liquidity criteria as defined in the Index methodology) are not overly represented in the Index. Please refer to the Index methodology for further information.

Net Total Return

Total return indices measure the market performance, including price performance and income from regular cash distributions (cash dividends or capital repayments). This income is treated as being reinvested in the Index and thus makes up part of the total index performance. The Index is a *net* total return index which means that cash dividends declared by Index constituents are reinvested in the Index net of withholding tax at the rates (depending on the country of domicile of the Index constituent) set out in the “*Withholding Tax Rates*” document available at: <https://www.solactive.com/documents/withholding-tax-rates-2020-09-14/>

Rebalancing Frequency

The Index is rebalanced on a semi-annual basis on the first Friday in May and November.

Further Information

The information set out above is a summary of the principal features of the Index and does not purport to be an exhaustive description. Further information with respect to the component selection criteria, calculation and rebalancing methodology and treatment of corporate events can be found in the “*Index Guideline – Solactive Hydrogen Economy Index*” which (as of the date of this Fund Supplement) is available, along with the constituents and weightings of the Index and various other informational materials, at: <https://www.solactive.com/indices/?index=DE000SL0B9E5>.

	ISIN	Bloomberg	Reuters
Index Solactive Hydrogen Economy Index NTR	Not applicable	SOHYDRON	.SOHYDRON

As at the date of this Fund Supplement, the Index Provider is listed as a registered benchmarks administrator in the Benchmarks Regulation Register.

Portfolio Composition

The portfolio of Investments held by the Fund is available daily at www.lgim.com.

PROFILE OF A TYPICAL INVESTOR

Only Authorised Participants may purchase ETF Shares in the Fund directly from the Company. All other investors may acquire or purchase ETF Shares only through the secondary market.

It is expected that investors in the Fund will be informed investors who have taken professional advice and who understand (and are able to bear) the risk of losing their investment and who can accept the levels of risks

associated with investing in global equity markets, in particular companies that are actively engaged in the global hydrogen industry.

RISK MANAGEMENT

The Fund's global exposure, being the incremental exposure and leverage generated by the Fund through its use of FDI, shall be calculated on at least a daily basis using the commitment approach and, in accordance with the requirements of the Central Bank, may at no time exceed 100% of the Fund's Net Asset Value. As noted in the "*Investment Policy*" section above, the Fund's use of FDI is an ancillary element of the investment policy in that it is an alternative means of gaining exposure to the Index, or one or more of the constituents of the Index, in circumstances where direct investment in the constituents of the Index is not possible, practicable or desirable. Regardless of whether exposure to the underlying constituents is obtained by direct investment in the constituents, or by gaining exposure to the constituents through the use of FDI, the same notional value shall be committed to the investment by the Fund. Accordingly, it is not expected that the Fund will be leveraged.

RISK FACTORS

Investors are specifically referred both to the section headed "*Risk Factors*" and to Schedule II in the Prospectus and should consider the following risk factors prior to investing in the Fund.

1. An investment in the Fund exposes an investor to the market risks associated with fluctuations in the Index and the value of securities comprised in the Index. The value of the Index can increase as well as decrease and the value of an investment will fluctuate accordingly. Investors can lose all of the capital invested in the Fund.
2. The Fund invests primarily in the equity securities of companies that are actively engaged in the global hydrogen industry. Accordingly, the Fund is particularly sensitive to risks relating to such companies. These risks include, but are not limited to, small or limited markets for such securities, changes in business cycles, slow-downs in world economic growth and/or technological progress, rapid obsolescence, and government regulation. The publicly traded securities of hydrogen focused companies can be more volatile than securities of companies that do not rely heavily on technology. Rapid developments in technologies that affect a company's products could have a material adverse effect on such company's operating results. Hydrogen companies may rely on a combination of patents, copyrights, trademarks and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by these companies to protect their proprietary rights will be adequate to prevent the misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology.

THE SHARES

As at the date of this Fund Supplement, the Fund only has a single class of Shares which are ETF Shares as detailed in the table below. Additional classes of Shares may be added in the future in accordance with the requirements of the Central Bank.

Share Class	Share Class Type	Minimum Subscription / Redemption Amount	TER*	Dividend policy**
USD Accumulating ETF	ETF Shares	50,000 Shares	0.49%	N/A

**Expressed as a % per annum of the Net Asset Value of the Share class.*

Shares are freely transferable subject to and in accordance with the provisions of the Articles and as set out in the Prospectus.

As with other Irish companies limited by shares, the Company is required to maintain a register of Shareholders. ETF Shares will be held by the Common Depository's Nominee (as registered holder) in registered form. Only persons appearing on the register of Shareholders (i.e. the Common Depository's Nominee) will be a Shareholder. Fractional Shares will not be issued. No temporary documents of title or Share certificates will be issued (save for the Global Share Certificate, as set out in the Prospectus). A trade confirmation will be sent by the Administrator to the Authorised Participants.

STOCK EXCHANGE LISTINGS

As at the date of this Fund Supplement, the following classes of ETF Shares have been admitted to trading on the stock exchanges listed below. Applications for the admission to additional stock exchanges of existing and new classes of ETF Shares may be made from time to time.

Share Class	Share Class Type	Listing Exchange	Listing Currency	ISIN	Bloomberg code	Reuters code
USD Accumulating ETF ETF Shares		London Stock Exchange	USD	IE00BMYDM794	HTWO LN	HTWO.L
		London Stock Exchange	GBX	IE00BMYDM794	HTWG LN	HTWG.L
		Borsa Italiana	EUR	IE00BMYDM794	HTWO IM	HTWO.MI
		Deutsche Borse	EUR	IE00BMYDM794	HTMW GY	HTMW.DE
		SIX Swiss Exchange	CHF	IE00BMYDM794	HTWO SW	HTWO.S

DEALING PROCEDURES

The procedures for subscribing for and redeeming of Shares are outlined in the Prospectus. Subscriptions and redemptions in the Fund may be in cash or, where agreed with the Manager or its delegate, on an *in specie* basis.

Shares may be subscribed for in the manner set out in the Prospectus under the heading "*Subscriptions*", beginning on page 55.

Shares in the Fund may be redeemed as described in the Prospectus under the heading "*Redemptions*" beginning on page 63.

In the context of each application for subscription for or redemption of Shares, the Manager (or its appointed delegate) shall have sole discretion as to whether Duties and Charges are charged as a fixed amount or charged to match the exact cost to the Company of purchasing or selling the relevant underlying Investments. Where Duties and Charges are charged as a fixed amount, such fixed amount shall not exceed 5% of Net Asset Value of Shares being applied for or redeemed.

DEALING INFORMATION

Base Currency	USD
Dealing Currency	The dealing currency for each class of Shares is the currency of denomination of the relevant class of Shares.
Business Day	A day on which banks and markets and exchanges are open for business in the United Kingdom.
Dealing Day	An Index Publication Day and a day on which no Significant Markets are closed for business or such Business Day(s) as the Directors may from time to time determine (subject to advance Shareholder notice) for dealings in the Fund provided always that there shall be at least one Dealing Day each fortnight. The Promoter maintains an online " <i>Dealing Day Calendar</i> " at: www.lgim.com

		where advance notice of all expected Dealing Days for the Fund is published on an ongoing basis. The Dealing Day Calendar is also available on request from the Manager and from the Promoter.
Dealing Deadline		The cut-off time in respect of any Dealing Day for receipt of applications for subscriptions and redemptions in the Fund as shall be set out on www.lgim.com , which information shall be kept up to date.
Minimum Subscription Amount		Please refer to the table contained in the section above entitled " <i>The Shares</i> ".
Minimum Redemption Amount		Please refer to the table contained in the section above entitled " <i>The Shares</i> ".
Settlement Time		Settlement of subscriptions shall generally occur within two Business Days after the relevant Dealing Day (unless otherwise agreed with the Manager or its delegate). Settlement of redemptions shall generally occur within three Business Days after the relevant Dealing Day (unless otherwise agreed with the Manager or its delegate).
Valuation		The Valuation Point is the time at which the value of the Index is determined. Investments of the Fund which are listed or traded on a Regulated Market for which quotations are readily available shall, subject to the provisions of the Articles, be valued at the last traded price.
TER		Please refer to the table contained in the section above entitled " <i>The Shares</i> " for the TER applicable to each Share class. Brokerage and extraordinary expenses are excluded from the TER figure – see section entitled " <i>Fees and Expenses</i> " on page 72 of the Prospectus. Fees and expenses relating to the establishment of the Fund are borne by the Manager.

TAXATION

A description of the taxation applicable to the Company and its investors is outlined under the heading "*Taxation*" in the Prospectus.

German Tax Information

The Company seeks to maintain "equity fund" status for the Fund pursuant to Section 2 para. 6 and 7 of the German Investment Tax Act 2018.

Investors should consult their own professional advisers as to the implications of the Fund maintaining "equity fund" status pursuant to the German Investment Tax Act 2018.

As at the date of this Fund Supplement, at least 85% of the Fund's assets will be continuously invested in equity assets as defined in Section 2. para. 8 of the German Investment Tax Act 2018

INDEX DISCLAIMER

The Fund is not sponsored, promoted, sold or supported by the Solactive AG. Nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price, at any time or in any other respect.

The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Company, Solactive AG has no obligation to point out errors in the Index to third parties including, but not limited to, investors and/or financial intermediaries of the Fund. Solactive AG does not guarantee the accuracy and/or the completeness of the Index or any related data, and shall not have any liability for any errors, omissions or interruptions therein.

Neither publication of the Index by Solactive AG, nor the licensing of the Index or Index trade mark, for the purpose of use in connection with the Fund, constitutes a recommendation by Solactive AG to invest capital in said Fund nor does it, in any way, represent an assurance or opinion of Solactive AG with regard to any investment in this Fund. In no event shall Solactive AG have any liability for any lost profits or indirect, punitive, special or consequential damages or losses, even if notified of the possibility thereof.

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Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 ('SFDR') and Article 5, first paragraph, of Regulation (EU) 2020/852 ('Taxonomy Regulation')

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
L&G Hydrogen Economy UCITS ETF

Legal entity identifier:
213800GLU8NT72CLUX55

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ ☒ **X** Yes

☐ ☐ ☐ No

☒ It will make a minimum of **sustainable investments with an environmental objective**: 90%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: __%

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**



Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Fund is to provide exposure to the global hydrogen economy. The Fund seeks to achieve its investment objective by tracking the performance of the Solactive Hydrogen Economy Index NTR (the "Index"). The Index is a reference benchmark that has been designated for the purpose of attaining the sustainable investment objective of the Fund.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

1. The proportion of the relevant comparator index excluded through the application of the exclusionary criteria set out below;

Principal adverse impacts are the most significant negative impact of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and anti-bribery matters.

2. Exposure to the sustainable theme set out below.

● ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Fund applies the following exclusions through tracking the Index in accordance with the Index methodology:

- companies which are non-compliant with the UN Global Compact,
- companies that are associated with a controversy (i.e. companies that have been involved in events that have a severe impact on the environment and society, posing serious business risks to the company),
- companies that are involved in the production or retail of tobacco, or are a related product/service,
- companies that are involved in military contracting weapons or related products,
- companies that are directly involved or indirectly involved through corporate ownership, in controversial weapons,
- companies that are involved in thermal coal extraction, power generation or supporting products/services, and
- companies that are involved in the production of unconventional and conventional oil and gas.

Through the application of the above listed exclusions it is ensured that the investments held by the Fund do not significantly harm any environmental or social objectives.

- How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager assessed the Index against all sustainability indicators outlined in Table 1 of Annex I of Commission Delegated (EU) 2022/1288 (the “SFDR Level 2 Measures”) and a majority of them are taken into account directly or indirectly by application of the above-listed exclusions. A direct approach occurs where an exclusionary screen incorporates, in its methodology, the metric defined in Table 1 of Annex I of the SFDR Level 2 Measures relating to the relevant sustainability indicator. The indirect approach will incorporate different metrics that are not defined in Table 1 of Annex I of the SFDR Level 2 Measures but associated with the sustainability indicators, such as norms-based or controversy screens to exclude issuers involved in violations. It should be noted that a small subset of sustainability indicators is not directly or indirectly mapped to the above-listed exclusions following consideration of their appropriateness to the Fund’s investment strategy. The rationale for this may include inadequate data quality or coverage, or limited relevance to the Fund’s eligible investment universe.

- How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The Fund’s sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the application of the sustainability-related investment strategy used to attain the sustainable investment objective. In particular, the Index is designed to comply with the principles of the United Nations Global Compact and excludes companies that are associated with a controversy (i.e. companies that have been involved in events that have a severe impact on the environment and society, posing serious business risks to the company). Accordingly, the Fund’s investments aim to indirectly follow the UN Guiding Principles on Business and Human Rights, as well as the OECD Guidelines for Multinational Enterprises.



Does this financial product consider principal adverse impacts on sustainability factors?

- ☒ Yes, the Fund considers principal adverse impacts on sustainability factors. The Investment Manager takes the adverse sustainability indicators listed in Table 1 of Annex I of the SFDR Level 2 Measures into account, except for a small subset of indicators as explained above. The Fund considers principal adverse impacts, that are identified using the above-mentioned indicators, by tracking the Index that employs the sustainability-related investment strategy outlined below in line with its methodology.

For example, the Fund uses the 'Exposure to companies active in the fossil fuel sector' indicator (indicator 4 of Table 1 of Annex I of SFDR) to identify principal adverse impacts relating to greenhouse gas emissions and then considers and takes actions in relation to principal adverse impacts identified through tracking the Index that excludes companies that are involved in (i) thermal coal extraction, power generation or supporting products/services, (ii) the generation, production of conventional oil and gas, or supporting products/services, or (iii) in oil sands extraction, arctic oil & gas exploration/extraction or shale energy extraction.

☐ No



What investment strategy does this financial product follow?

The Fund follows the following sustainability-related investment strategy by tracking the Index:

- i. **Sustainable Theme:** The Index is comprised of companies that are actively engaged in in the value-chain of the hydrogen industry. "Value-chain" refers to value-creating activities within the hydrogen economy such as energy input, production, transport, storage and end-use.
- ii. **ESG Exclusions:** The Index excludes companies which are constituents of the "ESG Exclusions Index", namely companies which (i) are non-compliant with the UN Global Compact, (ii) are associated with a controversy (i.e. companies that have been involved in events that have a severe impact on the environment and society, posing serious business risks to the company), (iii) are involved in the production or retail of tobacco, or are a related product/service, (iv) are involved in military contracting weapons or related products, (v) are directly involved or indirectly involved through corporate ownership, in controversial weapons, (vi) are involved in the retail or distribution of small arms to civilians (assault and non-assault weapons) and military/law enforcement customers, as well as key components of small arms, (vii) are involved in thermal coal extraction, power generation or supporting products/services, (viii) are involved in the generation, production of conventional oil and gas, or supporting products/services, (ix) are involved in oil sands extraction, arctic oil & gas exploration/extraction or shale energy extraction, (x) are involved in the production, retail or related services/products of alcohol, (xi) are involved in the operations, specialized equipment or supporting products/services of gambling, and (xiii) are involved in the production or distribution of adult entertainment. Such exclusions and the definition of "involvement" are determined by reference to the "ESG Exclusions Index" published by the Index Provider.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Fund aims to track the Index in accordance with its investment policy. As a result, the investment strategy set out above is binding on the investment decision-making process of the Fund.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

The Investment Manager ensures that the investee companies in which the Fund invests follow good governance practice by tracking an index that excludes companies that (i) fail to meet globally accepted norms and standards relating to governance matters, or (ii) are involved in incidents with negative governance implications. As part of its due diligence the Investment Manager assessed the Index to ensure compliance with these requirements.

In addition, the Investment Manager also integrates the principles of good governance practices into its stewardship and engagement approach by setting expectations with investee companies' management regarding good governance practices; actively engaging with the investee companies; utilising its voting rights; and supporting policymakers and legislators to ensure there is strong regulation and standards.



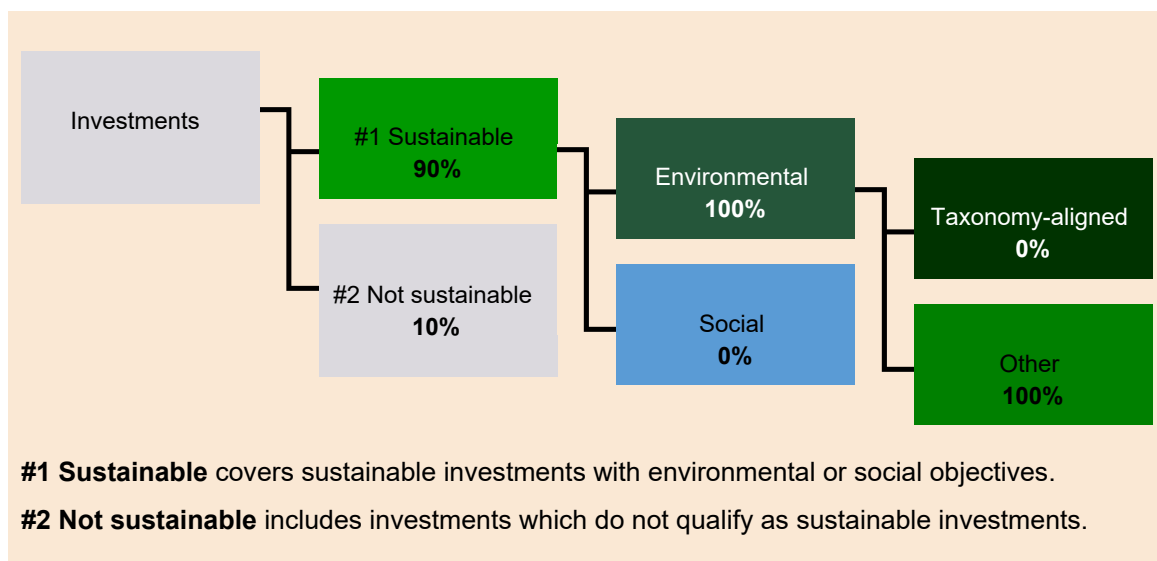
Asset allocation describes the share of investments in specific assets.

What is the asset allocation and the minimum share of sustainable investments?

The Fund will invest at least 90% of its portfolio in investments that qualify as sustainable (#1), all of which provide direct exposure to investee companies. The Fund will invest at least 90% of its portfolio in environmentally sustainable investments and at least 0% of its portfolio in socially sustainable investments. The actual level of environmentally and socially sustainable investments held by the Fund will always equate to at least the minimum proportion of sustainable investments of the portfolio outlined above. Some of the sustainable investments may be considered to contribute to both environmental and social objectives. The remaining portion of investments are not used to meet the sustainable investment objective and will fall under #2 Not sustainable.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the sustainable investment objective?**

The Fund does not make use of derivatives to attain the sustainable investment objective.

Enabling

activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional

activities

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not invest a minimum amount in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

1. Taxonomy-alignment of investments including sovereign bonds*

■ Taxonomy-aligned
■ Other investments



2. Taxonomy-alignment of investments excluding sovereign bonds*

■ Taxonomy-aligned
■ Other investments



* For the purpose of these graphs, 'sovereigns bonds' consist of all sovereign exposures

What is the minimum share of investments in transitional and enabling activities?

The Fund does not invest a minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation.



are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

As the Fund does not invest a minimum amount in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation, its sustainable investments with an environmental objective will not be aligned with the EU Taxonomy.



What is the minimum share of sustainable investments with a social objective?

The minimum share of sustainable investments with a social objective is set at 0% of the Fund's portfolio.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Other holdings may include cash, depositary receipts, money market funds and derivatives. Such investments may be used for investment purposes and efficient portfolio management. Derivatives may also be used for currency hedging for any currency hedged share classes. Environmental or social safeguards applied by the Index are only applied to instruments that are used to attain exposure to an Index constituent. The Investment Manager considers ESG factors, including analysis from the relevant

responsible investing methodologies as part of assessing the credit risk profile of its most significant counterparties. The Investment Manager has an internal control framework in place to consider and take appropriate action in the event that a significant counterparty fails to meet any minimum standards in respect of such ESG factors as defined by the Investment Manager.



Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Yes, the Index is designated as a reference benchmark.

● ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

The Index is continuously aligned with the sustainable investment objective of the Fund by providing exposure to companies in accordance with the sustainability-related investment strategy described above. At each index rebalance, the selection criteria of the Index are applied to its constituents.

● ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

The Fund invests, in a portfolio of securities that, as far as possible and practicable, consists of the component securities of the Index in similar proportions to their weightings in the Index.

● ***How does the designated index differ from a relevant broad market index?***

The Index is comprised of global companies that are actively engaged in the value-chain of the global clean energy industry and therefore constitutes a smaller sub-set of a broad market index.

● ***Where can the methodology used for the calculation of the designated index be found?***

For further information in relation to the Index methodology please see:
[Solactive | Indices](#)



Where can I find more product specific information online?

More product-specific information can be found on the website: [L&G Hydrogen Economy UCITS](#)
- [LGIM Fund Centre](#)