This addendum ("Addendum") amends the terms of, forms part of and should be read in conjunction with the Prospectus dated 20 April 2020 (the "Prospectus"), Supplements and any other addenda to the Prospectus.

If you are in any doubt about the action to be taken or the contents of this document please consult your stockbroker, bank manager, lawyer, accountant or other independent professional adviser.

Investors should read the Prospectus in its entirety and should consider the risks described under "Risk Factors" in the Prospectus before investing in the Company.

The Company and the Directors, whose names appear on pages 10 of the Prospectus, are responsible for the information contained in this Addendum 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.

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)

FIRST ADDENDUM TO PROSPECTUS

Manager

LGIM Managers (Europe) Limited

The date of this Addendum is 17 February 2021.

Amendments to the Prospectus

With effect from 17 February 2021, the Prospectus is amended as follows:

1. The following new definition shall be inserted into the "***Definitions***" section of the Prospectus:

   ""**SFDR**", Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended or replaced."

2. The "***Investment Objectives and Policies***" section of the Prospectus shall be updated by the insertion of the following new sub-section:

   "**8. Sustainability Policy**

   The Manager has designed and implemented a sustainability policy ("**Sustainability Policy**") which is in line with the requirements set out in SFDR under Article 3 (Transparency of sustainability risk policies). Under SFDR, "*sustainability risk*" means an environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment ("**Sustainable Risks**"). The Sustainability Policy therefore approaches Sustainability Risks from the perspective that ESG events might cause a material negative impact on the value of a Funds' investments.

   The key aspects of the approach taken by the Manager to integrate Sustainability Risks that apply across investment strategies are as follows:

   - Direct active engagement with investee companies on matters including, but not limited to, climate change, remuneration and diversity;
   - Applying a common global strategy with respect to the use of voting rights, and setting expectations of investee companies with regards to planning and the management and disclosure of sustainability issues. These principles impact on voting decisions and for certain specific themes such as climate, gender and racial diversity there are structured voting and engagement processes in place;
   - By seeking to influence regulators and policymakers; and
   - Active collaboration with other investors and stakeholders in investee companies as to the on-going application of sustainable principles.

   <u>Index strategies</u>

   In respect of index-tracking funds, whose investment policy is to seek to track the performance of the relevant index, Sustainability Risks cannot directly influence a decision as to whether the fund can invest in a particular security as this will ultimately be driven by the constituents of the relevant index. However, as set out above the Manager will engage with issuers on sustainable matters whose securities are components of the relevant indices. A key component of this approach is active ownership, whereby the Manager uses its scale to encourage the companies in which the Funds invest to consider Sustainability Risks, develop resilient strategies, apply longer-term thinking and consider their stakeholders. Engagement activities normally focus on specific material ESG issues and involve formulating an engagement strategy with regards to such issues with the view to tracking and reviewing the progress of the targeted companies during this process.

   The Sustainability Policy is available at www.lgim.com and a paper copy will be made available free of charge upon request.

3. The "***Risk Factors***" section of the Prospectus shall be updated by the insertion of the following new risk factor after the sub-section entitled "*Risk Factors Relating to a Fund's Investments*":

***"*Sustainability Risks**

The Manager has implemented the Sustainability Policy in respect of the integration of Sustainability Risks in its investment decision-making process.

The Manager considers that Sustainability Risks may be relevant to the returns of each Fund. SFDR defines Sustainability Risk as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. Sustainability Risks can broadly be divided into three categories of environmental, social and governance risks and can include (without limitation) climate change, carbon emissions, harm to biodiversity, human rights violations, breaches of employee rights, lack of board diversity and bribery and corruption.

Sustainability Risks are relevant as both standalone risks as well as crosscutting risks, which manifest through many other risk types, which are relevant to the assets of the Funds. For example, the occurrence of a Sustainability Risk can give rise to financial and business risk in the case of a negative impact on the creditworthiness of other businesses. The increasing importance given to sustainability considerations by both businesses and consumers means that the occurrence of a Sustainability Risk may result in significant reputational damage to affected businesses. The occurrence of a Sustainability Risk may also give rise to enforcement risk by governments and regulators as well as litigation risk.

<u>The potential impact of Sustainability Risks</u>

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk and asset class. In general, where a Sustainability Risk occurs in respect of an asset, there could be a negative impact on its value and in certain scenarios may result in the entire loss of its value. For a company, this may be as a result of the reputational damage with a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. A company may also suffer the impact of resulting fines and other regulatory sanctions. The necessary time and resources of the company’s management team associated with managing the Sustainable Risk may be diverted from otherwise furthering its business and be absorbed seeking to deal with the Sustainability Risk and may include changing business practices and dealing with regulatory investigations and litigation. Sustainability Risks may also give rise to loss of assets and/or physical loss including damage to real estate and infrastructure. The utility and value of assets held by companies to which the Funds are exposed to may also be adversely impacted by a Sustainability Risk.

A Sustainability Risk may arise and impact a specific investment or may have a broader impact on an economic sector, geographical regions and/or jurisdictions and political regions. Many economic sectors, regions and/or jurisdictions, including those in which the Funds may invest, are currently and/or in the future may be, subject to a general transition to a greener, lower carbon and less polluting economic model. Drivers of this transition include governmental and/or regulatory intervention, evolving consumer preferences and/or the influence of non-governmental organisations and special interest groups.

Laws, regulations and industry practices play a significant role in controlling the impact on sustainability factors of many industries, particularly in respect of environmental and social factors. Any changes in such measures, such as increasingly stringent environmental or health and safety laws, can have a material impact on the operations, costs and profitability of companies. Further, companies which are in compliance with current measures may suffer claims, penalties and other liabilities in respect of alleged prior failings. Any of the foregoing may result in a material loss in value of an investment linked to such companies.

Further, certain industries face considerable scrutiny from regulatory authorities, non-governmental organisations and special interest groups in respect of their impact on sustainability factors, such as compliance with minimum wage or living wage requirements and working conditions for personnel in the supply chain. The influence of such authorities, organisations and groups along with the public attention they may bring can cause affected industries to make material changes to their business practices, which can increase costs and result in a material negative impact on the profitability of businesses. Such external influence can also materially impact the consumer demand for a company's products and services, which may result in a material loss in value of an investment linked to such companies.

Sectors, regions, businesses and technologies which are carbon-intensive, higher polluting or otherwise cause a material adverse impact on sustainability factors may suffer from a significant fall in demand and/or obsolescence, resulting in stranded assets the value of which is significantly reduced or entirely lost ahead of their anticipated useful life. Attempts by sectors, regions, businesses and technologies to adapt in order to reduce their impact on sustainability factors may not be successful, may result in significant costs being incurred, and future ongoing profitability may be materially reduced.

<u>The assessment and mitigation of Sustainability Risks</u>

To the extent that a sustainability event occurs, there may be a sudden, material negative impact on the value of an investment, and hence the Net Asset Value of the relevant Fund. Such negative impact may result in an entire loss of value of the relevant investment(s) and may have an equivalent negative impact on the Net Asset Value of the relevant Fund.

Therefore, the Manager endeavours to assess, on an ongoing basis, the impact of Sustainability Risks on the performance of the Funds by bringing together both quantitative and qualitative assessments in order to monitor and mitigate a wide range of Sustainability Risks that might impact the Funds.

In order to assist it in managing these Sustainability Risks and seeking to mitigate the potential for material negative impacts on the Funds, the Manager embeds Sustainability Risks in the investment decision-making process across asset classes and investment teams, through an integrated ESG framework for responsible investing. For further information on how the Manager integrates Sustainability Risks in the investment decision-making process, please refer to page 26 of the Prospectus titled 'Sustainability Policy'.

Whilst the Manager has adopted a fully integrated framework for responsible investing, with the aim of mitigating the impact of Sustainability Risks, there can be no assurance that all Sustainability Risks can be mitigated across the Funds."

The Prospectus shall otherwise remain unamended and in full force and effect.