

LEGAL & GENERAL PENSION HENDERSON PREFERENCE AND BOND FUND.

FUND FACTS

Product(s)	Portfolio Plus SIPP (ESF/BPWM)
Launch date	10 April 2006
Legal & General pension fund size	£3.4 million
Overall fund size	£759.8 million
Number of holdings	184
Fund Management Charge (FMC)	1.13%
Additional expenses	included in FMC
Performance fee	No
Legal & General fund code	0290

USING THIS FUND FACTSHEET

When you invest in a pension, 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 **Investor's Guide, Portfolio Plus SIPP (ESF/BPWM) Key Features, Terms Sheet, Selected Funds Guide for Insured Funds** and **Illustration(s)** before investing in the pension.

FUND MANAGEMENT COMPANY

HENDERSON GLOBAL INVESTORS LIMITED

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



Henderson Global Investors is a leading international investment company, with a strong reputation and a proud history, going back to 1934. Henderson's investment strengths are equities, fixed income, multi-manager, commercial property and sustainable and responsible investment. Henderson have structured themselves with empowered decision-making at the heart of their business. Their fund managers are organised into compact, nimble teams, able to take decisions without the hindrance of a house-style or committee structure. Decisions are taken in a considered way - mindful of the risks yet alive to the opportunities.

FUND MANAGERS

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.



Jenna Barnard
Manager since
01/11/2013



John Pattullo
Manager since
19/01/2006

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.

To provide a return by investing primarily in sterling-denominated preference shares, government securities, corporate bonds, Eurobonds and other bonds. Where the fund invests in currencies other than sterling, the fund will always be hedged at least 80% to sterling in aggregate. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

ABI SECTOR

ABI UK - STERLING STRATEGIC BOND-PEN

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 with investment policy permitting significant changes in asset allocation between broad investment grade fixed interest securities and sub-investment grade fixed interest securities, convertibles, preference shares and permanent interest bearing shares (PIBs).
- Funds which invest at least 80% of their assets in Sterling-denominated (or hedged back to Sterling) fixed interest securities, convertibles, preference shares and PIBs.
- Fixed Interest securities defined as Government sovereign bonds, local authority bonds, supranational bonds and corporate bonds. Supranational bonds are treated as corporate bonds.

FUND CHARACTERISTICS

This fund is overseen by an experienced fund manager who makes informed decisions on where to invest your money. The fund manager constantly monitors companies, economic conditions and markets to select and change a portfolio of investments that offers the best opportunities to meet the fund's aim.

The fund generally invests in the following:

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:

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.

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 30 JUNE 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.

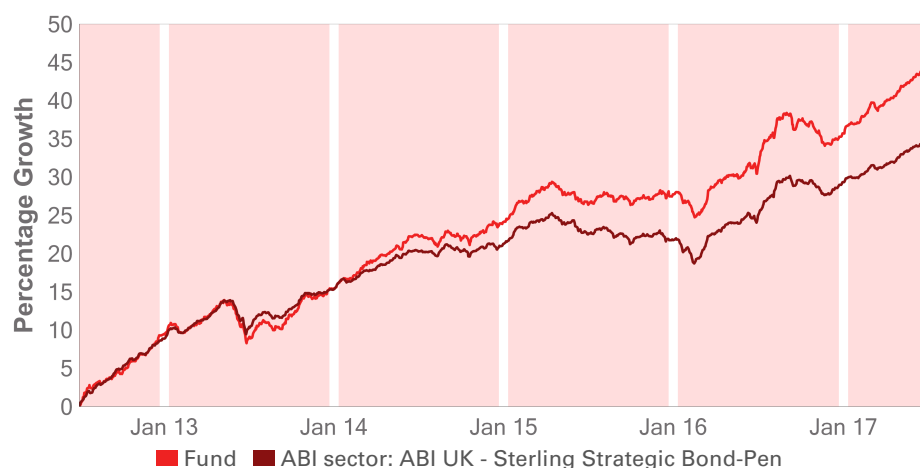
NOTES: Please bear in mind that past performance is not a guide to future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down. You could get back less than you invest.

The performance provided for the fund is:

- Is after all fund charges have been taken, 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 Members' Policy Booklet.



	1 year	3 years	5 years
Fund	9.70	17.28	43.22
ABI sector	7.63	11.31	34.13

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	8.32	12.73	3.54	3.25	9.70
ABI sector	10.15	9.40	1.80	1.58	7.63

Performance data source: Lipper.

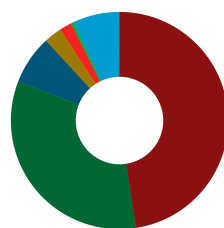
FUND IDENTIFIERS

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	GB00B0ZLFF75
SEDOL code	B0ZLFF7
MEX code	LGHEPB

ASSET ALLOCATION AND ALL BELOW INFORMATION AS AT 30 JUNE 2017

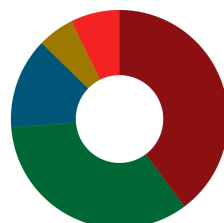
An overview of the types of investments currently held by the fund.



International bonds	47.58%	UK equities	1.80%
UK corporate bonds	33.31%	International equities	0.48%
Cash and equivalents	7.27%	Other	6.89%
UK gilts	2.67%		

REGIONS BREAKDOWN

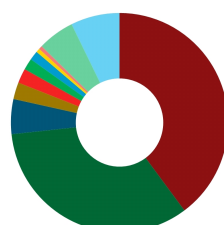
Where in the world the fund currently invests.



UK	39.81%	Unclassified - Other	5.47%
North America	34.01%	Unclassified - Cash and Equivalents	7.27%
Developed Europe - excl UK	13.44%		

COUNTRY BREAKDOWN

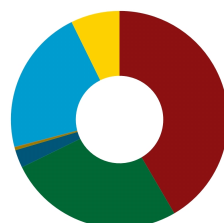
The countries in which the fund currently invests.



United Kingdom	39.81%	Luxembourg	1.36%
United States	33.49%	Netherlands	0.58%
Ireland	5.15%	Canada	0.52%
Germany	2.49%	Unclassified - Other	5.47%
Switzerland	2.16%	Unclassified - Cash and Equivalents	7.27%
France	1.70%		

BONDS SECTOR BREAKDOWN

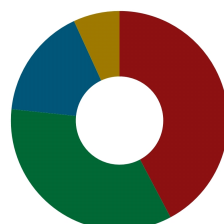
The type of industries and services the fund currently invests.



High yield corporate bond	41.58%	Financials	0.03%
Investment grade corporate bonds	26.19%	Non-classified	21.79%
Government	2.67%	Cash and equivalents	7.27%
Mortgage backed securities	0.47%		

CURRENCY BREAKDOWN

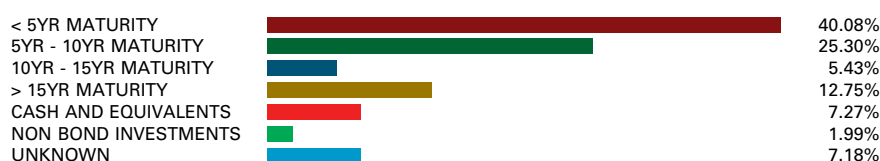
The currencies in which the fund's investments are priced.



Pound Sterling	42.22%	Non-debt	16.45%
US Dollar	34.44%	Euro	6.89%

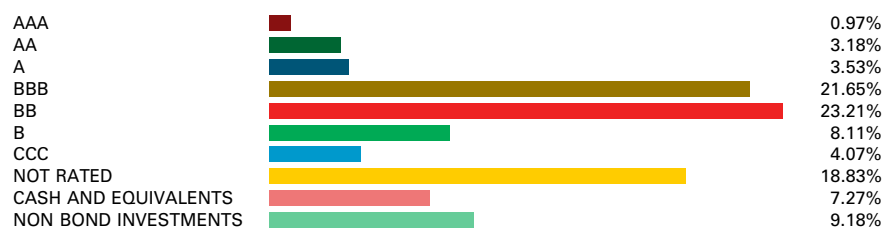
MATURITY BREAKDOWN

The length of time until the bonds in the fund are due to be repaid. Generally, the longer till the repayment date, the more sensitive the prices of the bonds are to any changes in interest rates.



CREDIT RATINGS (SOURCE: BLOOMBERG)

The financial strength of the bonds the fund currently invests in. The higher the rating the more likely the bond issuer is to repay the interest or loan. The ratings range from AAA, the highest grade, to C, the lowest grade.



TOP 10 HOLDINGS

The highest valued single holdings in the fund.

Holding	Sector	%
CBOT US LONG BOND SEP17 (31/08/2017)	Non-Classified	2.99%
1¼% Treasury Gilt 2018	Bonds	2.67%
BUPA 6.125% 2020	Life Insurance	2.21%
NATIONWIDE BUILDING SOCIETY 10.25% PERP GBP REGS	Non-Classified	1.90%
PHOENIX GROUP HOLDINGS 6.625% 18/12/2025 GBP	Life Insurance	1.83%
UBS GROUP AG 6.875% PERP USD REGS	Banks	1.76%
WACHOVIA CAPITAL TRUST III 5.56975% PERP USD	Banks	1.75%
CO-OPERATIVE GROUP HOLDINGS 2011 LTD 7.5% STEP	General Industrials	1.73%
CPN 08/07/2026 GBP REGS		
HBOS STERLING FINANCE JERSEY LP 7.881% PERP GBP	Banks	1.71%
ZURICH FINANCE UK PLC 6.625% PERP GBP	General Industrials	1.70%
Percentage of fund in top 10		20.25%

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.
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 Management 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.
Fund size	The total value of all investments held in all Legal & General pension versions of the fund.
Launch date	The date the first Legal & General pension 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 Plus SIPP (ESF/BPWM) Key Features, Terms Sheet, Selected Funds Guide for Insured Funds** and **Illustration(s)** before investing in the pension.

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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