

A straightforward way to invest for growth

Legal & General Multi-Index Funds. In a volatile, ever-changing investment environment, choosing how to invest has become increasingly complex. We aim to simplify this process by helping you focus your decision based on your risk appetite.



Legal & General Investment Management in association with:

Working with a financial adviser can help you decide which one of the Funds might be appropriate for your circumstances. If you choose not to work with an adviser, the responsibility for your choices rests entirely with you. This document provides a basic understanding of our Multi-Index Funds, but is not a substitute for professional financial advice.



Straightforward, cost-effective investing

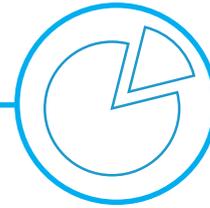
Legal & General Multi-Index Fund range



DESIGNED TO MEET YOUR ATTITUDE TO RISK

We designed these funds to give you peace of mind that your investment does not take more risk than you're comfortable with.

We aim to grow your money over time within a given risk band, but like any investment the value of these funds can go down as well as up and you may get back less than you invest.



A MIX OF ASSETS, TO DIVERSIFY YOUR INVESTMENT

No doubt you've heard the saying, 'Don't put all your eggs in one basket'. In investing terms, this means don't put all your money in just one type of investment or market. Legal & General Multi-Index Funds invest in a variety of assets, from bonds and commercial property to shares in markets at home and abroad. For clear definitions of these different asset classes, please see the glossary at the end of this document.

Important information

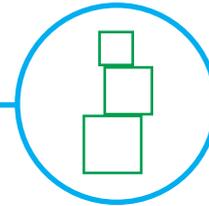
The fund may invest overseas. Changes in exchange rates between currencies may cause the value of an investment and the level of any income to rise or fall. The Multi-Index Funds are sensitive to interest rate changes. An increase in medium to long-term interest rates is likely to reduce the value of an investment in these funds. 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. The value of property is generally a matter of valuer's opinion rather than fact. Details of the specific and general risks associated with the funds mentioned are contained within the Key Investor Information Documents.

 Please note that there is a glossary of key investment terms at the end of this document.



KEEPING YOUR INVESTMENT ON TRACK

Once you've decided which of the five funds is most appropriate, our team of experienced investment professionals will look after your money (you can find out more about the team on p.8). We will ensure that the fund doesn't take on too much or too little risk, meaning you can rest assured that your investment will remain within your risk level.



COST-EFFECTIVE, STRAIGHTFORWARD BUILDING BLOCKS

We built the funds predominantly using our flagship range of low-cost, highly-transparent index funds. This means that we can deliver a sophisticated fund at a low cost, and make it straightforward for you to identify the different assets that you are invested in.



Blending assets to meet your needs



FUNDS AT A GLANCE

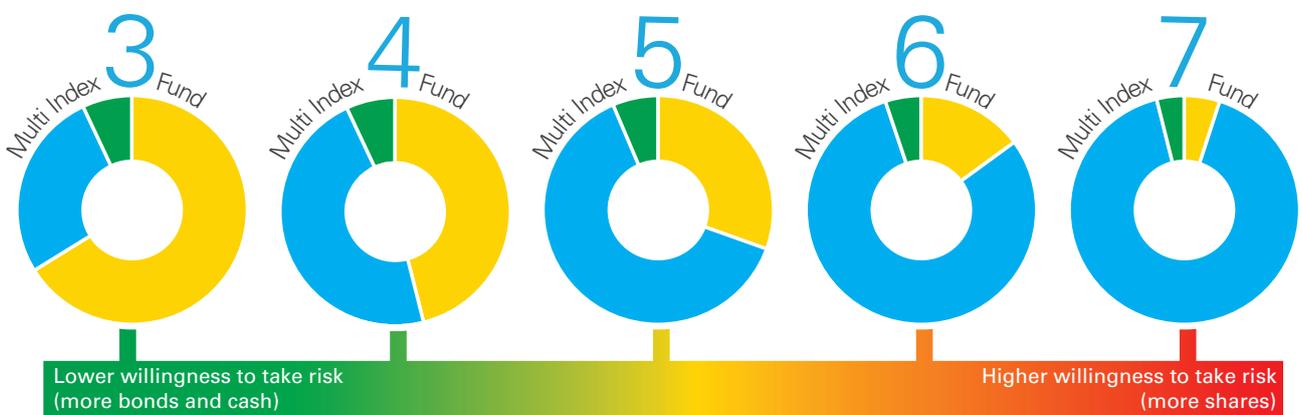
Our Multi-Index Funds are five funds with a mix of investments driven by a defined level of risk and potential reward.

The overall aim of a Multi-Index Fund is to generate long-term returns while remaining true to its target risk profile over time, but each fund holds different blends of investments.

The Multi-Index Funds use risk profiles that are based on a scale of 1 to 10, where ratings of 1 and 2 would represent very low risk/return investments, such as a standard savings account fund with a higher proportion of bonds.

Ratings of 7 and above, however, would represent higher risk/return investments, which usually means a higher concentration of shares.

These levels of risk are determined by an industry-standard third-party investment risk-rating agency. Importantly, the Multi-Index Funds are designed to match their respective risk profiles of 3 to 7 over time, therefore reducing the possibility of the fund taking more or less risk than you are comfortable with.



Source: LGIM. For illustrative purposes only

- Bonds and cash
- Shares
- Property

Introducing Distribution Technology's Dynamic Planner



In assessing an investment fund's risk profile, DT's Dynamic Planner includes thorough analysis of the following characteristics:

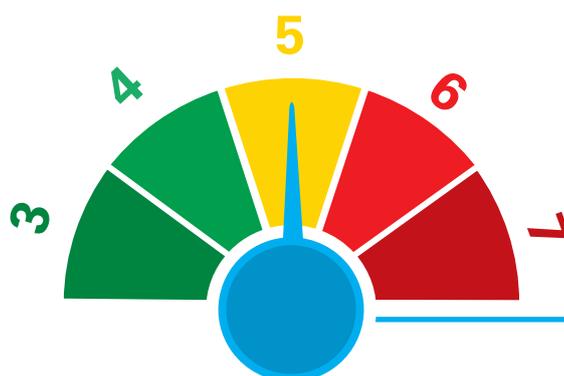
- The historical asset class allocation trends
- Expected volatility based on the most recent asset allocation
- Past performance trends relative to the Dynamic Planner model

We have partnered with DT to determine the risk-return characteristics of the Multi-Index Funds, making it easier for investors to find the right fund to match their risk appetite.

The numbers in the fund names reflect the amount of risk that each fund can take in the pursuit of returns. These risk levels are determined by an industry-standard, independent risk-rating agency called Distribution Technology (DT). DT is the provider of Dynamic Planner, which is a digital risk profiling service, used by financial advisers across the UK.

DT breaks down the world of investments and investment funds into **ten different risk bands** based on the potential scale and frequency of their change in value (otherwise known as volatility).

DT risk profile	1	2	3	4	5	6	7	8	9	10
DT descriptor	Lowest risk	Very low risk	Low risk	Lowest medium risk	Low medium risk	High medium risk	Highest medium risk	High risk	Very high risk	Highest risk



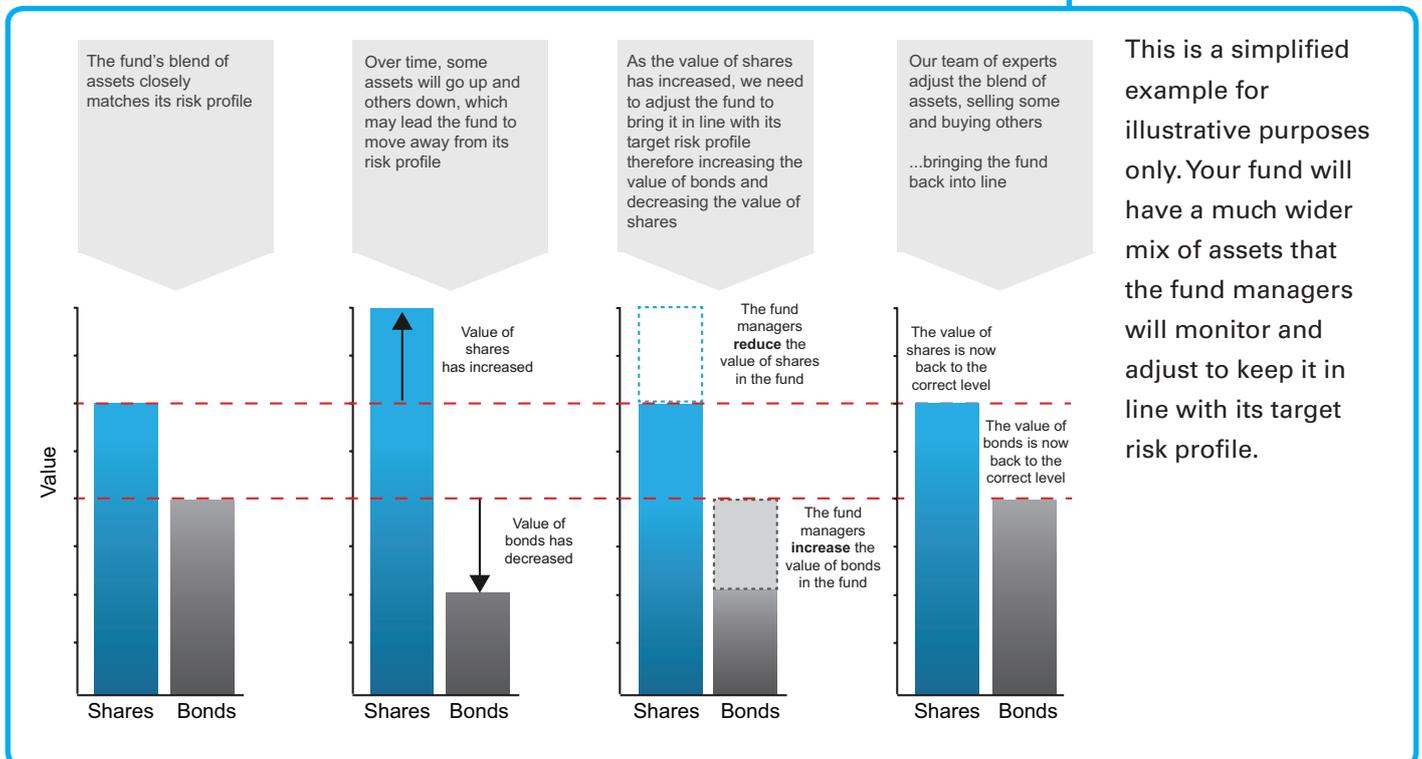
Preparing for a range of market conditions

Our long history of helping investors, institutions and charities invest their assets means that we know how to adjust a fund for different economic environments.

If the investment landscape changes then we aim to ensure that your investment continues to meet its objectives, but never takes on more or less risk than its risk profile allows.

WHAT IS RISK TARGETING?

Suppose, for example, that as markets move, one asset class grows considerably. This would change the risk profile of the fund. We would then adjust the mix of assets in the fund to keep the fund on track. However volatile markets may seem, the funds won't change their risk levels.



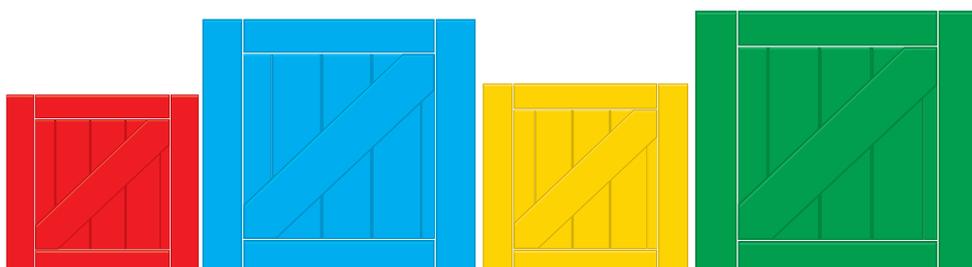
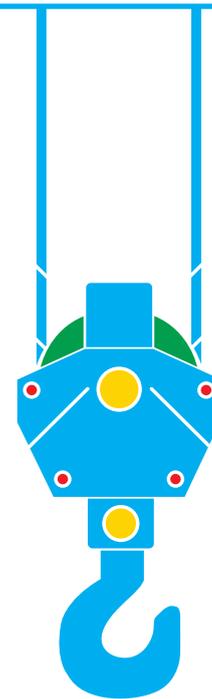
This is a simplified example for illustrative purposes only. Your fund will have a much wider mix of assets that the fund managers will monitor and adjust to keep it in line with its target risk profile.

A sophisticated solution: built mainly using straightforward, cost-effective in-house funds

We mainly use our low-cost, diversified in-house range of index funds, as well as premium asset classes such as our commercial property fund, to construct the Multi-Index Fund range. This allows us to offer sophisticated investing at a much lower cost.

Index funds aim to match as closely as possible the long-term performance of an index. For example, the FTSE 100 Index is a collection of company shares. At every moment during a day when markets are open the shares will be changing in value. The index simply represents how the shares have performed. Index-tracking funds try to match the return of the index by investing in many or all of the index constituents and holding them in the correct proportions.

They offer inexpensive, diversified and transparent building blocks, allowing us to offer individual investors the type of cost-effective multi-asset solution normally reserved for large institutions.



An experienced, expert team

Investing can be a daunting task, which is why you can take comfort in knowing that our investment manager LGIM has the necessary experience and expertise to manage your money.

Our specialists in multi-asset investing have a combined experience of over 50 years, and are supported by a team of over 25 investment professionals. We are one of the UK's leading investment management companies, and use this scale and expertise for the benefit of our clients. We look after £853 billion across a range of asset classes, with £334 billion of index funds and £32 billion of multi-asset funds (as at 30 June 2016).



Justin Onuekwusi

13 years' experience
Fund Manager



Andrzej Pioch

7 years' experience
Fund Manager



Bruce White

19 years' experience
Fund Manager



Martin Dietz

15 years' experience
Fund Manager

Glossary of terms you need to know



ACTIVE FUND

An approach to investment where a fund manager actively picks securities with the goal of beating a given benchmark. See also 'index fund', which is the opposite of an active fund.

ASSETS, ASSET CLASSES

A category of similar types of financial instruments or investments, such as shares, bonds, cash or property. See also 'Securities'.

ASSET ALLOCATION

The blend of asset classes held within a fund.

BONDS

A type of 'IOU' issued by governments, public companies or other institutions. The issuer agrees to repay the borrowed amount on an agreed date. Bonds usually repay a fixed interest rate over that time, so the bond holder earns an income from the bond. The funds invest 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.

COMMERCIAL PROPERTY

Buildings or land intended to generate an investment profit, either from an increase in its value or from rental income. Commercial property can include office buildings, industrial property, medical centres, hotels, shopping malls, retail stores, farmland, apartment buildings, warehouses and garages.

DIVERSIFICATION

A strategy of spreading investment risk across a wide variety of assets in order to reduce the effect of a fall in the value of one asset on the wider fund.

EXCHANGE RATES

The fund may invest overseas. Changes in exchange rates between currencies may cause the value of an investment and the level of any income to rise or fall.

INDEX FUND

An investment fund that aims to deliver the investment returns of a specific market index, such as the FTSE 100. Unlike actively managed funds, they don't tend to try to outperform a market index. They also tend to have lower fees and more transparency.

INTEREST RATES

The amount charged, as a percentage, by a lender to the borrower for fixed income assets. The value of fixed income assets tends to rise as interest rates fall, and vice versa.

INVESTMENT FUND

An investment product that pools the money of many investors and is managed by a professional fund manager.

RISK

Investment risks come in many forms, but for the purposes of this document, we mean how widely the value of a fund will fluctuate over different timespans. You also need to consider the risk that your chosen investment will not grow enough to help you reach your financial goals. Different investments imply different levels of risk, but also different levels of potential reward.

RISK/REWARD TRADE-OFF

The general tendency for markets that have the potential to deliver the highest returns to be the most risky.

RISK TOLERANCE, RISK APPETITE, RISK PROFILE

How much a given investor is willing to accept fluctuations in the value of their investment funds in pursuit of potentially higher returns. See also 'risk'.

SECURITIES

A financial instrument which represents an ownership position. Examples include shares and bonds.

SHARES

A financial instrument that gives the holder part ownership in a company.

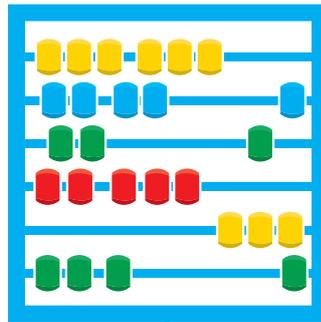
TRANSACTION COSTS

The costs involved in trading shares, bonds or other assets, such as property.

VOLATILITY

The range and frequency of changes in the value of an investment.

Making investment scale work for you



Legal & General is one of the UK's largest financial institutions. Established in 1836, the Legal & General Group is a trusted provider to over nine million customers in the UK for our life assurance, pensions, investments and general insurance plans.

Our Multi-Index Fund Range benefits from the **scale and expertise** of Legal & General Investment Management (LGIM), one of the **UK's leading investment managers**. LGIM looks after £853 billion globally across a range of asset classes, including derivative assets, with £32 billion in multi- assets funds, and £343 billion in index funds (as at 30 June 2016).

LGIM has managed multi-asset solutions for over 35 years, enabling us to build on our expertise across different asset classes and create comprehensive solutions for our clients.

Important Notice

Legal & General (Unit Trust Managers) Limited. Registered in England and Wales No. 1009418. Registered office: One Coleman Street, London EC2R 5AA

Authorised and regulated by the Financial Conduct Authority.

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