

LEGAL & GENERAL LIFE NEWTON REAL RETURN FUND.

FUND FACTS

Product(s)	Portfolio Bond (IPS)
Launch date	6 April 2011
Legal & General life fund size	£12.5 million
Overall fund size	£10,372.9 million
Annual Fund Charge (AFC)	2.37%
Additional expenses	Included in AFC
Performance fee	No
Legal & General fund code	0660

USING THIS FUND FACTSHEET

When you invest in a bond, your money buys units in one or more funds. These funds pool together money from other investors and a fund manager uses this money to invest in a number of different investments. This **Fund Factsheet** gives you detailed information about a particular fund to help you decide if it's right for you. It's important that you read this together with the **Investor's Guide**, **Portfolio Bond (IPS) Key Features**, **Funds key features** and **Illustration(s)** before investing in the bond.

If you're not sure what a word in the **Fund Factsheet** means, please turn to the glossary on page 5.

FUND MANAGEMENT COMPANY

NEWTON

This is basic background information about the company whose fund manager selects the investments that make up the fund.

NEWTON

The Power of Ideas
A NEW MELLON COMPANY

Newton Investment Management is a London based, global investment management subsidiary of The Bank of New York Mellon Corporation. Their global, thematic approach to investment has been highly regarded for over 30 years and proved to be invaluable in overcoming the short-term uncertainties that afflict financial markets and challenge investors. Newton's investment managers are backed by strong teams and, in particular, they employ highly qualified career analysts, many of whom have direct experience in the global sectors for which they are responsible.

FUND MANAGER

IAIN STEWART

The fund manager is professionally qualified to manage funds. It's their job to seek out the best investment opportunities, based on the fund's aim. They often have access to a team of experts to help them decide where to invest.



Iain Stewart joined Newton in 1985 as a portfolio manager after completing his Doctorate with the Ministry of Agriculture, Fisheries and Food. Iain is a senior member of our Strategy Group with particular responsibility for co-ordinating the development of our global investment themes. He has worked for Newton for 23 years and during this time has specialised in managing multi-asset and global equity mandates for pension fund clients. Iain is responsible for a significant portion of Newton's pooled balanced portfolio's, including the Newton Exempt Fund (Newton's flagship in excess of £1 billion pooled balanced fund) which he has managed since 1992. He is also responsible for the investment management of the company's active real return strategy

FUND AIM

This is a general description of what the fund aims to achieve, as stated by the fund management company. For a detailed description of what the fund invests in, please see the fund characteristics on page 2.

A total return comprised of long-term capital growth and income by investing in a broad multi-asset portfolio.

ABI SECTOR

ABI UK - SPECIALIST-LIFE

This is the ABI sector the fund falls into. ABI sectors are defined by the Association of British Insurers (ABI). The sectors are a way of grouping funds with similar characteristics, so they're easier to compare.

- Funds that have an investment universe that is not accommodated by any of the other ABI sectors.
- As funds in this sector do not meet any pre-set parameters, these should not be compared on a like-for-like basis.

FUND CHARACTERISTICS

This fund aims to deliver a positive return in all market conditions. The fund manager will target a specific level of return over a set period of time, usually above what you can earn on a cash deposit account. They use their expertise to invest in a range of investments and use complex investment techniques to offer the best opportunities to meet the fund's aim. For more information on Absolute Return funds, please see our **Absolute Return Funds Guide**.

The fund generally invests in the following:

Equities. To provide the potential for overall returns the fund invests in equities, also known as company shares. This is achieved by receiving a share of companies' profits as dividends, and benefiting from increases in share prices. Equities generally have a higher potential for returns than other investments, which also means a higher risk of loss especially in the short term. It's worth noting that if the shares in the companies chosen perform worse than expected or a major event impacts the shares, the returns on your investment could fall.

Bonds. To provide the potential for overall returns the fund invests in bonds, also known as fixed interest securities. This is achieved by receiving regular interest on loans to companies or governments. There is a chance the bond issuer could fall into financial difficulty and will not be able to pay the interest or the loan back, which could result in a fall in your investment returns. Bonds can also be sensitive to trends in interest rate movements and if interest rates go up, the returns on your investment are likely to fall as bonds can become less attractive. On the other hand, if interest rates fall, bonds are likely to become more attractive and your investment returns increase.

Some specific characteristics of the assets held in this fund include:

Emerging markets. The fund includes investments in emerging markets, taking advantage of the fast-growing economies in the developing world. These markets can provide higher returns, as well as a higher chance of the returns on your investment either rising or falling than if it invested in more developed markets. Greater risk is taken as it can be harder to buy and sell shares in these countries and the countries themselves are more exposed to political uncertainties. Emerging markets are also not as well regulated and have less protection in place for investments than the UK.

Concentration of investments. The fund invests in a limited number of individual holdings, rather than spread across a broad range of holdings. The more concentrated portfolio means the fund manager hand-picks holdings they're confident will perform well, to try to offer higher returns. As with any investment, the fund manager cannot guarantee these holdings will perform well and because there are fewer holdings, a fall in the value of an individual holding can have a major impact on the overall performance of the fund. Therefore there's a higher risk of the returns of your investment falling.

High yield bonds. The fund invests in riskier bonds, known as sub-investment grade bonds. These bonds pay higher interest rates, to try to provide more attractive income returns. To achieve this, greater risk is taken as the companies are more likely to miss payments or not repay the loan, resulting in the returns on your investment falling.

Overseas. The fund includes investments outside the UK to try to benefit from the greater range of investment opportunities other countries offer. The potentially high rewards of investing overseas are balanced by risks and therefore the returns on your investment could rise and fall more than if it only invested in the UK. This is because some of the investments are held in currencies other than the Pound and their value will change in line with exchange rates. If the Pound strengthens against another currency, the value of the investments held in that currency is likely to fall. However, if the Pound weakens against that currency, their value is likely to rise.

Derivatives. The fund includes derivatives, which are contracts between two parties whose value is determined by the price of the investment it's linked to, such as equities, bonds or other types of investments. They can be used to try to improve overall investment returns, manage risk or to help protect returns from market falls. This includes investing in types of derivatives where the value rises when the market falls, although the opposite could also be true, meaning that your investment returns could fall even if the market is rising. The use of derivatives can reduce the cost of investing directly in an investment. However, extra risk is taken as the companies providing the derivatives could experience financial difficulties, making it difficult to value or sell the derivative. If this happens it may reduce your investment returns.

FUND PERFORMANCE AS AT 31 JULY 2017

The graph opposite shows how the fund has performed over the last five years (or since the fund launched) compared with the fund's ABI sector average. The first table shows the total percentage change, over one, three and five years. The second table shows performance for 12-month periods over the last five years, to the end of the last quarter.

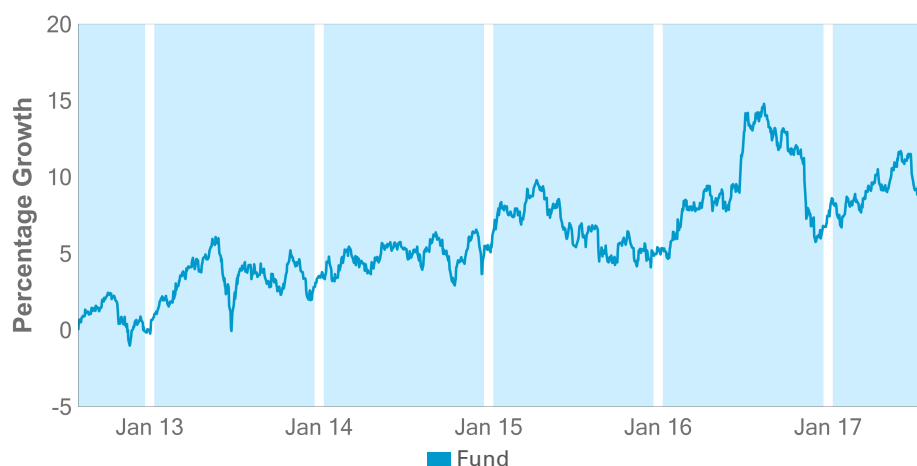
NOTES: Please bear in mind that past performance is not a guide to future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down. You could get back less than you invest.

The performance provided for the fund is:

- Is after all fund charges have been taken,
- is after deduction of tax, and
- assumes all income generated by the investments remains in the fund.

Also:

- The sector values are based on the selling price of units published by all the funds in that ABI sector.
- The values do not take account of any product charges. You can find more information about our charges in the **Portfolio Bond (IPS) Key Features**.



	1 year	3 years	5 years
Fund	-4.41	3.48	9.12

ANNUAL FUND PERFORMANCE TO LAST QUARTER (%)

12 months to	30 Jun 13	30 Jun 14	30 Jun 15	30 Jun 16	30 Jun 17
Fund	3.10	4.14	0.76	5.06	-1.17

Performance data source: Lipper.

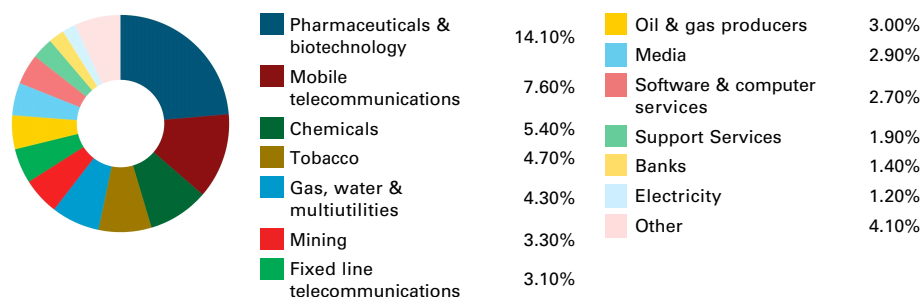
FUND IDENTIFIERS

These are unique codes used to identify a fund. You may find these codes useful if you intend to use financial websites to look up this fund.

ISIN code	GB00B68DVJ85
SEDOL code	B68DVJ8
MEX code	LPAAAR

SECTOR BREAKDOWN AND ALL BELOW INFORMATION AS AT 31 JULY 2017

The type of industries and services the fund currently invests.



CREDIT RATINGS

The financial strength of the bonds the fund currently invests in. The higher the rating the more likely the bond issuer is to pay the interest or loan back on time.

A	6.80%
BBB	7.10%
BB	24.20%
B	56.00%
CCC & below	5.90%

TOP 10 HOLDINGS

The highest valued single holdings in the fund.

Holding	Sector	%
USD DERIVATIVE EXPOSURE USD DERIVATIVE EXPOSURE	Non-Classified	21.49%
EUR DERIVATIVE EXPOSURE EUR DERIVATIVE EXPOSURE	Non-Classified	6.15%
USA Treasury Notes 1.75% 30/11/2021 USD100	Bonds	5.81%
USA Treasury Notes 1.75% 31/12/2020 USD100	Bonds	3.87%
1% Treasury Gilt 2017	Bonds	3.03%
Novartis AG	Pharmaceuticals & Biotechnology	2.26%
Microsoft Corp.	Software & Computer Services	1.86%
Wolters Kluwer N.V. Cert.	Media	1.84%
Japan Tobacco	Tobacco	1.77%
Eversource Energy	Electricity	1.66%
Percentage of fund in top 10		49.74%

GLOSSARY

Explanations of some of the words used in this Fund Factsheet.

Additional Expenses	This is the charge that covers various fees and expenses that fund managers may have to pay, such as auditors, trustees, custodian, registrar and regulator fees.
Annual Fund Charge	This is the charge that covers the costs of managing the fund and is taken out as a percentage of the fund's value.
Cash and equivalents	Some funds keep part of your money in cash to add flexibility and aid stability. This includes bank deposits and other investments that can be easily converted into cash.
Fund characteristics	Specific characteristics unique to the type of investments this fund may hold, which may affect your investment return.
Fund size	The total value of all investments held in all Legal & General life versions of the fund.
Launch date	The date the first Legal & General life version of the fund opened for new business.
Legal & General fund code	Each fund has a unique four digit reference code. You'll need to use this code on your application form when you tell us where you would like to invest.
Lipper	A Thomson Reuters company that supplies fund information, analytical tools, and commentary. We use Lipper to provide past performance data on our fund factsheets.
Overall fund size	The total value of all investments held in the underlying fund.
Performance fee	A performance fee is charged to a fund if it performs better than a pre-agreed target. If it applies, your adviser can give you more information or further details are available on request.



WHAT TO DO NEXT

If you would like to invest in this fund, or have any questions, please speak to your adviser. Remember you must read the **Investor's Guide, Portfolio Bond (IPS) Key Features, Funds key features** and **Illustration(s)** before investing in the bond.

IMPORTANT INFORMATION

Source: The portfolio details have been supplied by the fund management company and are assumed to be correct by Legal & General. All other data sourced from Legal & General Group PLC unless otherwise stated.

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