

# CHOOSING YOUR INVESTMENT FUND

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

# STAKEHOLDER PENSION PLAN INVESTMENT OPTIONS

This document is part of the information we provide to help you decide whether our Stakeholder Pension Plan is right for you. It 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 together with the Stakeholder Pension Plan Key Features.

## QUESTIONS AND ANSWERS

### WHAT IS AN INVESTMENT FUND?

When you invest in our Stakeholder Pension Plan you can put your money into one, or more, investment funds (up to a maximum of 10). Each fund is divided into a number of units. Each time you make a payment into your plan, we buy some of these units in your chosen fund, or funds. Alternatively, rather than selecting funds, you can invest in one of our lifestyle profiles, which are explained on page 16.

We offer a range of funds managed by different investment management companies. We manage some of the funds; other investment management companies manage the rest. In this document we refer to the funds managed by us as 'internal funds', and those not managed by us as 'external funds'.

### 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'. You don't hold units directly in the authorised fund. Authorised funds are explained in the **What is an authorised fund?** section on page 3.

Please bear in mind we don't have any influence over how external fund managers manage their funds.

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If you choose to invest in external funds there will be an External Funds Annual Management Charge (EFAMC), which is currently 0.15% a year of the value of the external funds. However, the total Annual Management Charge will not exceed the maximum as set out in our Stakeholder Pension Plan Key Features.

### 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 we calculate a unit price. 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 buying those assets. Buying prices are generally higher than selling prices.

If withdrawals from the fund are greater than investments, we need to sell assets. The unit price then takes account of the prices at which 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 'spread'. The amount of the spread usually depends upon the assets the fund invests in. The costs associated with buying or selling assets, such as stockbroker commissions, surveyors' fees and stamp duty/taxes, will vary by asset type, country and company size.

The 'spread' is not a fixed amount and varies depending on market conditions, taxes and costs.

Funds that invest in commercial property, certain corporate bonds, smaller companies or emerging markets tend to have a larger dealing spread than, for example, funds such as the UK Equity Index Fund.

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 unit-linked funds we manage are included in the **Fund information** section starting on page 8.

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Further details about how we value unit linked 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, or from us.

### External funds

When calculating the unit price for our version of the fund, we use the latest 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. Further information on authorised funds can be found below.



Further details about managing and valuing external funds are contained in the **Member's Policy Booklet**.

### WHAT IS AN AUTHORISED FUND?

There are three types of authorised fund:

- A unit trust
- An Investment Company with Variable Capital, more commonly known as an Open-Ended Investment Company (OEIC)
- A reinsured fund.

#### 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, but not in the traditional sense as it's simply an arrangement for investment. 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 different investment choices by using 'sub funds' that have different investment aims. 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. Whilst this could affect the performance of your fund, you'd never be personally responsible for any debts of the OEIC and would not be required to make further payments after investing.

### About reinsured funds

An insured fund is provided by a life insurance company and is only available to their customers. A reinsured fund is where Legal & General Assurance Society Limited (LGAS) enters into a contract with another life insurance company to enable our customers access to their insured fund. They then invest our customers' money in their fund, managed by their investment managers, alongside that of their own customers. The other life insurance company may be an external company or Legal and General Assurance Pensions Management Limited (PMC), which is another company within the Legal & General Group.

In the unlikely event that PMC or the external fund provider was to become insolvent, LGAS will attempt to recover the full value of any investments held with them. Any shortfall will be covered by LGAS.

### WHAT ARE INVESTMENT ASSETS?

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

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 within an asset type 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. However, 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.

### WHAT ARE FIXED INTEREST SECURITIES?

Fixed interest securities are more commonly known as 'bonds'. They are 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. 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.

If a fund buys a bond in a company that performs poorly, there is a risk that company will not 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.

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 or 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.

Property valuations are based on a valuer's opinion rather than fact, so 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.

### WHAT IS A CASH INVESTMENT?

Some funds keep a proportion of your money in cash. This is useful as it adds flexibility to your asset mix and aids stability.

The growth potential for cash is low, so if your fund does include some cash element, it tends to account for only a small percentage of the total fund. Cash generally offers the lowest risk of all asset types but also the lowest potential returns.

### 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.

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.

### WHAT 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. They usually invest in a particular market, country or region. They allow you to exploit the characteristics of a particular type of investment and tend to aim for high performance compared with more balanced funds. They are likely to be more risky than funds holding a very wide spread of assets.

### WHAT 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. This is because the value of funds holding overseas investments is converted from local currency into British pounds (sterling) so the value can fall if the pound strengthens against the local currency.

### WHAT ARE LIFESTYLE PROFILES?

An alternative investment option to choosing a fund, or funds, is to choose a lifestyle profile. Please see page 16 for more information about lifestyle profiles.

# THE FUNDS

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 companies managing them. The information in this document is correct as at September 2019.

## LEGAL & GENERAL EXAMPLE FUND

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

**Fund specific risks:** 12, 14, 15, 19

**Underlying fund type:** OEIC

**Spread:** 0.01%

## THE FUND 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 is no guarantee the fund manager will achieve the aim, and it is 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.

### 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(s) 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.
- 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 go to the **Fund specific risk definitions** section starting on page 6.

### Underlying fund type (external funds only)

For external funds this tells you if the fund is invested in a unit trust, a sub fund of an OEIC or a reinsured fund, as explained in the **What is an authorised fund?** section on page 3.

For funds managed by Legal & General the underlying fund type is not included, as they're not directly invested in unit trusts, OEICs or reinsured funds.

### 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 based on the latest information we have available on 1 March 2019. The spread may change from time to time. We can provide you with the spread applying to a fund at any time on request. Further information on 'spread' is available in the **How is my investment valued?** section on page 2.

## PUTTING THE FUND RISKS INTO CONTEXT

Some funds have many fund specific risks. This does not 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 is important is the percentage of the fund that is 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 the investment is exposed to the equities and exchange rate risks, it is likely to be a higher risk fund than Fund A, where the investment is divided between a spread of risks.

Investing in a fund with a mix of assets can reduce the impact of each specific risk. Alternatively, you can create an investment portfolio that invests in a mix of funds.

# FUND SPECIFIC RISK DEFINITIONS

An explanation of the fund specific risks used in this document can be found [here](#).

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.

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 Individual Stakeholder Pension Plan.

## 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 may undertake derivative transactions as part of efficient portfolio management (EPM) or for investment purposes. Using derivatives in this way could give lower returns, or cause the value of your investment 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

This 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:

- may not be as well regulated;
- may be more difficult to buy and sell;
- may have less reliable arrangements for the safekeeping of investments; or
- may be 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 and the value of an individual property could have a major impact on the overall performance of the fund.

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

The fund may undertake development of properties where the full benefit of any increases in the value of the property or the income earned from it are not received until completion. While any development is taking place, the fund is at risk from delays in receiving the benefit of any improvements, and additional costs. Developments may not achieve the predicted increase in the value of the property or rent.

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.

**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.

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.

**38. PMC reinsurance risk**

This fund is accessed through a reinsurance agreement between Legal & General Assurance Society Limited (LGAS) and Legal and General Assurance Pensions Management Limited (PMC). In the unlikely event that PMC was to become insolvent, LGAS will attempt to recover the full value of any investments held with PMC. Any shortfall will be covered by LGAS.

**39. External fund reinsurance risk**

This fund is accessed through a reinsurance agreement between Legal & General Assurance Society Limited (LGAS) and the external fund provider. In the unlikely event that the external fund provider was to become insolvent, LGAS will attempt to recover the full value of any investments held with the external fund provider. Any shortfall will be covered by LGAS.

## FUND INFORMATION

The following pages provide a brief introduction to each investment management company, the individual aim of each fund, the fund specific risks applicable to that fund, the 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 September 2019.

### REMEMBER, IF YOU'RE UNSURE ABOUT ANYTHING, PLEASE ASK.

We've made this document as simple to use as possible. However, some of the information is quite technical, so if there's anything you don't understand, or if you have a question about any of the funds, please speak to an adviser.



# LEGAL & GENERAL'S OWN FUNDS

Please go to the Fund specific risk definitions section starting on page 6 if you haven't done so already, as you need to cross-reference the fund specific risk numbers.

## LEGAL & GENERAL GROUP

The Legal & General Group, established in 1836, is one of the UK's leading financial services companies. As at 30 June 2018, the total value of assets across the group was £984.8 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 CASH FUND

**Aim:** To maintain capital and to provide a return in line with money market rates. The fund will generally invest in short term deposits, certificates of deposit, government bonds (predominantly UK) issued in pounds sterling and Repos.

Repos are an agreement between two parties to sell or buy an asset and later reverse the trade at an agreed date and price. If the interest earned by the fund's assets is lower than the fund's charges and any additional expenses, the unit price will fall.

**Fund specific risks:** 14, 15, 17, 24, 28, 29

**Spread:** 0.00%

## LEGAL & GENERAL CONSENSUS FUND

**Aim:** The fund will invest mainly in UK and overseas shares. The fund will also invest in fixed interest securities such as government bonds, corporate bonds and cash. The assets held within the fund are passively managed.

**Fund specific risks:** 12, 13, 14, 15, 24, 29

**Spread:** 0.35%

## LEGAL & GENERAL DISTRIBUTION FUND

**Aim:** To offer potential for good long-term growth by investing in a cautious and diversified portfolio of mainly shares, fixed interest securities and property.

**Fund specific risks:** 12, 13, 14, 15, 16, 17, 23, 29, 31

**Spread:** 0.80%

## LEGAL & GENERAL EQUITY FUND

**Aim:** To maximise returns by investing in a broad mix of mainly UK shares.

**Fund specific risks:** 13, 17, 19, 29

**Spread:** 0.86%

## LEGAL & GENERAL ETHICAL FUND

**Aim:** To track the return of the FTSE 350 Index (after adjustment for charges and tax), not including companies who don't comply with a range of ethical and environmental guidelines. In order to accurately track this modified index the fund will invest in a representative sample of holdings.

**Fund specific risks:** 13, 17, 27, 29

**Spread:** 0.62%

**LEGAL & GENERAL EUROPEAN FUND**

**Aim:** To provide the potential for long-term growth by investing in European shares, other than those of the UK.

**Fund specific risks:** 12, 13, 29 **Spread:** 0.39%

**LEGAL & GENERAL EUROPEAN EQUITY INDEX FUND**

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

**Fund specific risks:** 12, 13, 17, 29 **Spread:** 0.26%

**LEGAL & GENERAL FAR EASTERN FUND**

**Aim:** To provide the potential for long-term growth by investing in Far Eastern shares.

**Fund specific risks:** 12, 13, 21, 29 **Spread:** 0.61%

**LEGAL & GENERAL FIXED INTEREST FUND**

**Aim:** To maximise returns by investing in UK Government stocks and other readily marketable fixed interest securities. The fund may also include stocks of overseas governments and companies.

**Fund specific risks:** 14, 15, 29, 30 **Spread:** 0.07%

**LEGAL & GENERAL GLOBAL EQUITY 70:30 INDEX FUND**

**Aim:** To capture the returns of the UK and overseas stock markets as represented by the FTSE All-Share Index for the UK and the FTSE All-World ex UK Index for overseas stock markets. The fund will be split approximately 70% to the FTSE All-Share Index and 30% to the FTSE All-World ex UK Index. In order to accurately track these indices the fund will invest in a representative sample of holdings.

**Fund specific risks:** 12, 13, 29 **Spread:** 0.55%

**LEGAL & GENERAL GLOBAL EQUITY FIXED WEIGHTS 50:50 INDEX FUND**

**Aim:** To capture the returns of the UK and overseas stock markets as represented by the FTSE All-Share Index in the UK and appropriate subdivisions of the FTSE World Index overseas, with the fund split between the UK (50%) and overseas (50%). The overseas exposure of 50% is divided 17.5% in Europe (excluding UK), 17.5% in North America, 8.75% in Japan and 6.25% in Asia Pacific (excluding Japan).

**Fund specific risks:** 12, 13, 29 **Spread:** 0.47%

**LEGAL & GENERAL GLOBAL EQUITY FIXED WEIGHTS 60:40 INDEX FUND**

**Aim:** To capture the returns of the UK and overseas stock markets by investing 60% in our UK Equity Index Fund and 40% in our overseas equity index funds. The overseas shares are split 14% North America, 14% Europe (excluding UK), 6% Japan and 6% Asia Pacific (excluding Japan).

**Fund specific risks:** 12, 13, 29 **Spread:** 0.51%

**LEGAL & GENERAL INDEX LINKED GILT FUND**

**Aim:** To maximise returns by investing mainly in index-linked securities issued predominantly by the UK Government.

**Fund specific risks:** 14, 15, 17, 20, 29, 30, 36 **Spread:** 0.13%

**LEGAL & GENERAL INTERNATIONAL FUND**

**Aim:** To track the return of the FTSE 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.

**Fund specific risks:** 12, 13, 17, 29 **Spread:** 0.33%

**LEGAL & GENERAL MANAGED FUND**

**Aim:** To seek steady long-term growth, whilst at the same time safeguarding the fund against excessive risks. It invests mainly in UK and international shares, but also has some exposure to fixed interest securities, UK commercial property and cash, thereby offering a more diversified investment than a pure equity fund.

**Fund specific risks:** 12, 13, 14, 15, 17, 23, 29 **Spread:** 0.60%

**LEGAL & GENERAL (PMC) MULTI ASSET FUND**

**Aim:** To provide long-term investment growth through exposure to a diversified range of asset classes. The diversified nature of the fund means that the fund is expected to have less exposure than an equity-only fund to adverse equity market conditions. However, the fund may perform less strongly than an equity-only fund in benign or positive market conditions.

**Fund specific risks:** 12, 13, 14, 15, 17, 21, 29, 35, 37, 38 **Spread:** 0.44%

**LEGAL & GENERAL NORTH AMERICAN FUND**

**Aim:** To provide the potential for long-term growth by investing in North American shares.

**Fund specific risks:** 12, 13, 17, 29 **Spread:** 0.11%

**LEGAL & GENERAL OVER 15 YEAR GILTS INDEX FUND**

**Aim:** To track the return of the FTSE Actuaries UK Conventional Gilts Over 15 Years Index (after adjustment for charges and tax) to within +/- 0.25% each year for two years in three 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.

**Fund specific risks:** 14, 15, 20, 29, 30 **Spread:** 0.07%

**LEGAL & GENERAL (PMC) PRE RETIREMENT FUND**

**Aim:** To provide diversified exposure to assets that reflect the broad characteristics of investments underlying a typical traditional level annuity product.

**Fund specific risks:** 14, 15, 29, 38 **Spread:** 0.55%

**LEGAL & GENERAL PROPERTY FUND**

**Aim:** To get the best return from a portfolio of first class freehold and leasehold interests in commercial and industrial property. This includes industrial warehouse buildings, shopping units and office blocks. It is also permitted to invest up to 15% in other external property funds in order to take advantage of investment opportunities in niche or specialist sections.

**Fund specific risks:** 23, 29, 31 **Spread:** 1.05%

**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.

**Fund specific risks:** 13, 29 **Spread:** 0.66%

**LEGAL & GENERAL UK RECOVERY FUND**

**Aim:** To provide the potential for long-term growth by investing in a concentrated portfolio of UK and European shares. The fund will invest in companies considered to be undervalued due to their special situation, such as recovery action, management change, refinancing activity or undervalued strategic assets.

**Fund specific risks:** 13, 17, 20, 29 **Spread:** 0.66%

**LEGAL & GENERAL UK SMALLER COMPANIES FUND**

**Aim:** To provide the potential for long-term growth by investing in a portfolio predominately of UK shares, consisting mainly of smaller companies. The fund primarily invests in companies which comprise the lowest 10% (by capitalisation) of the UK stock market.

**Fund specific risks:** 13, 17, 19, 29 **Spread:** 2.01%

**LEGAL & GENERAL US EQUITY INDEX FUND**

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

**Fund specific risks:** 12, 13, 17, 19, 29 **Spread:** 0.26%

**LEGAL & GENERAL (PMC) WORLD (EX UK) EQUITY INDEX FUND**

**Aim:** To track the performance of the FTSE World (excluding UK) Index (including re-invested income) to within +/- 0.50% each year for two years out of three.

**Fund specific risks:** 12, 13, 17, 29, 35, 38 **Spread:** 0.18%



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 All-World ex UK Index, FTSE All-Share Index, FTSE 350 Index, FTSE USA Index, FTSE World Europe ex UK Index, FTSE Actuaries UK Conventional Gilts Over 15 Years Index, FTSE World Index, FTSE World (ex UK) Index (the 'Indices') vest in FTSE International Limited ('FTSE'). 'FTSE®' is a trade mark of the London Exchange Group companies and is used by FTSE under licence. The Legal & General UK Equity Index Fund, Legal & General Ethical Fund, Legal & General US Equity Index Fund, Legal & General European Equity Index Fund, Legal & General Over 15 Year Gilts Index Fund, Legal & General Global Equity Fixed Weights 50:50 Index Fund, Legal & General Global Equity 70:30 Index Fund and Legal & General (PMC) World (ex-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.

# FUND MANAGERS OTHER THAN LEGAL & GENERAL

## ABERDEEN STANDARD INVESTMENTS LIFE AND PENSIONS

Standard Life Aberdeen plc is one of the world's largest investment companies, created in 2017 from the merger of Standard Life plc and Aberdeen Asset Management PLC. Operating under the brand Aberdeen Standard Investments, the investment arm manages £505.1 billion of assets as at 31 December 2018, making it the largest active manager in the UK and one of the largest in Europe. It has a significant global presence and the scale and expertise to help clients meet their investment goals. As a leading global asset manager, Aberdeen Standard Investments is dedicated to creating long-term value for their clients. The investment needs of their clients are at the heart of what they do. They offer a comprehensive range of investment solutions, as well as the very highest level of service and support.

### LEGAL & GENERAL ASI LIFE GLOBAL (EX UK) EQUITY FUND

**Aim:** To provide exposure to an actively managed portfolio of overseas equities.

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

**Underlying fund type:** Reinsured fund

### LEGAL & GENERAL ASI LIFE MULTI ASSET FUND

**Aim:** To achieve long-term returns from a diversified portfolio of assets.

**Fund specific risks:** 12, 13, 14, 15, 29

**Underlying fund type:** Reinsured fund

### LEGAL & GENERAL ASI LIFE UK AND GLOBAL (50/50) EQUITY FUND

**Aim:** To provide exposure to an actively managed portfolio of UK and overseas equities.

**Fund specific risks:** 12, 13, 29, 39

**Underlying fund type:** Reinsured fund

### LEGAL & GENERAL ASI LIFE UK EQUITY FUND

**Aim:** To provide exposure to an actively managed portfolio of UK equities.

**Fund specific risks:** 13, 29, 39

**Underlying fund type:** Reinsured fund

**J.P.MORGAN ASSET MANAGEMENT LIMITED**

JPMorgan Asset Management (UK) Limited is the investment adviser to JPMorgan Fund ICVC and the ACD. The firm is part of a group of companies operating under the brand name of J.P. Morgan Asset Management, and ultimately owned by JPMorgan Chase & Co. Assets under management globally for J.P. Morgan Asset Management as at 30 September 2018 were USD 2.1 trillion.

**LEGAL & GENERAL JPM LIFE BALANCED FUND**

**Aim:** A pooled life fund for pension schemes investing primarily in global equities and bonds, which may include emerging markets and smaller companies on an ancillary basis, normally through other JPM Life funds. The fund may also hold derivatives. The fund seeks to achieve excess return through fund selection, country allocation, asset allocation, and currency exposure. The fund is well diversified and under normal circumstances, is fully invested, with cash holdings kept to a minimum.

**Fund specific risks:** 12, 13, 14, 15, 17, 21, 29, 37

**Underlying fund type:** Reinsured fund

**LEGAL & GENERAL JPM LIFE DIVERSIFIED EQUITY FUND**

**Aim:** A pooled life fund for pension schemes investing primarily in global equities and global property securities through other JPM funds. The fund seeks to achieve excess return through fund selection, as well as regional and country allocation. The fund may invest in funds which use derivatives for investment purposes. It may also use derivatives for efficient portfolio management or reduction of investment risk. The fund is well diversified and under normal circumstances is fully invested, with cash holdings kept to a minimum.

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

**Underlying fund type:** Reinsured fund

**LEGAL & GENERAL JPM LIFE UK SPECIALIST EQUITY FUND**

**Aim:** A pooled life fund for pension schemes investing primarily in UK equities, which may include smaller companies on an ancillary basis, either directly or through other funds. The fund seeks to achieve excess return through style analysis and stock selection. The fund is well diversified and, under normal circumstances, is fully invested in UK listed securities, with cash holdings kept to minimum.

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

**Underlying fund type:** Reinsured fund

**MAN FUND MANAGEMENT UK LIMITED**

Founded in 1995, GLG is a leading global investment manager offering a comprehensive range of alternative, traditional long-only and hybrid investment products and services to a broad range of clients. Today, GLG manages assets on behalf of public sector entities, foundations, sovereign wealth funds, financial institutions and high net worth individuals. In 2010 GLG was acquired by Man. Throughout its history, GLG has focused on delivering investment returns to its clients. It has a team of 102 dedicated investment professionals, managing assets of USD 34 billion as at 31 March 2019 in more than 30 strategies across equity, emerging markets, credit, convertible bond and thematic strategies.

**LEGAL & GENERAL MAN BALANCED MANAGED FUND**

**Aim:** To seek long-term capital growth through investing principally in a range of investment funds which are operated, managed or advised by Man Fund Management UK Limited or any of its associates. It may also invest in exchange traded funds (index-tracking funds that can be traded on exchanges like a share).

**Fund specific risks:** 12, 13, 14, 15, 17, 29, 34, 35

**Underlying fund type:** OEIC

**LEGAL & GENERAL MAN GLG CONTINENTAL EUROPEAN GROWTH FUND**

**Aim:** To achieve above-average long-term capital growth through investing, directly or indirectly, primarily in quoted securities comprised of equities and equity linked securities (securities whose returns are determined by the performance of the underlying equities) of companies listed on European Stock Exchanges.

**Fund specific risks:** 12, 13, 17, 20, 29

**Underlying fund type:** OEIC

**LEGAL & GENERAL MAN STOCKMARKET MANAGED FUND**

**Aim:** To seek long-term capital growth through investing principally in a range of investment funds which are operated, managed or advised by Man Fund Management UK Limited or any of its associates. It may also invest in exchange traded funds.

**Fund specific risks:** 12, 13, 14, 15, 17, 29, 34, 35

**Underlying fund type:** OEIC

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

BNY Mellon Investment Management's goal is to build and manage investments strategies that meet the ever-changing needs of their clients. BNY Mellon Investment Management's model offers the best of both worlds: specialist expertise from their forward-thinking eight investment firms, offering solutions across every major asset class, backed by the strength, scale and proven financial stewardship of BNY Mellon. They have USD1.8 trillion assets under management, eight investment firms, and are the seventh largest Asset Manager (as at 31 March 2019). BNY Mellon Investment Management provides a robust corporate foundation, together with worldwide resources and administrative support that allows their investment firms the freedom to concentrate on what they do best - deliver specialist and focused investments to clients. From mainstream equities to private debt markets; alternatives to the world of fixed income – each of their investment firms has its own unique investment philosophy, proprietary process and is a recognised leader in its field. Their structure encourages an entrepreneurial, focused approach to investment. This creates an environment in which each firm can perform and build on its individual experience and strengths in the development of new products. BNY Mellon Investment Management puts clients at the centre of everything they do, offering a wide range of strategies designed to meet investors' varying objectives. Their best of both worlds approach - specialisation wedded to scale - provides their clients with access to a comprehensive range of investment capabilities, covering every major global asset class. BNY Mellon Investment Management partner with clients to deliver bespoke investment and wealth management strategies and solutions to meet their individual needs. Drawing on their investment firms' expertise and investment insights, they collaborate with clients to tailor their best ideas and resources to meet their goals. They translate creativity, independence, insight, and trust into solutions and opportunities. With extensive experience in anticipating and responding to the investment and financial needs of the world's governments, pension plan sponsors, corporations, foundations, endowments, advisers, intermediaries, individuals and families, and family offices, BNY Mellon Investment Management is seen by its clients as navigator, curator – a safe pair of hands.

**LEGAL & GENERAL BNY MELLON GLOBAL EQUITY FUND**

**Aim:** To achieve capital growth from a portfolio of international securities.

**Fund specific risks:** 12, 13, 17, 18, 19, 21, 29, 35

**Underlying fund type:** OEIC

**LEGAL & GENERAL BNY MELLON MULTI ASSET BALANCED FUND**

**Aim:** To achieve a balance between capital growth and income predominantly from a portfolio of UK and international securities.

**Fund specific risks:** 12, 13, 14, 15, 16, 17, 18, 21, 29, 35

**Underlying fund type:** OEIC

**LEGAL & GENERAL BNY MELLON UK EQUITY FUND**

**Aim:** To achieve capital growth and income from a portfolio of predominantly UK securities.

**Fund specific risks:** 13, 17, 18, 19, 29, 35

**Underlying fund type:** OEIC

**LEGAL & GENERAL BNY MELLON UK INCOME FUND**

**Aim:** To generate distributions over an annual period together with long-term capital growth.

**Fund specific risks:** 13, 17, 18, 19, 29, 35

**Underlying fund type:** OEIC

# LIFESTYLE PROFILES

## WHAT IS THE AIM OF A LIFESTYLE PROFILE?

A lifestyle profile is an investment option that aims to reduce the amount of investment risk your pension pot is exposed to as you get nearer to your selected retirement date.

## HOW DOES A LIFESTYLE PROFILE WORK?

At a set time before your selected retirement date, we start an automatic switching process, gradually moving your pension pot from an initial fund into other fund(s) chosen by us, which we consider to be lower risk.

The fund(s) you'll be invested in will depend on the lifestyle profile you're in and the term, in years or months, to your selected retirement date, as shown in the tables on the following pages.

Fund switches continue automatically during the switching period until you reach your selected retirement date, move out of the lifestyle profile or take all of your pension pot.

## WHERE IS A LIFESTYLE PROFILE INVESTED?

A lifestyle profile will initially invest in a fund that is typically made up of a mix of assets, including equities, to provide the potential for long-term growth. During the switching period, we gradually move your pension pot into funds that we consider to be less risky. This aims to reduce the amount of investment risk your pension pot is exposed to as you approach your selected retirement date, but it also reduces the potential for growth.

**It's important to remember that the value of your pension pot in a lifestyle profile can go down as well as up, including during the final few years before your selected retirement date.**



You can find out more about investment risk on pages 2, 3 and 4.

## WHO IS A LIFESTYLE PROFILE SUITABLE FOR?

Our lifestyle profiles were traditionally designed for customers looking to take their maximum tax-free cash at their selected retirement date and use their remaining pension pot to buy a guaranteed income for life (known as a lifetime annuity).

**If you do not intend to use your pension pot to buy an annuity at your selected retirement date, choosing a lifestyle profile may not be right for you. If you expect to stay invested in your plan, a different fund(s) might be more suitable for your needs.**

There are advantages and disadvantages of a lifestyle profile. These will depend on how and when you want to access your pension pot, your attitude to risk and how involved you want to be in the initial selection and reviewing of the funds your pension pot invests in.

## Advantages

- All the funds are chosen for you and switch automatically.
- Your pension pot is not switched in one go. This reduces the risk of you moving your whole investment when financial markets are low.
- At your selected retirement date the value of your pension pot is invested in fund(s) that are generally considered to be lower risk. This reduces, although doesn't remove, the potential to lose a significant amount due to a market crash in the period leading up to your selected retirement date.

## Disadvantages

- They are less flexible as you can't choose which funds to invest in or when to change your investment. You are limited to the choices set by the profile.
- There may be another fund(s) more suitable for your needs, particularly if you want to stay invested after your selected retirement date.
- The fund(s) the lifestyle profile moves into has less potential for growth than the initial fund so you may miss out on growth as you approach your selected retirement date.
- The funds switch on set dates regardless of fund performance or market conditions.

## WHICH PROFILES CAN I CHOOSE FROM?

Our range of lifestyle profiles is listed over the following pages showing which funds they invest in and the applicable switching period and frequency. If you select a lifestyle profile, you cannot invest in another lifestyle profile or any other fund(s) at the same time.

**You can stop and start a lifestyle profile whenever you want and switch into an alternative fund(s).**

For full details of the individual funds that the lifestyle profiles use, please see the **Fund information** section starting on page 8.

**If you are setting up a new plan, but do not select your own fund(s), we will automatically invest your pension pot in the Multi-Asset Lifestyle Profile. If this isn't suitable for your circumstances, you will need to choose your own fund(s) or speak to an adviser who will be able to help you make this decision.**

## CAN I CHANGE MY SELECTED RETIREMENT DATE?

You can bring forward or extend your selected retirement date at any time. If you do, and you're in the switching period, the fund proportions will re-adjust automatically to the new selected retirement date, as set by your lifestyle profile.

If the new selected retirement date is far enough in the future to take your plan out of the switching period, then you will be fully invested in the initial fund.



# PROFILE INFORMATION

The following pages provide:

- the fund the lifestyle profile starts in,
- the fund(s) the lifestyle profile switches into (and what proportions if applicable),
- how long before your selected retirement date the switching will begin, and
- how often the switches will take place.

## PROFILES WITH A 10 YEAR SWITCHING PERIOD

**Yearly switching profiles** – These profiles start switching 10 years before your selected retirement date, and then on each anniversary of that date.

### CAUTIOUS MANAGED LIFESTYLE PROFILE

Mix of funds during the 10 years prior to your selected retirement date

Years to your selected retirement date	Distribution Fund %	Fixed Interest Fund %	Cash Fund %
More than 10	100	0.00	0.00
9 – 10	90	7.50	2.50
8 – 9	80	15.00	5.00
7 – 8	70	22.50	7.50
6 – 7	60	30.00	10.00
5 – 6	50	37.50	12.50
4 – 5	40	45.00	15.00
3 – 4	30	52.50	17.50
2 – 3	20	60.00	20.00
1 – 2	10	67.50	22.50
Less than 1	0	75.00	25.00

### MANAGED LIFESTYLE PROFILE

Mix of funds during the 10 years prior to your selected retirement date

Years to your selected retirement date	Managed Fund %	Fixed Interest Fund %	Cash Fund %
More than 10	100	0.00	0.00
9 – 10	90	7.50	2.50
8 – 9	80	15.00	5.00
7 – 8	70	22.50	7.50
6 – 7	60	30.00	10.00
5 – 6	50	37.50	12.50
4 – 5	40	45.00	15.00
3 – 4	30	52.50	17.50
2 – 3	20	60.00	20.00
1 – 2	10	67.50	22.50
Less than 1	0	75.00	25.00

**GLOBAL EQUITY FIXED WEIGHTS  
50:50 INDEX/OVER 15 YEAR GILTS  
LIFESTYLE PROFILE**

Mix of funds during the 10 years prior to your selected retirement date

Years to your selected retirement date	Global Equity Fixed Weights 50:50 Index Fund %	Over 15 Year Gilts Index Fund %	Cash Fund %
More than 10	100	0	0
9 – 10	90	10	0
8 – 9	80	20	0
7 – 8	70	30	0
6 – 7	60	40	0
5 – 6	50	50	0
4 – 5	40	60	0
3 – 4	30	64	6
2 – 3	20	68	12
1 – 2	10	72	18
Less than 1	0	75	25

**UK EQUITY INDEX LIFESTYLE PROFILE**

Mix of funds during the 10 years prior to your selected retirement date

Years to your selected retirement date	UK Equity Index Fund %	Fixed Interest Fund %	Cash Fund %
More than 10	100	0.00	0.00
9 – 10	90	7.50	2.50
8 – 9	80	15.00	5.00
7 – 8	70	22.50	7.50
6 – 7	60	30.00	10.00
5 – 6	50	37.50	12.50
4 – 5	40	45.00	15.00
3 – 4	30	52.50	17.50
2 – 3	20	60.00	20.00
1 – 2	10	67.50	22.50
Less than 1	0	75.00	25.00

**Monthly switching profiles** – These profiles start switching 10 years before your selected retirement date, and then every month after that.

### MONTHLY UK EQUITY INDEX LIFESTYLE PROFILE

Mix of funds during the 10 years prior to your selected retirement date

Months to your selected retirement date	UK Equity Index Fund %	Fixed Interest Fund %	Cash Fund %
More than 120	100.00	0.00	0.00
120	99.17	0.63	0.20
119	98.33	1.25	0.42
118	97.50	1.88	0.62
117	96.67	2.50	0.83
116	95.83	3.13	1.04
115	95.00	3.75	1.25
114	94.17	4.38	1.45
113	93.33	5.00	1.67
112	92.50	5.63	1.87
111	91.67	6.25	2.08
110	90.83	6.88	2.29
109	90.00	7.50	2.50
108	89.17	8.13	2.70
107	88.33	8.75	2.92
106	87.50	9.38	3.12
105	86.67	10.00	3.33
104	85.83	10.63	3.54
103	85.00	11.25	3.75
102	84.17	11.88	3.95
101	83.33	12.50	4.17
100	82.50	13.13	4.37
99	81.67	13.75	4.58
98	80.83	14.38	4.79
97	80.00	15.00	5.00
96	79.17	15.63	5.20
95	78.33	16.25	5.42
94	77.50	16.88	5.62
93	76.67	17.50	5.83
92	75.83	18.13	6.04
91	75.00	18.75	6.25
90	74.17	19.38	6.45
89	73.33	20.00	6.67
88	72.50	20.63	6.87
87	71.67	21.25	7.08
86	70.83	21.88	7.29
85	70.00	22.50	7.50
84	69.17	23.13	7.70
83	68.33	23.75	7.92
82	67.50	24.38	8.12
81	66.67	25.00	8.33

### MONTHLY UK EQUITY INDEX LIFESTYLE PROFILE (CONTINUED)

Mix of funds during the 10 years prior to your selected retirement date

Months to your selected retirement date	UK Equity Index Fund %	Fixed Interest Fund %	Cash Fund %
80	65.83	25.63	8.54
79	65.00	26.25	8.75
78	64.17	26.88	8.95
77	63.33	27.50	9.17
76	62.50	28.13	9.37
75	61.67	28.75	9.58
74	60.83	29.38	9.79
73	60.00	30.00	10.00
72	59.17	30.63	10.20
71	58.33	31.25	10.42
70	57.50	31.88	10.62
69	56.67	32.50	10.83
68	55.83	33.13	11.04
67	55.00	33.75	11.25
66	54.17	34.38	11.45
65	53.33	35.00	11.67
64	52.50	35.63	11.87
63	51.67	36.25	12.08
62	50.83	36.88	12.29
61	50.00	37.50	12.50
60	49.17	38.13	12.70
59	48.33	38.75	12.92
58	47.50	39.38	13.12
57	46.67	40.00	13.33
56	45.83	40.63	13.54
55	45.00	41.25	13.75
54	44.17	41.88	13.95
53	43.33	42.50	14.17
52	42.50	43.13	14.37
51	41.67	43.75	14.58
50	40.83	44.38	14.79
49	40.00	45.00	15.00
48	39.17	45.63	15.20
47	38.33	46.25	15.42
46	37.50	46.88	15.62
45	36.67	47.50	15.83
44	35.83	48.13	16.04
43	35.00	48.75	16.25
42	34.17	49.38	16.45
41	33.33	50.00	16.67
40	32.50	50.63	16.87

### MONTHLY UK EQUITY INDEX LIFESTYLE PROFILE (CONTINUED)

Mix of funds during the 10 years prior to your  
selected retirement date

Months to your selected retirement date	UK Equity Index Fund %	Fixed Interest Fund %	Cash Fund %
39	31.67	51.25	17.08
38	30.83	51.88	17.29
37	30.00	52.50	17.50
36	29.17	53.13	17.70
35	28.33	53.75	17.92
34	27.50	54.38	18.12
33	26.67	55.00	18.33
32	25.83	55.63	18.54
31	25.00	56.25	18.75
30	24.17	56.88	18.95
29	23.33	57.50	19.17
28	22.50	58.13	19.37
27	21.67	58.75	19.58
26	20.83	59.38	19.79
25	20.00	60.00	20.00
24	19.17	60.63	20.20
23	18.33	61.25	20.42
22	17.50	61.88	20.62
21	16.67	62.50	20.83
20	15.83	63.13	21.04
19	15.00	63.75	21.25
18	14.17	64.38	21.45
17	13.33	65.00	21.67
16	12.50	65.63	21.87
15	11.67	66.25	22.08
14	10.83	66.88	22.29
13	10.00	67.50	22.50
12	9.17	68.13	22.70
11	8.33	68.75	22.92
10	7.50	69.38	23.12
9	6.67	70.00	23.33
8	5.83	70.63	23.54
7	5.00	71.25	23.75
6	4.17	71.88	23.95
5	3.33	72.50	24.17
4	2.50	73.13	24.37
3	1.67	73.75	24.58
2	0.83	74.38	24.79
1	0.00	75.00	25.00
0	0.00	75.00	25.00

### MULTI-ASSET LIFESTYLE PROFILE

Mix of funds during the 10 years prior to your  
selected retirement date

Months to your selected retirement date	(PMC) Multi-Asset Fund %	Over 15 Year Gilts Index Fund %	Cash Fund %
More than 120	100.00	0.00	0.00
120	99.17	0.63	0.20
119	98.33	1.25	0.42
118	97.50	1.88	0.62
117	96.67	2.50	0.83
116	95.83	3.13	1.04
115	95.00	3.75	1.25
114	94.17	4.38	1.45
113	93.33	5.00	1.67
112	92.50	5.63	1.87
111	91.67	6.25	2.08
110	90.83	6.88	2.29
109	90.00	7.50	2.50
108	89.17	8.13	2.70
107	88.33	8.75	2.92
106	87.50	9.38	3.12
105	86.67	10.00	3.33
104	85.83	10.63	3.54
103	85.00	11.25	3.75
102	84.17	11.88	3.95
101	83.33	12.50	4.17
100	82.50	13.13	4.37
99	81.67	13.75	4.58
98	80.83	14.38	4.79
97	80.00	15.00	5.00
96	79.17	15.63	5.20
95	78.33	16.25	5.42
94	77.50	16.88	5.62
93	76.67	17.50	5.83
92	75.83	18.13	6.04
91	75.00	18.75	6.25
90	74.17	19.38	6.45
89	73.33	20.00	6.67
88	72.50	20.63	6.87
87	71.67	21.25	7.08
86	70.83	21.88	7.29
85	70.00	22.50	7.50
84	69.17	23.13	7.70
83	68.33	23.75	7.92
82	67.50	24.38	8.12
81	66.67	25.00	8.33
80	65.83	25.63	8.54

**MULTI-ASSET LIFESTYLE PROFILE**

(CONTINUED)

Mix of funds during the 10 years prior to your selected retirement date

Months to your selected retirement date	(PMC) Multi-Asset Fund %	Over 15 Year Gilts Index Fund %	Cash Fund %
79	65.00	26.25	8.75
78	64.17	26.88	8.95
77	63.33	27.50	9.17
76	62.50	28.13	9.37
75	61.67	28.75	9.58
74	60.83	29.38	9.79
73	60.00	30.00	10.00
72	59.17	30.63	10.20
71	58.33	31.25	10.42
70	57.50	31.88	10.62
69	56.67	32.50	10.83
68	55.83	33.13	11.04
67	55.00	33.75	11.25
66	54.17	34.38	11.45
65	53.33	35.00	11.67
64	52.50	35.63	11.87
63	51.67	36.25	12.08
62	50.83	36.88	12.29
61	50.00	37.50	12.50
60	49.17	38.13	12.70
59	48.33	38.75	12.92
58	47.50	39.38	13.12
57	46.67	40.00	13.33
56	45.83	40.63	13.54
55	45.00	41.25	13.75
54	44.17	41.88	13.95
53	43.33	42.50	14.17
52	42.50	43.13	14.37
51	41.67	43.75	14.58
50	40.83	44.38	14.79
49	40.00	45.00	15.00
48	39.17	45.63	15.20
47	38.33	46.25	15.42
46	37.50	46.88	15.62
45	36.67	47.50	15.83
44	35.83	48.13	16.04
43	35.00	48.75	16.25
42	34.17	49.38	16.45
41	33.33	50.00	16.67
40	32.50	50.63	16.87

**MULTI-ASSET LIFESTYLE PROFILE**

(CONTINUED)

Mix of funds during the 10 years prior to your selected retirement date

Months to your selected retirement date	(PMC) Multi-Asset Fund %	Over 15 Year Gilts Index Fund %	Cash Fund %
39	31.67	51.25	17.08
38	30.83	51.88	17.29
37	30.00	52.50	17.50
36	29.17	53.13	17.70
35	28.33	53.75	17.92
34	27.50	54.38	18.12
33	26.67	55.00	18.33
32	25.83	55.63	18.54
31	25.00	56.25	18.75
30	24.17	56.88	18.95
29	23.33	57.50	19.17
28	22.50	58.13	19.37
27	21.67	58.75	19.58
26	20.83	59.38	19.79
25	20.00	60.00	20.00
24	19.17	60.63	20.20
23	18.33	61.25	20.42
22	17.50	61.88	20.62
21	16.67	62.50	20.83
20	15.83	63.13	21.04
19	15.00	63.75	21.25
18	14.17	64.38	21.45
17	13.33	65.00	21.67
16	12.50	65.63	21.87
15	11.67	66.25	22.08
14	10.83	66.88	22.29
13	10.00	67.50	22.50
12	9.17	68.13	22.70
11	8.33	68.75	22.92
10	7.50	69.38	23.12
9	6.67	70.00	23.33
8	5.83	70.63	23.54
7	5.00	71.25	23.75
6	4.17	71.88	23.95
5	3.33	72.50	24.17
4	2.50	73.13	24.37
3	1.67	73.75	24.58
2	0.83	74.38	24.79
1	0.00	75.00	25.00
0	0.00	75.00	25.00

**PROFILE WITH A FIVE YEAR SWITCHING PERIOD**

**Yearly switching profile** – This profile starts switching five years before your selected retirement date, and then on each anniversary of that date.

**GLOBAL EQUITY 70:30 INDEX/FIXED INTEREST  
LIFESTYLE PROFILE**

Mix of funds during the five years prior to your selected retirement date

Years to your selected retirement date	Global Equity 70:30 Index Fund %	Fixed Interest Fund %
More than 5	100	0
4 – 5	80	20
3 – 4	60	40
2 – 3	40	60
1 – 2	20	80
Less than 1	0	100

**Quarterly switching profiles** – These profiles start switching five years before your selected retirement date, and then every three months after that.

**GLOBAL EQUITY 70:30 INDEX LIFESTYLE PROFILE**

Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Global Equity 70:30 Index Fund %	Fixed Interest Fund %	Cash Fund %
More than 60	100	0.00	0.00
60	95	3.75	1.25
57	90	7.50	2.50
54	85	11.25	3.75
51	80	15.00	5.00
48	75	18.75	6.25
45	70	22.50	7.50
42	65	26.25	8.75
39	60	30.00	10.00
36	55	33.75	11.25
33	50	37.50	12.50
30	45	41.25	13.75
27	40	45.00	15.00
24	35	48.75	16.25
21	30	52.50	17.50
18	25	56.25	18.75
15	20	60.00	20.00
12	15	63.75	21.25
9	10	67.50	22.50
6	5	71.25	23.75
3	0	75.00	25.00

**GLOBAL EQUITY 70:30 INDEX/INDEX LINKED GILT LIFESTYLE PROFILE**

Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Global Equity 70:30 Index Fund %	Index Linked Gilt Fund %	Cash Fund %
More than 60	100	0.00	0.00
60	95	3.75	1.25
57	90	7.50	2.50
54	85	11.25	3.75
51	80	15.00	5.00
48	75	18.75	6.25
45	70	22.50	7.50
42	65	26.25	8.75
39	60	30.00	10.00
36	55	33.75	11.25
33	50	37.50	12.50
30	45	41.25	13.75
27	40	45.00	15.00
24	35	48.75	16.25
21	30	52.50	17.50
18	25	56.25	18.75
15	20	60.00	20.00
12	15	63.75	21.25
9	10	67.50	22.50
6	5	71.25	23.75
3	0	75.00	25.00

### GLOBAL EQUITY FIXED WEIGHTS 60:40 INDEX LIFESTYLE PROFILE

Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Global Equity Fixed Weights 60:40 Index Fund %	Fixed Interest Fund %	Cash Fund %
More than 60	100	0.00	0.00
60	95	3.75	1.25
57	90	7.50	2.50
54	85	11.25	3.75
51	80	15.00	5.00
48	75	18.75	6.25
45	70	22.50	7.50
42	65	26.25	8.75
39	60	30.00	10.00
36	55	33.75	11.25
33	50	37.50	12.50
30	45	41.25	13.75
27	40	45.00	15.00
24	35	48.75	16.25
21	30	52.50	17.50
18	25	56.25	18.75
15	20	60.00	20.00
12	15	63.75	21.25
9	10	67.50	22.50
6	5	71.25	23.75
3	0	75.00	25.00

### GLOBAL EQUITY FIXED WEIGHTS 50:50 INDEX/ FIXED INTEREST LIFESTYLE PROFILE

Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Global Equity Fixed Weights 50:50 Index Fund %	Fixed Interest Fund %	Cash Fund %
More than 60	100	0.00	0.00
60	95	3.75	1.25
57	90	7.50	2.50
54	85	11.25	3.75
51	80	15.00	5.00
48	75	18.75	6.25
45	70	22.50	7.50
42	65	26.25	8.75
39	60	30.00	10.00
36	55	33.75	11.25
33	50	37.50	12.50
30	45	41.25	13.75
27	40	45.00	15.00
24	35	48.75	16.25
21	30	52.50	17.50
18	25	56.25	18.75
15	20	60.00	20.00
12	15	63.75	21.25
9	10	67.50	22.50
6	5	71.25	23.75
3	0	75.00	25.00



**Monthly switching profiles** – These profiles start switching five years before your selected retirement date, and then every month after that.

**GLOBAL EQUITY FIXED WEIGHTS 50:50 INDEX/INDEX LINKED GILT LIFESTYLE PROFILE**  
 Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Global Equity Fixed Weights 50:50 Index Fund %	Index Linked Gilt Fund %	Cash Fund %
More than 60	100.00	0.00	0.00
60	98.33	1.25	0.42
59	96.66	2.50	0.84
58	95.00	3.75	1.25
57	93.33	5.00	1.67
56	91.66	6.25	2.09
55	90.00	7.50	2.50
54	88.33	8.75	2.92
53	86.66	10.00	3.34
52	85.00	11.25	3.75
51	83.33	12.50	4.17
50	81.66	13.75	4.59
49	80.00	15.00	5.00
48	78.33	16.25	5.42
47	76.66	17.50	5.84
46	75.00	18.75	6.25
45	73.33	20.00	6.67
44	71.66	21.25	7.09
43	70.00	22.50	7.50
42	68.33	23.75	7.92
41	66.66	25.00	8.34
40	65.00	26.25	8.75
39	63.33	27.50	9.17
38	61.66	28.75	9.59
37	60.00	30.00	10.00
36	58.33	31.25	10.42
35	56.66	32.50	10.84
34	55.00	33.75	11.25
33	53.33	35.00	11.67
32	51.66	36.25	12.09
31	50.00	37.50	12.50
30	48.33	38.75	12.92
29	46.66	40.00	13.34
28	45.00	41.25	13.75
27	43.33	42.50	14.17
26	41.66	43.75	14.59
25	40.00	45.00	15.00
24	38.33	46.25	15.42
23	36.66	47.50	15.84
22	35.00	48.75	16.25
21	33.33	50.00	16.67
20	31.66	51.25	17.09

**GLOBAL EQUITY FIXED WEIGHTS 50:50 INDEX/INDEX LINKED GILT LIFESTYLE PROFILE (CONTINUED)**  
 Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Global Equity Fixed Weights 50:50 Index Fund %	Index Linked Gilt Fund %	Cash Fund %
19	30.00	52.50	17.50
18	28.33	53.75	17.92
17	26.66	55.00	18.34
16	25.00	56.25	18.75
15	23.33	57.50	19.17
14	21.66	58.75	19.59
13	20.00	60.00	20.00
12	18.33	61.25	20.42
11	16.66	62.50	20.84
10	15.00	63.75	21.25
9	13.33	65.00	21.67
8	11.66	66.25	22.09
7	10.00	67.50	22.50
6	8.33	68.75	22.92
5	6.66	70.00	23.34
4	5.00	71.25	23.75
3	3.33	72.50	24.17
2	1.66	73.75	24.59
1	0.00	75.00	25.00

**CONSENSUS FIVE YEAR LIFESTYLE PROFILE**

Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Consensus Fund %	Fixed Interest Fund %	Cash Fund %
More than 60	100.00	0.00	0.00
60	98.33	1.25	0.42
59	96.66	2.50	0.84
58	95.00	3.75	1.25
57	93.33	5.00	1.67
56	91.66	6.25	2.09
55	90.00	7.50	2.50
54	88.33	8.75	2.92
53	86.66	10.00	3.34
52	85.00	11.25	3.75
51	83.33	12.50	4.17
50	81.66	13.75	4.59
49	80.00	15.00	5.00
48	78.33	16.25	5.42
47	76.66	17.50	5.84
46	75.00	18.75	6.25
45	73.33	20.00	6.67
44	71.66	21.25	7.09
43	70.00	22.50	7.50
42	68.33	23.75	7.92
41	66.66	25.00	8.34
40	65.00	26.25	8.75
39	63.33	27.50	9.17
38	61.66	28.75	9.59
37	60.00	30.00	10.00
36	58.33	31.25	10.42
35	56.66	32.50	10.84
34	55.00	33.75	11.25
33	53.33	35.00	11.67
32	51.66	36.25	12.09
31	50.00	37.50	12.50
30	48.33	38.75	12.92
29	46.66	40.00	13.34
28	45.00	41.25	13.75
27	43.33	42.50	14.17
26	41.66	43.75	14.59
25	40.00	45.00	15.00
24	38.33	46.25	15.42
23	36.66	47.50	15.84
22	35.00	48.75	16.25
21	33.33	50.00	16.67
20	31.66	51.25	17.09

**CONSENSUS FIVE YEAR LIFESTYLE PROFILE  
(CONTINUED)**

Mix of funds during the five years prior to your selected retirement date

Months to your selected retirement date	Consensus Fund %	Fixed Interest Fund %	Cash Fund %
19	30.00	52.50	17.50
18	28.33	53.75	17.92
17	26.66	55.00	18.34
16	25.00	56.25	18.75
15	23.33	57.50	19.17
14	21.66	58.75	19.59
13	20.00	60.00	20.00
12	18.33	61.25	20.42
11	16.66	62.50	20.84
10	15.00	63.75	21.25
9	13.33	65.00	21.67
8	11.66	66.25	22.09
7	10.00	67.50	22.50
6	8.33	68.75	22.92
5	6.66	70.00	23.34
4	5.00	71.25	23.75
3	3.33	72.50	24.17
2	1.66	73.75	24.59
1	0.00	75.00	25.00

**PROFILE WITH A THREE YEAR SWITCHING PERIOD**

**Monthly switching profile** – This profile starts switching three years before your selected retirement date, and then every month after that.

**CONSENSUS THREE YEAR LIFESTYLE PROFILE**

Mix of funds during the three years prior to your selected retirement date

Months to your selected retirement date	Consensus Fund %	Fixed Interest Fund %	Cash Fund %
More than 36	100.00	0.00	0.00
36	97.23	2.08	0.69
35	94.44	4.17	1.39
34	91.67	6.25	2.08
33	88.89	8.33	2.78
32	86.11	10.42	3.47
31	83.33	12.50	4.17
30	80.56	14.58	4.86
29	77.77	16.67	5.56
28	75.00	18.75	6.25
27	72.23	20.83	6.94
26	69.44	22.92	7.64
25	66.67	25.00	8.33
24	63.89	27.08	9.03
23	61.11	29.17	9.72
22	58.33	31.25	10.42
21	55.56	33.33	11.11
20	52.77	35.42	11.81
19	50.00	37.50	12.50
18	47.23	39.58	13.19
17	44.44	41.67	13.89
16	41.67	43.75	14.58
15	38.89	45.83	15.28
14	36.11	47.92	15.97
13	33.33	50.00	16.67
12	30.56	52.08	17.36
11	27.77	54.17	18.06
10	25.00	56.25	18.75
9	22.23	58.33	19.44
8	19.44	60.42	20.14
7	16.67	62.50	20.83
6	13.89	64.58	21.53
5	11.11	66.67	22.22
4	8.33	68.75	22.92
3	5.56	70.83	23.61
2	2.77	72.92	24.31
1	0.00	75.00	25.00



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