

# FUNDS KEY FEATURES.

This is an **important document**. Please keep it safe for future reference.

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## WHAT ARE THE FUNDS KEY FEATURES?

The **Funds key features** explains the basics of investing in funds and the important things you need to know about them. You should read this document carefully and keep it safe.

All information provided is as accurate and current as we can make it. However, we can't guarantee that the information for any individual fund hasn't changed since this document was published in June 2018.

### USING THE FUNDS KEY FEATURES

We aim to use language that's easy to understand. Sometimes however, because of the way investments work and the words some investment fund managers use to describe their funds, we've no choice but to use technical terms.

Wherever possible, we've tried to explain each point in full. If you're unclear about anything at all, your adviser will be happy to answer any questions you have.

### i

#### FINDING OUT MORE

If you need more detailed information about any particular fund, your adviser will be able to help.

# QUESTIONS AND ANSWERS.

## WHAT IS AN INVESTMENT FUND?

- When you invest in the bond, we put your money into one or more funds.
- Each fund is divided into a number of units. When you invest, we buy you some of these units.
- It's the rise and fall in the value of these units that determines the value of your investment.
- The bond currently offers 40 funds managed by 17 different investment management companies.
- We manage some of the funds. Other investment management companies manage the rest. We refer to the funds that aren't managed by us as 'external funds' elsewhere in this document.

## WHAT HAPPENS WHEN I INVEST IN AN EXTERNAL FUND?

- When you invest in an external fund, we buy you units in a Legal & General fund that invests in the corresponding 'authorised fund'.
- Authorised funds are explained in the **What is an authorised fund?** section on page 5.

**i** For more information about external funds, please see the **Product Guide**.

## HOW IS MY INVESTMENT VALUED?

- It's the unit price that determines how many units you buy and how much they're worth when you sell them.

### Internal funds

- Each day, when we calculate the unit price, we take account of the amount of money going in and out of the fund.
- We use the general principle that if investments into the fund are greater than withdrawals, we need to buy assets. The unit price then takes account of the prices at which assets in the fund might be bought and the costs of dealing in those assets.
- If withdrawals from the fund are greater than investments, we need to sell assets. The unit price then takes account of the prices assets might be sold for, together with the sale costs. Selling prices are generally lower than buying prices.
- The difference between the values determined by each method of calculation is known as the 'valuation spread'. The amount of the valuation spread usually depends upon the assets the fund invests in. For instance, the cost of dealing in the underlying assets will vary by asset type, country and company size.

## NOTES

- You don't hold units directly in the authorised fund.
- Please bear in mind we don't have any influence over how external fund managers manage their funds.

- Funds that invest in commercial property, certain corporate bonds, smaller companies or emerging markets tend to have a larger difference.
- A significant change in the amount of money going into or out of the fund on a particular day may lead to a change in the method of calculation for that day's valuation. This could result in a significant change in the unit price.
- The current spreads applicable to the funds we manage are included in the **Fund information** section starting on page 13.

**i** Further details about how we value funds and calculate unit prices are contained in our **A guide to how we manage our unit-linked funds**, which is available on request from your adviser.

### External funds

- When calculating the unit price for Legal & General's version of the fund, we use the price supplied by the external fund manager. We have no control over the method of calculation they use.
- External fund managers sometimes adjust the valuation of their fund to cover exceptional costs that may arise when people buy or sell units in their authorised fund. We can't predict when an external fund manager will make such a charge. If and when it happens, we make a deduction when calculating the unit price.
- Your adviser can provide you with details of how an external fund manager calculates the prices for a particular authorised fund.

**i** Further details about managing and valuing external funds are contained in the **Product Guide**.

## WHAT IS AN AUTHORISED FUND?

- There are two types of authorised funds:
  - A unit trust.
  - An Investment Company with Variable Capital, more commonly known as an Open-Ended Investment Company (OEIC).

### About unit trusts

The fund manager sets up a trust and appoints an independent financial institution such as a bank to act as the trustee. The trustee is entrusted to look after the assets that the fund invests in and to monitor the fund manager, on behalf of the beneficiaries. The beneficiaries of a unit trust are the people who invest in it.

### About OEICs

An OEIC is like a company. The fund manager is usually the director of the company and investors receive shares in the company. An OEIC has an independent depository, usually a financial institution like a bank, who is entrusted with the safekeeping of the assets that the fund invests in. A depository is similar to the trustee of a unit trust. OEICs usually offer a number of investment choices by using 'sub funds' that have different investment aims.

## WHAT ARE INVESTMENT ASSETS?

- Assets are what your fund invests in.
- The assets that a fund invests in will have a significant impact on the performance of your investment. It's important that you understand the differences between the main types of assets.

### NOTES

- An OEIC is not a company in the traditional sense but simply an arrangement for investment.
- Because an OEIC has a number of sub funds, it may become necessary, in exceptional circumstances, for the liabilities of one sub fund to be met by all the other sub funds in the OEIC.
- While this could affect the performance of your fund, you'd never be personally responsible for any debts of the OEIC and wouldn't be required to make any further payments after investing.

- There are four main types of asset and each has its own characteristics:
  - Equities
  - Fixed interest securities
  - Commercial property
  - Cash.
- It's generally a good idea to invest in a number of different assets so that you don't rely on the performance of one individual asset. This strategy, called 'diversification', is basically what funds offer as they spread your investment across lots of assets.
- Many funds also invest in more than one type of asset to create even more diversification.
- Investing in a mix of funds is another good way to spread your investment.

## WHAT ARE EQUITIES?

- Equities (also known as 'shares') are a share in a company that allows the owner of those shares to participate in any financial success achieved by that company.
- Equities can achieve growth in two ways:
  - Through increases in share prices. The share price reflects the underlying value of the company.
  - Through dividends, which are regular payments made to shareholders generally based on the company's annual profits.
- Investing in equities is considered by many investment experts to be one of the best ways to achieve long-term growth.

## WHAT ARE FIXED INTEREST SECURITIES?

- Fixed interest securities are more commonly known as 'bonds'.
- Be careful not to confuse fixed interest securities with the 'Portfolio Bond'. Although both are called bonds, they're very different.
- A fixed interest security is essentially a loan, usually to a company, or sometimes a government.
- The company or government pays regular interest on the loan and pays back the original capital in full at a set date in the future.
- Your return from a fund investing in fixed interest securities comes from the interest the company or government pays and the market value of the securities.
- The value of a fund investing in fixed interest securities does go up and down. It tends to go up and down less than the value of funds investing in equities, although the potential returns are often lower.

### NOTES

- Over the short term, the value of funds investing in equities can go up and down a lot.
- Company share prices can also change dramatically in response to the activities and financial performance of individual companies, as well as being influenced by general market and economic conditions.

### NOTES

- If a fund buys a bond in a company that performs poorly, there's a risk that company won't be able to pay back the loan or the interest owed. Some companies offer more risky bonds paying high interest rates, known as 'high-yield' bonds, where the risk of non-payment is higher.
- The value of bonds is particularly sensitive to changes in interest rates. As a rule, the value is more likely to fall when interest rates are rising.
- Government bonds generally carry less risk than company bonds but as a result often pay less interest.

## WHAT IS COMMERCIAL PROPERTY?

- An investment in commercial property usually means that you're buying a share in the ownership of a number of buildings.
- These buildings might be office blocks, shopping units, retail warehouses, industrial units and leisure centres.
- Commercial property investments can provide growth in two ways:
  - Through rises in the value of the property.
  - Through rent paid by the tenants of the buildings.

## WHAT IS A CASH INVESTMENT?

- Some funds keep a proportion of your money in cash.
- Cash is useful because it adds flexibility to your asset mix and aids stability.
- The growth potential for cash is low, so if your fund does include a cash element, it tends to account for only a small percentage of the total fund.

## WHAT ARE DERIVATIVES?

- Derivatives are not a separate asset class but are contracts usually giving a commitment or right to buy or sell assets on specified conditions, for example on a set date in the future and at a set price.
- The value of a derivative contract can vary. Some derivatives can have large changes in their value over a short period of time, while others may be more stable. The value of some types of derivative can even move in the opposite direction to a particular market.
- Derivatives can generally be used with the aim of enhancing the overall investment returns of a fund by taking on an increased risk, or they can be used with the aim of reducing the amount of risk a fund is exposed to.

## ABOUT SPECIALIST INVESTMENT FUNDS

- In addition to the risks and characteristics of the individual asset types, specialist investments have other features that are unique to where they invest.
  - Specialist funds usually invest in a particular market, country or region.
  - Specialist funds allow you to exploit the characteristics of a particular type of investment.
  - They tend to aim for high performance compared with more balanced funds.

## ABOUT OVERSEAS INVESTMENTS

- Overseas investments allow you to take advantage of the growth potential of markets outside the UK.
- Currency changes can affect the value of overseas investments.

### NOTES

- As property valuations are based on a valuer's opinion rather than fact, they may be revised up or down from time to time. This can affect the value of a fund invested in commercial property.
- Commercial properties can sometimes be difficult to buy and sell quickly. It may be necessary for the fund manager to postpone meeting customer requests to withdraw money from a property fund until they can sell some of the buildings the fund invests in.

### NOTES

- Cash offers the lowest risk of all asset types but also the lowest potential returns.

### NOTES

- The value of derivatives may vary more than an investment in shares, fixed interest securities or property.
- If one of the parties in a derivative contract suffers financial difficulty, they may not be able to make some of the payments they owe. This can affect the value of a fund invested in derivatives.

### NOTES

- Specialist funds are likely to be more risky than those holding a very wide spread of assets.

### NOTES

- Because the value of funds holding overseas investments is converted from local currency into pounds (sterling), the value can fall if the pound strengthens against the local currency.

# FUNDS INTRODUCTION.

We've listed the funds in order of investment management company. For easy comparison, an introduction to each company is also included.

Our funds start on page 14. Funds managed by external fund managers start on page 17.

Please note the company overviews are provided by the investment management companies themselves. As such, we cannot endorse or validate any of the information given.

The information provided for each fund is as accurate and current as we can make it.

For external funds we rely on the information provided by the company managing it. As such, we can't guarantee it's up to date.

The information provided for each fund is set out as shown in the example below:

## LEGAL & GENERAL EXAMPLE FUND

**Aim:** To achieve long-term capital growth.

**Annual fund charge:** 2.00%

**Fund code:** 0999

**Valuation spread:** 1.50%

**Fund specific risks:** 12, 13, 15, 26, 29, 31

**Underlying fund type:** OEIC

## THE INFORMATION HEADINGS EXPLAINED

- We've set out descriptions of all the headings that may be used and in the order they will appear.
- Not all information headings apply to all funds – some have fewer depending on their characteristics.

### Aim

- This is a general description of what the fund aims to achieve, as stated by the company managing the fund.
- There's no guarantee the fund manager will achieve the aim, and it's not a statement of what will actually happen.
- It's important to consider that what you'll get back from a fund may not match your expectation, particularly in the short term.

### Annual fund charge

- The current annual fund charge applicable to the fund, as described in your **Product Guide**.

### Fund code

- The code we use to identify the fund for administration purposes.

### Fund specific risks

- In addition to the general risks of investing, as described in the **Key Features**, each fund carries some risks specific to the type of assets it invests in.
- We make regular assessments of all the funds we offer and then decide which risks apply to each fund. Our assessment takes account of:
  - the fund's aim,
  - the assets the fund invests in, and
  - the fund manager's own opinion of the risks that apply to their fund.
- To find out what the fund specific risk numbers applied to each fund mean, please refer to the **Fund specific risk definitions** section which starts on page 10.
- For more information about fund specific risks, please see the **Putting the fund risks into context** section below.

### Valuation spread (internal funds only)

- This is the difference between the value of the units calculated assuming that more money is going into the fund than going out and the value based on more money going out of the fund than going in. These figures are correct as at 2 February 2018. The valuation spread may change from time to time. We can provide you with the spread applying to a fund at any time on request.

### Underlying fund type (external funds only)

- This tells you if the fund is invested in a unit trust or a sub fund of an OEIC, as explained in the **What is an authorised fund?** section on page 5.

## PUTTING THE FUND RISKS INTO CONTEXT

- Some funds have many fund specific risks. This doesn't necessarily mean that investing in that fund is riskier than choosing one with less fund specific risks. A fund often has more fund specific risks because it invests in a wider variety of assets.
- What's important is the percentage of the fund that's exposed to each risk. A significant exposure to one risk can lead to a fund rising and falling in value more than one with a low exposure to several risks.

### FOR EXAMPLE

- Fund A invests 20% in overseas equities, 30% in UK equities and 50% in fixed interest securities. It has six fund specific risks.
  - Fund B invests 100% in overseas equities. It only has three fund specific risks.
- Fund B has fewer fund specific risks but because all of your investment is exposed to the equities and exchange rate risks, it's likely to be a higher risk fund than Fund A, where your investment is divided between a spread of risks.
- Investing in a fund with a mix of assets can reduce the impact of each fund specific risk. Alternatively, you can create an investment portfolio that invests in a mix of funds.
  - Your adviser will talk you through your fund selection.

# FUND SPECIFIC RISK DEFINITIONS.

Listed below are all of the fund specific risks that could potentially apply to a fund.

You'll note that there are some numbers missing from the list. This is because we use standard descriptions for a number of different products and some of those numbers don't apply to the Portfolio Bond.



To find out which risks apply to a fund you need to cross-reference the numbers in the fund specific risks section of the fund information with the corresponding numbered definitions below.

## 12. Currency changes

The fund may have investments valued in currencies that are not sterling (British pounds).

- If the value of these currencies falls compared to sterling, this may mean the value of your investment and the income paid to you will go down.
- If arrangements are made to protect the fund against currencies' movements (known as 'hedging') and the currencies rise compared to sterling, your fund will not benefit from those gains.

## 13. Equities (company shares)

Investments in company shares tend to be riskier than for many other types of investment. This is because the value of shares goes up and down, more often and by a larger amount than for many other investment types, especially in the short term.

## 14. Fixed interest securities

Investment returns on fixed interest securities – corporate and government bonds, and other types of debt - are particularly sensitive to trends in interest rate movements and inflation. Their values are likely to fall when interest rates rise. Such falls may be more pronounced in a low interest rate environment and longer dated fixed interest securities will fall by more than short dated fixed interest securities.

## 15. Risk of issuer becoming less secure

The financial strength of a company or government issuing a fixed interest security (such as a bond or other types of debt) determines their ability to make some or all of the payments they are committed to. If their financial strength weakens, the chances of them not making payments increases, which could reduce the value of your investment.

## 16. High-yield bonds

The fund invests in higher yielding bonds (known as 'sub-investment grade' bonds). Compared to lower yielding bonds (known as 'investment grade' bonds) there is a greater risk that the fund will not receive back, either on time or at all, some or all of the amount invested or interest that is due to be paid.

## 17. Derivatives

This fund uses derivatives for investment purposes and so may be higher risk than funds that don't. Sometimes using derivatives could give lower returns, or cause the value of your fund to fall even though the market is rising.

## 18. Derivative counterparty risk

The fund may have derivative contracts with companies such as banks or other financial institutions. If these companies experience financial difficulty, they may be unable to pay back some or all of the interest, original capital or other payments that they owe. If this happens, the value of your fund may fall.

## 19. Smaller companies

The fund invests in smaller companies. Investments in smaller companies tend to be riskier than investments in larger companies because they can:

- be harder to buy and sell;
- go up and down in value more often, and by larger amounts, especially in the short term.

## 20. Concentration of investments

Most funds have lots of individual investments, so don't rely upon the performance of just a few. The whole of this fund, or a large part of it, has relatively few individual investments. This means that a fall in the value of an individual investment can have a major impact on the overall performance of the fund.

## 21. Emerging markets

The fund invests in countries where investment markets are not as well developed as those in the UK. This means that investments are generally riskier than those in the UK because they:

- are not as well regulated
- are more difficult to buy and sell
- have less reliable arrangements for the safekeeping of assets
- are more exposed to political and taxation uncertainties.

The value of the fund can go up and down more often and by larger amounts than funds that invest in developed countries, especially in the short term.

**22. Market sector**

Most of the fund invests in companies from a particular market sector. Investing like this can be riskier than investing across many market sectors. This is because the value of the fund can go up and down in value more often and by larger amounts than funds that are spread more widely, especially in the short term.

**23. Commercial property**

Property can be difficult to buy or sell. This could mean:

- cash builds up waiting to be invested, so the fund will underperform when property returns are greater than the interest earned; and/or
- property may have to be sold for less than expected.

If an exceptional amount of withdrawals are requested, the fund manager may be forced to sell properties quickly. This could mean that properties are sold for less than expected, which would reduce the value of your investment.

If the size of the fund falls significantly, the fund may have to invest in fewer properties. This may lead to an increase in risk.

Rental growth is not guaranteed and unpaid rent could affect the performance of your investment.

The value of property is generally a matter of valuer's opinion rather than fact and the true value of a property may not be recognised until the property is sold.

**24. Deposit**

The fund has money on deposit with companies such as banks or other financial institutions. If any of these suffer financial difficulty, they may be unable to pay back some or all of the interest, original amount invested or other payments they owe. If this happens the value of your fund may fall.

**25. Unregulated schemes**

This fund can invest in unregulated schemes. Each unregulated scheme can have a higher risk than an authorised scheme. This could lead to an increased risk to the value of your investment.

**27. Socially responsible or religious investments**

The standards used for this fund mean that it cannot invest in some companies' shares, corporate bonds or in certain market sectors. For example tobacco or mining. Because this fund limits the companies it may invest in, it may be riskier than funds that don't have such restrictions.

**28. Money market**

The fund invests in money market securities which may be issued by governments, companies, banks and other financial institutions. If any of these issuers suffer financial difficulty, they may be unable to pay back some or all of the interest, the original amount invested or other payments they owe. The value of money market securities may fall due to changes in interest rates, inflation, creditworthiness, wider credit events or extensions to the anticipated term of investments. If this happens the value of your fund may fall.

**29. Delayed repayment**

This fund is able to delay paying out, which may mean that you have to wait to get your money. A delay may happen when market conditions mean it is difficult for the fund manager to cash in investments to pay out to investors.

For example, a fund with investments in commercial properties may find they may take time to sell. Whilst waiting to complete on the sale of properties, the fund manager may suspend making payments to investors who want to cash in.

The fund can only delay paying out if it is in the interests of all investors.

**30. Few bond issuers**

The fund invests almost exclusively in fixed interest bonds from a single or small number of issuers, such as companies or governments. If any of these issuers experience financial difficulty, they may be unable to pay back some or all of the interest, the original investment or other payments that they owe. If this happens, the value of your fund may fall.

**31. Liquidity**

This fund has investments that, rather than being traded on a stock exchange, are traded through agents, brokers or investment banks matching buyers and sellers. This makes the investments less easy to buy and sell than those that are traded on an exchange and on any particular day there may not be a buyer or a seller for the investments.

In times of market uncertainty or if an exceptional amount of withdrawals are requested it may become less easy for your fund to sell investments. If this happens, the value of your fund may fall and in extreme circumstances this may also force a delay in buying and selling your investment in the fund, which may mean you have to wait for your money to be invested or returned.

The fund can only delay paying out if it is in the interests of all investors.

**32. Private equity**

This fund invests in shares of companies that are not listed on a stock exchange, so they can be difficult to buy or sell. This could mean the shares may have to be sold for less than expected, which would reduce the value of your investment.

The value of private company shares is generally a matter of valuer's opinion rather than fact.

**33. Exchange Traded Funds**

Exchange Traded Funds generally try to match the performance of a share index, such as the FTSE 100, or to track the price of commodities such as oil or gold. Exchange Traded Funds can use a number of different techniques to achieve their goals (including the use of derivatives) and as a consequence can be more complex than traditional funds. The value of this investment may go up and down more often and by larger amounts, particularly in the short term.

### **34. Targeted Absolute Return Funds**

The fund is a Targeted Absolute Return Fund. This type of fund tries to increase the value of your investment over a period of time, in both rising and falling markets. It is important to be comfortable with the fund's objective.

There is no guarantee of returns. The fund's value may go down as well as up. You may not get back the money you invested.

Targeted Absolute Return Funds use a range of different types of investment strategies, some of which can be high risk, and may use derivatives. As a consequence these funds can be more complex than traditional funds. It is possible that the value of these funds could go down when the market is rising, or may not rise as quickly. Each Targeted Absolute Return Fund is designed to produce a specific outcome, so care should be taken when comparing them with other funds.

### **35. Stock lending**

The fund manager may lend stock to other parties and it is usual for the borrower to provide collateral. If the borrower fails to return the borrowed stock, the collateral may not be enough to cover the value of the stock, resulting in a reduction in the fund value.

### **36. Inflation linked bonds**

The fund invests in inflation-linked bonds, which are particularly sensitive to changes in inflation rates. Their values are likely to fall when inflation rates fall.

### **37. Emerging markets Currencies**

The fund holds investments valued in currencies of developing countries. The exchange rate between these currencies and sterling (British pounds) may experience greater fluctuations than might be the case with currencies of developed countries. If the value of these currencies falls compared to sterling, this may mean the value of your investment and the income paid to you will go down.

# FUND INFORMATION.

The following pages provide a brief introduction to each investment management company, the individual aim of each fund, the annual fund charge, the fund code, the fund specific risks applicable to that fund, the valuation spread for funds managed by Legal & General and the underlying fund type for funds managed by investment management companies other than Legal & General.

All information provided is as accurate and current as we can make it. However, we can't guarantee that the information for any individual fund hasn't changed since this document was published in June 2018. You can cross-reference the fund specific risk numbers with the explanations in the Fund specific risk definitions section on pages 10, 11 and 12.

# FUNDS MANAGED BY LEGAL & GENERAL.

## LEGAL & GENERAL GROUP

The Legal & General Group, established in 1836, is one of the UK's leading financial services companies. As at 31 December 2017, the total value of assets across the group was £983.3 billion, including derivative assets. We also had over 9.5 million customers in the UK for our life assurance, pensions, investments and general insurance plans.

## LEGAL & GENERAL ALL STOCKS GILT INDEX FUND

**Aim:** To track the return of the FTSE Actuaries UK Conventional Gilts All Stocks Index (after adjustment for charges and tax) by investing in UK Government Securities. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DBYU

**Fund specific risks:** 14, 15, 20, 28, 29, 30, 31

**Valuation spread:** 0.05%

## LEGAL & GENERAL ALL STOCKS INDEX-LINKED GILT INDEX FUND

**Aim:** To track the return of the FTSE Actuaries UK Index-Linked Gilts All Stocks Index (after adjustment for charges and tax) by investing in UK Index-Linked Government Securities. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DXIU

**Fund specific risks:** 14, 15, 20, 28, 29, 30, 31, 36

**Valuation spread:** 0.09%

## LEGAL & GENERAL CASH FUND

**Aim:** To provide capital protection with growth at short-term interest rates. The fund invests in the short-term money markets such as bank deposits and treasury bills.

### Notes

- A. The fund does not invest in any asset types where the capital value can fall, such as fixed interest securities. The value of the fund's assets would only fall if a deposit holder or the UK Government were unable to meet their obligations.
- B. If the interest earned by the fund's assets is insufficient to cover the fund charge and any additional fund expenses, the unit price will fall.

**Annual fund charge:** 1.30%

**Fund code:** DABU

**Fund specific risks:** 14, 15, 24, 28, 29

**Valuation spread:** 0.00%

## LEGAL & GENERAL GLOBAL EMERGING MARKETS INDEX FUND

**Aim:** To track the return of the FTSE All-World Emerging Markets Index (after adjustment for charges and tax) by investing in global emerging market shares. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DXVU

**Fund specific risks:** 12, 13, 17, 21, 24, 29, 37

**Valuation spread:** 0.54%

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

**LEGAL & GENERAL GLOBAL EQUITY INDEX FUND**

**Aim:** To track the return of the FTSE All-World Index (after adjustment for charges and tax) by investing in global shares. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DCBU

**Fund specific risks:** 12, 13, 29

**Valuation spread:** 0.13%

**LEGAL & GENERAL INTERNATIONAL INDEX FUND**

**Aim:** To track the return of the FTSE All-World ex UK Index (after adjustment for charges and tax) by investing in global shares. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DXJU

**Fund specific risks:** 12, 13, 29

**Valuation spread:** 0.08%

**LEGAL & GENERAL MIXED INVESTMENT 0-20% FUND**

**Aim:** To deliver long-term growth of capital and income. The fund invests in a broad range of UK and overseas companies' shares, fixed interest securities, cash and other assets including those giving indirect exposure to commodities and property. The fund will have a bias towards fixed interest securities and up to 20% of the fund's property will have an exposure to shares.

**Annual fund charge:** 1.30%

**Fund code:** DYKU

**Fund specific risks:** 12, 13, 14, 15, 16, 29, 31, 33

**Valuation spread:** 0.36%

**LEGAL & GENERAL MIXED INVESTMENT 0-35% FUND**

**Aim:** To deliver long-term capital growth which exceeds the Bank of England's base interest rate as set by the Monetary Policy Committee or successor bodies.

**Annual fund charge:** 1.30%

**Fund code:** DPUU

**Fund specific risks:** 12, 13, 14, 15, 16, 21, 29, 31, 33, 37

**Valuation spread:** 0.37%

**LEGAL & GENERAL MIXED INVESTMENT 20-60% FUND**

**Aim:** To provide long-term growth of both capital and income. The fund will invest in shares, fixed interest securities and other assets including those giving indirect exposure to commodities and real property. Between 20% and 60% of the fund will be invested in shares.

**Annual fund charge:** 1.30%

**Fund code:** DYEU

**Fund specific risks:** 12, 13, 14, 15, 16, 21, 29, 31, 33, 37

**Valuation spread:** 0.36%

**LEGAL & GENERAL MIXED INVESTMENT 40-85% FUND**

**Aim:** To provide long-term growth of both capital and income. The fund will invest between 40-85% in a broad range of UK and overseas companies' shares with the balance predominantly in fixed interest securities.

**Annual fund charge:** 1.30%

**Fund code:** DPSU

**Fund specific risks:** 12, 13, 14, 15, 16, 21, 29, 31, 33, 37

**Valuation spread:** 0.38%

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

**LEGAL & GENERAL STERLING CORPORATE BOND INDEX FUND**

**Aim:** To track the return of the iBoxx Sterling Non-Gilts ex-BBB Index (after adjustment for charges and tax) by investing in UK corporate bonds. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DXKU

**Fund specific risks:** 12, 14, 15, 16, 29, 31

**Valuation spread:** 0.57%

**LEGAL & GENERAL STERLING INCOME FUND**

**Aim:** To provide a high monthly income from a portfolio of predominantly investment grade bonds issued in the UK and overseas. The fund can invest up to 20% in sub-investment grade bonds.

**Annual fund charge:** 1.99%

**Fund code:** DPTU

**Fund specific risks:** 12, 14, 15, 16, 29, 31

**Valuation spread:** 0.66%

**LEGAL & GENERAL UK EQUITY INDEX FUND**

**Aim:** To track the return of the FTSE All-Share Index (after adjustment for charges and tax) by investing in UK shares. In order to accurately track this index the fund will invest in a representative sample of holdings.

**Annual fund charge:** 1.30%

**Fund code:** DFDU

**Fund specific risks:** 13, 29

**Valuation spread:** 0.55%



If you're investing in any of our index-tracking funds, you should note the following information about the stock market indices these funds track:

All rights in the FTSE Actuaries UK Conventional Gilts All Stocks Index, FTSE Actuaries UK Index-Linked Gilts All Stocks Index, FTSE All-World Emerging Markets Index, FTSE All-World Index, FTSE All-World ex UK Index and FTSE All-Share Index (the 'Indices') vest in FTSE International Limited ('FTSE'). 'FTSE®' is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence.

The Legal & General All Stocks Gilt Index Fund, Legal & General All Stocks Index-Linked Gilt Index Fund, Legal & General Global Emerging Markets Index Fund, Legal & General Global Equity Index Fund, Legal & General International Index Fund and Legal & General UK Equity Index Fund (the 'funds') have been developed solely by Legal & General.

The Indices are calculated by FTSE or its agent. FTSE and its licensors are not connected to and do not sponsor, advise, recommend, endorse or promote the funds and do not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Indices or (b) investment in or operation of the funds. FTSE makes no claim, prediction, warranty or representation either as to the results to be obtained from the funds or the suitability of the Indices for the purpose to which they are being put by Legal & General.

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

# FUND MANAGERS OTHER THAN LEGAL & GENERAL.

## ARTEMIS FUND MANAGERS LIMITED

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management. The firm now manages some £27 billion as at 30 November 2017 across a range of funds, two investment trusts, a venture capital trust and both pooled and segregated institutional portfolios. Artemis' fund managers invest in the funds that they and their colleagues manage. This has been a key tenet of Artemis' approach to investment since the firm started. It means that they 'eat their own cooking'. It means that their fund managers' interests are directly aligned with those of their investors. As part of Artemis' distinctive culture, the Artemis Charitable Foundation receives each year a fixed percentage of the firm's revenues. That income is passed on to charities chosen by their staff. And by underwriting such events as the Artemis Kindrochit Quadrathlon, the Foundation enables further charitable giving. All this encourages their staff to contribute to the world beyond fund management.

### LEGAL & GENERAL ARTEMIS GLOBAL INCOME FUND

**Aim:** To achieve a rising income combined with capital growth from a wide range of investments. The fund will mainly invest in global equities but may have exposures to fixed interest securities. The fund will not be restricted in its choice of investments, regardless of size of the company, the industry it trades in or the geographical split of the portfolio.

**Annual fund charge:** 2.39%

**Fund code:** 0720

**Fund specific risks:** 12, 13, 19, 29

**Underlying fund type:** Unit trust

### LEGAL & GENERAL ARTEMIS INCOME FUND

**Aim:** To produce a rising income with capital growth from a portfolio primarily made up of investments in the UK including ordinary shares, convertibles and fixed interest securities.

**Annual fund charge:** 2.05%

**Fund code:** 0110

**Fund specific risks:** 12, 13, 19, 29

**Underlying fund type:** Unit trust

## BLACKROCK

BlackRock is a premier provider of asset management, risk management and advisory services to institutional, intermediary and individual clients worldwide. As at 30 September 2017, the firm managed USD 5.97 trillion across asset classes in separate accounts, mutual funds, other pooled investment vehicles, and the industry-leading iShares® exchange-traded funds.

### LEGAL & GENERAL BLACKROCK UK SPECIAL SITUATIONS FUND

**Aim:** To achieve long-term capital growth for investors. The fund invests primarily in the shares of companies incorporated or listed in the UK and will normally have an emphasis on small or medium-sized companies. The fund may also invest in collective investment schemes. Small and medium-sized companies are those whose market capitalisation is lower than that of companies in the FTSE 100 Index at the time of the fund's investment.

**Annual fund charge:** 2.28%

**Fund code:** 0181

**Fund specific risks:** 13, 19, 29, 35

**Underlying fund type:** Unit trust

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

## COLUMBIA THREADNEEDLE INVESTMENTS

Columbia Threadneedle Investments is a global asset management group that provides a broad range of actively managed investment strategies and solutions covering global, regional and domestic markets and asset classes. They invest on behalf of individuals, pension funds and corporations. They strive to deliver the investment outcomes that their clients expect when they entrust them with their money, through an investment approach that is active, client-focused and performance driven. With over 450 investment professionals based in Europe, North America and Asia, they manage £362/USD 485/EUR 410 billion (as at 30 September 2017) of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives, including UK property, and have a presence in 19 countries. Columbia Threadneedle Investments is the brand name of the Columbia and Threadneedle group of companies. It is owned by Ameriprise Financial, Inc. (NYSE:AMP), a leading US-based financial services provider. As part of Ameriprise, they are supported by a large and well-capitalised diversified financial services firm.

### LEGAL & GENERAL THREADNEEDLE GLOBAL EQUITY INCOME FUND

**Aim:** To provide income with the potential to grow the amount you invested. The fund invests at least two-thirds of its assets in shares of companies worldwide. The fund may also invest in asset classes and instruments different from those stated above.

**Annual fund charge:** 2.38%

**Fund code:** 0718

**Fund specific risks:** 12, 13, 29

**Underlying fund type:** OEIC

### LEGAL & GENERAL THREADNEEDLE UK FUND

**Aim:** To grow the amount you invested. The fund invests at least two-thirds of its assets in shares of companies in the UK or companies that have significant UK operations.

**Annual fund charge:** 2.37%

**Fund code:** 0716

**Fund specific risks:** 13, 29

**Underlying fund type:** OEIC

## FIL INVESTMENT SERVICES (UK) LIMITED

Fidelity International is an asset manager serving retail, wholesale and institutional investors in 25 countries globally outside North America. With USD 313.5 billion assets under management as at 30 September 2017, they are one of the world's largest providers of active investment strategies and retirement solutions.

### LEGAL & GENERAL FIDELITY EMERGING MARKETS FUND

**Aim:** To achieve long-term capital appreciation. The fund will invest primarily in securities of countries experiencing rapid economic growth including, without limitation, Africa, the Indian sub-continent, Latin America, South East Asia, Europe and the Middle East. There is no policy to restrict investment to particular economic sectors.

**Annual fund charge:** 2.62%

**Fund code:** 0743

**Fund specific risks:** 12, 13, 21, 29, 37

**Underlying fund type:** OEIC

**LEGAL & GENERAL FIDELITY EXTRA INCOME FUND**

**Aim:** To achieve a relatively high level of income. The fund will obtain exposure primarily to UK corporate and government bonds and other fixed income and money market securities, preference shares and convertibles. The fund may invest directly in securities or may achieve exposure indirectly through the use of derivatives. The fund may also invest in money market instruments, collective investment schemes, cash and near-cash and deposits. Derivatives may be used for efficient portfolio management and investment purposes and may include (but are not limited to) derivatives on exchange rates, interest rates, inflation and credit. The fund may also take positions which enable it to benefit from falling asset prices.

**Annual fund charge:** 2.26%

**Fund code:** 0721

**Fund specific risks:** 14, 15, 16, 17, 18, 29, 31

**Underlying fund type:** OEIC

**LEGAL & GENERAL FIDELITY STRATEGIC BOND FUND**

**Aim:** To achieve a relatively high income with the possibility of capital growth. The fund will obtain exposure primarily to sterling-denominated (or hedged back to sterling) fixed interest securities. The fund may invest directly in fixed interest securities or may achieve exposure indirectly through the use of derivatives. The fund may also invest in other transferable securities, money market instruments, collective investment schemes, cash and near-cash and deposits. Derivatives may be used for efficient portfolio management and investment purposes and may include (but are not limited to) derivatives on exchange rates, interest rates, inflation and credit. The fund may also take positions which enable it to benefit from falling asset prices.

**Annual fund charge:** 2.18%

**Fund code:** 0694

**Fund specific risks:** 14, 15, 16, 17, 18, 29, 31

**Underlying fund type:** OEIC

**INVESCO FUND MANAGERS LIMITED**

Invesco Perpetual is a business name of Invesco Fund Managers Limited managing £105.94 billion in assets (assets managed by Invesco Perpetual's Henley-based investment centre as at 30 November 2017) through a broad product range. At the heart of their approach is a belief in active fund management; building portfolios based on thorough research and analysis to identify the investment opportunities they consider most likely to provide the strongest long-term returns.

**LEGAL & GENERAL INVESCO PERPETUAL CORPORATE BOND FUND**

**Aim:** To achieve a combination of income and capital growth over the medium to long-term. The fund seeks to achieve its objective by investing primarily in investment grade corporate debt securities. The fund may also invest in government, unrated and sub-investment grade debt securities, cash, cash equivalents, money market instruments, collective investment schemes, and other transferable securities. Financial derivative instruments can be used for investment purposes and for efficient portfolio management. They may include derivatives on currencies, interest rates and credit and can be used to achieve both long and short positions.

**Annual fund charge:** 1.88%

**Fund code:** 0014

**Fund specific risks:** 14, 15, 16, 17, 18, 22, 29, 31

**Underlying fund type:** OEIC

**LEGAL & GENERAL INVESCO PERPETUAL INCOME FUND**

**Aim:** To achieve a reasonable level of income, together with capital growth. The fund intends to invest primarily in companies listed in the UK, with the balance invested internationally. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions.

**Annual fund charge:** 2.19%

**Fund code:** 0015

**Fund specific risks:** 13, 19, 29

**Underlying fund type:** OEIC

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

## INVESTEC FUND MANAGERS LIMITED

Investec Asset Management provides investment products and services to institutions, advisory clients and individuals. Their clients include pension funds, central banks, sovereign wealth funds, insurers, foundations, financial advisers and individual investors. It all began in South Africa in 1991. They were a small start-up offering domestic strategies in an emerging market. Now they're an international business managing approximately USD 132 billion as at 30 September 2017 for clients based all over the world.

### LEGAL & GENERAL INVESTEC UK ALPHA FUND

**Aim:** To provide long-term capital growth and income. The fund invests primarily in the shares of UK companies focussing on shares believed to offer above average opportunities for total returns (the combination of income and capital growth). The fund may invest in other assets such as cash, other funds and derivatives (financial contracts whose value is linked to the price of an underlying asset).

**Annual fund charge:** 2.33%

**Fund code:** 0745

**Fund specific risks:** 13, 29

**Underlying fund type:** OEIC

### LEGAL & GENERAL INVESTEC UK SPECIAL SITUATIONS FUND

**Aim:** To provide income and long-term capital growth. The fund invests primarily in the shares of UK companies. The fund currently uses a value-based, contrarian approach (investing in companies seen as undervalued where market sentiment is believed to be generally weak) in selecting investments. The fund may invest in other assets such as cash, other funds and derivatives (financial contracts whose value is linked to the price of an underlying asset).

**Annual fund charge:** 2.07%

**Fund code:** 0153

**Fund specific risks:** 13, 29

**Underlying fund type:** OEIC

## JANUS HENDERSON INVESTORS

Janus Henderson Investors are proud to offer a highly diversified range of products, harnessing the intellectual capital of some of the industry's most innovative and formative thinkers. Their expertise encompasses the major asset classes, they have investment teams situated around the world, and they serve individual and institutional investors globally. They have £268.7 billion in assets under management, more than 2,000 employees and offices in 27 cities worldwide as at 30 September 2017. Headquartered in London, they are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

### LEGAL & GENERAL JANUS HENDERSON UK PROPERTY PAIF FEEDER

**Due to the structure of the Janus Henderson UK Property PAIF we can't invest directly into it. However, Janus Henderson provides a feeder fund which invests directly into their UK Property PAIF.**

**Aim:** To achieve a high income together with some growth of both income and capital through investment primarily in commercial property and property related assets. Other investments may include money market instruments, derivatives and forward foreign exchange contracts.

**Annual fund charge:** 2.67%

**Fund code:** 0076

**Fund specific risks:** 12, 22, 23, 29

**Underlying fund type:** OEIC

## KAMES CAPITAL

Kames Capital is a specialist investment management business. From their offices in Edinburgh and London they manage £44 billion as at 30 September 2017 on behalf of UK and international clients – including wealth managers, financial institutions, pension funds, charities and financial advisers. Investment management is their only business, ensuring they have no competing priorities or distractions. They focus exclusively on the six areas in which they believe they can offer their clients a compelling proposition - fixed income, equities, property, multi-asset, absolute return and ethical investing.

### LEGAL & GENERAL KAMES HIGH YIELD BOND FUND

**Aim:** To maximise total return (income plus capital) by investing in a portfolio of predominately high-yield bonds, selected investment grade bonds and cash. The fund may hold sterling and other currency denominated bonds hedged back to sterling. The fund may also invest in deposits, money market instruments, derivative instruments and forward transactions.

**Annual fund charge:** 2.10%

**Fund code:** 0086

**Fund specific risks:** 12, 14, 15, 16, 17, 29

**Underlying fund type:** OEIC

### LEGAL & GENERAL KAMES INVESTMENT GRADE BOND FUND

**Aim:** To maximise total return (income plus capital) by investing primarily in investment grade and government bonds denominated in sterling and other currencies. The fund may hold a maximum of 20% in high yield bonds and may also hold cash. A minimum of 80% of the fund will be hedged back to sterling. The fund may also invest in deposits, money market instruments, derivative instruments and forward transactions.

**Annual fund charge:** 2.24%

**Fund code:** 0723

**Fund specific risks:** 14, 15, 16, 17, 29

**Underlying fund type:** OEIC

## LAZARD ASSET MANAGEMENT LIMITED

Lazard Asset Management has a company history dating back to 1848 and has £155.1 billion under management as at 31 March 2017.

### LEGAL & GENERAL LAZARD EMERGING MARKETS FUND

**Aim:** To achieve long-term capital growth by investing primarily in companies located in, or doing significant business in, emerging market countries.

**Annual fund charge:** 2.17%

**Fund code:** 0554

**Fund specific risks:** 12, 13, 21, 29, 37

**Underlying fund type:** OEIC

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

## LIONTRUST FUND PARTNERS LLP

Liontrust Asset Management PLC is a specialist fund management company launched in 1995 and listed on the London Stock Exchange in 1999. They manage UK, European, Asian and Global Equities and Multi-Asset with £10.6 billion assets under management as at 31 December 2017. The company is headquartered in London and has branch offices in Edinburgh and Luxembourg.

### LEGAL & GENERAL LIONTRUST SPECIAL SITUATIONS FUND

**Aim:** To provide long-term capital growth. To achieve this aim, the fund will invest primarily in a concentrated portfolio of UK companies' shares. The fund will invest where the fund manager believes there are the greatest opportunities to provide long term capital growth. The fund will not be restricted in choice of investment by either size or sector. The fund may also invest in transferable securities, money market instruments, warrants, cash and near cash and deposits. The fund may also invest up to 10% of its property in units or shares in collective investment schemes. The fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

**Annual fund charge:** 2.46%

**Fund code:** 0746

**Fund specific risks:** 13, 19, 29, 35

**Underlying fund type:** Unit trust

## M&G SECURITIES LIMITED

M&G is a leading international asset manager, known for its long-term and conviction-led approach to investing. They have been an active manager of investments for individual and institutional clients for over 80 years. Today they manage assets in excess of £281.5 billion as at 30 June 2017 in equities, multi-asset, fixed income, real estate and cash for clients across Europe and Asia.

### LEGAL & GENERAL M&G FEEDER OF PROPERTY PORTFOLIO FUND

**Due to the structure of the M&G Property Portfolio Fund we can't invest directly into it. However, M&G provides a feeder fund which invests directly into their Property Portfolio.**

**Aim:** To provide income and grow capital over five years or more, solely through investment in the M&G Property Portfolio, which is a diversified portfolio of commercial property, predominantly in the UK.

**Annual fund charge:** 2.89%

**Fund code:** 0465

**Fund specific risks:** 17, 18, 23, 29

**Underlying fund type:** Unit trust

### LEGAL & GENERAL M&G GLOBAL DIVIDEND FUND

**Aim:** To increase the income stream every year; to provide a dividend yield above that available from the MSCI All Country World Index over any five-year period; and to provide combined income and capital growth that is higher than that of the index over any five-year period. At least 70% of the fund is invested in the shares of companies from anywhere in the world. The fund manager focuses on companies with the potential to grow their dividends over the long term and invests across a wide range of countries, sectors and company sizes. The fund manager selects stocks with different sources of dividend growth to build a fund that has the potential to cope in a variety of market conditions.

**Annual fund charge:** 2.56%

**Fund code:** 0651

**Fund specific risks:** 12, 13, 17, 29

**Underlying fund type:** OEIC

**LEGAL & GENERAL M&G GLOBAL EMERGING MARKETS FUND**

**Aim:** To deliver income and capital growth over the long term (five years or more) by investing at least 70% of the fund in shares of companies from across the emerging markets. It can also invest in companies that conduct the majority of their business activities in such countries. Investments are chosen based purely on a company's individual merits. The fund manager focuses on firms that are run for the benefit of their shareholders and whose future profitability, in his opinion, is not fully appreciated by other investors. He has an investment horizon of three to five years and selects stocks with different drivers of profitability to construct a diversified portfolio that has the potential to cope in a variety of market conditions.

**Annual fund charge:** 2.57%

**Fund code:** 0717

**Fund specific risks:** 12, 13, 17, 18, 21, 29, 37

**Underlying fund type:** OEIC

**LEGAL & GENERAL M&G RECOVERY FUND**

**Aim:** The fund invests at least 80% of the portfolio in companies that are out of favour with the stockmarket where the fund manager believes a good management team is making concerted efforts to turn the business around. The fund's sole aim is to achieve capital growth. The fund manager takes a long-term view with a typical holding period of five years or more. Developing a constructive dialogue with company management is a fundamental part of the investment process.

**Annual fund charge:** 1.97%

**Fund code:** 0025

**Fund specific risks:** 13, 17, 18, 29

**Underlying fund type:** OEIC

**NEWTON (BNY MELLON FUND MANAGERS LIMITED)**

BNY Mellon Investment Management EMEA Limited is the global asset management arm of BNY Mellon, one of the world's major financial services groups. With £1.3 trillion in assets under management as at 30 September 2017, their multi-boutique model encompasses the skills of a number of world class specialist investment managers in their UK fund range, including Newton Investment Management (Newton), Walter Scott and Partners, Insight Investment Management Limited and The Boston Company Asset Management.

**LEGAL & GENERAL NEWTON GLOBAL INCOME FUND**

**Aim:** To generate distributions over an annual period together with long-term capital growth from investing predominantly in global securities.

**Annual fund charge:** 2.02%

**Fund code:** 0507

**Fund specific risks:** 12, 13, 14, 15, 18, 19, 21, 29, 35

**Underlying fund type:** OEIC

## OLD MUTUAL INVESTMENT MANAGEMENT LIMITED

Old Mutual Global Investors business (OMGI) business was formed in 2012, combining Skandia Investment Group's (SIG) multi manager expertise with Old Mutual Asset Managers' (OMAM) direct investment prowess. The merger brought together the expertise of two UK asset management firms with complementary approaches into a single powerful force, well positioned to meet the needs of distributors and customers alike. OMAM was originally established in the UK in 1994 under the name Minkgrove Limited and subsequently changed its name to Old Mutual International Asset Manager (UK) Limited later the same year before becoming OMAM in March 1997. Old Mutual plc acquired Skandia Group in February 2006. A year later, in October 2007 SIG was created by subsidiaries of Skandia Group. Old Mutual Global Investors (UK) Limited is a private limited company incorporated in the United Kingdom and had assets under management of £39.6 billion as at 30 September 2017. Old Mutual Global Investors (OMGI) is a leading asset management firm, offering a distinctive blend of investment prowess and a deep commitment to customer service and transparency. Their aim is to deliver strong investment performance and customer-focused investment solutions that result in positive outcomes for their clients. In pursuit of this aim, they seek to offer customers and their advisers real choice, from fully-packaged solutions for those who want to outsource some of the biggest decisions, to the highest-quality investment building blocks for those who wish to retain greater control and flexibility.

### LEGAL & GENERAL OLD MUTUAL GLOBAL EQUITY FUND

**Aim:** To achieve long-term capital growth through the active management of a diversified portfolio invested primarily in a broad range of global equities.

**Annual fund charge:** 2.51%

**Fund code:** 0747

**Fund specific risks:** 12, 13, 29

**Underlying fund type:** OEIC

## ROYAL LONDON ASSET MANAGEMENT

Royal London Asset Management (RLAM) was established in 1988 and is one of the UK's leading investment companies, with funds under management of £111.1 billion as of 30 September 2017. RLAM is a wholly-owned subsidiary of the Royal London Group (the Group). The Royal London Group consists of the Royal London Mutual Insurance Society Limited (RLMIS) and its subsidiaries, and is the UK's largest mutual life insurer. Founded in 1861, initially as a Friendly Society, Royal London became a mutual life insurance company in 1908. Being a mutual society, Royal London Group is owned by its policy holders. As a member-owned organisation, the Group is fully committed to achieving long-term value for their members - including providing excellent products, customer service and value for money. The Group's Board has expressed a long-term commitment to mutuality.

### LEGAL & GENERAL ROYAL LONDON CORPORATE BOND FUND

**Aim:** To maximise investment return (predominantly income with some capital growth) over the medium to long term from a portfolio comprising mainly of fixed interest securities. The fund may hold transferable securities, units in collective investment schemes, cash and derivatives for the purposes of efficient portfolio management.

**Annual fund charge:** 1.59%

**Fund code:** 0471

**Fund specific risks:** 14, 15, 16, 29, 31, 35

**Underlying fund type:** OEIC

### LEGAL & GENERAL ROYAL LONDON UK EQUITY INCOME FUND

**Aim:** To achieve a combination of income and some capital growth. The fund invests mainly in the shares of UK companies which pay a higher level of income. The fund may also invest a small portion in other UK shares. The fund may use derivatives, but for efficient portfolio management purposes only.

**Annual fund charge:** 2.18%

**Fund code:** 0726

**Fund specific risks:** 13, 29, 35

**Underlying fund type:** OEIC

**Risks:** 12. Currency changes, 13. Equities (company shares), 14. Fixed interest securities, 15. Risk of issuer becoming less secure, 16. High-yield bonds, 17. Derivatives, 18. Derivative counterparty risk, 19. Smaller companies, 20. Concentration of investments, 21. Emerging markets, 22. Market sector, 23. Commercial property, 24. Deposit, 25. Unregulated schemes, 27. Socially responsible or religious investments, 28. Money market, 29. Delayed repayment, 30. Few bond issuers, 31. Liquidity, 32. Private equity, 33. Exchange Traded Funds, 34. Targeted Absolute Return Funds, 35. Stock lending, 36. Inflation linked bonds, 37. Emerging markets Currencies. Please refer to pages 10, 11 and 12 of this document for the full fund specific risk definitions.

## SCHRODER INVESTMENT MANAGEMENT LIMITED

At Schrodgers, asset management is their business and their goals are completely aligned with those of their clients - the creation of long-term value. They have responsibility for £430.3 billion (EUR 493.9 billion/USD 577.3 billion) as at 30 June 2017 on behalf of institutional and retail investors, financial institutions and high net worth clients from around the world, invested in a broad range of asset classes across equities, fixed income, multi-asset and alternatives. They employ over 4,100 talented people worldwide operating from 41 offices in 27 different countries across Europe, the Americas, Asia and the Middle East, close to the markets in which they invest and close to their clients. Schrodgers has developed under stable ownership for over 200 years and long-term thinking governs their approach to investing, building client relationships and growing their business.

### LEGAL & GENERAL SCHRODER UK ALPHA INCOME FUND

**Aim:** To provide income and capital growth by investing in equity and equity related securities of UK companies. The fund invests at least 80% of its assets in equity and equity related securities of UK companies. These are companies that are incorporated, headquartered or have their principal business activities in the UK. 'Alpha' funds invest in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The fund may also invest in other equity and equity related securities, collective investment schemes, fixed income securities, warrants and money market instruments, and hold cash. The fund may use derivatives with the aim of reducing risk or managing the fund more efficiently.

**Annual fund charge:** 2.43%

**Fund code:** 0727

**Fund specific risks:** 13, 20, 29

**Underlying fund type:** OEIC

## WALTER SCOTT (BNY MELLON FUND MANAGERS LIMITED)

BNY Mellon Investment Management EMEA Limited is the global asset management arm of BNY Mellon, one of the world's major financial services groups. With £1.3 trillion in assets under management as at 30 September 2017, their multi-boutique model encompasses the skills of a number of world class specialist investment managers in their UK fund range, including Newton Investment Management (Newton), Walter Scott and Partners, Insight Investment Management Limited and The Boston Company Asset Management.

### LEGAL & GENERAL BNY MELLON LONG TERM GLOBAL EQUITY FUND

**Aim:** To achieve long-term capital appreciation through investing primarily in a portfolio of equity and equity related securities of companies located throughout the world.

**Annual fund charge:** 2.29%

**Fund code:** 0728

**Fund specific risks:** 12, 13, 21, 29, 35

**Underlying fund type:** OEIC



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**Legal & General Assurance Society Limited**

Registered in England and Wales No. 00166055

**Registered office:** One Coleman Street, London EC2R 5AA

Authorised by the Prudential Regulation Authority and regulated by the  
Financial Conduct Authority and the Prudential Regulation Authority.

Q23111 06/18 192277 P727