YOUR INVESTMENT GUIDE.

PART 3: YOUR INVESTMENT OPTIONS.
PART 3: YOUR INVESTMENT OPTIONS

CONTENTS

- YOUR INVESTMENT OPTIONS | PAGE 3
  A description of charges and other information.
- YOUR INVESTMENT FUNDS | PAGE 6
  A list of the funds available to you.
- FUND RISK RATING DESCRIPTIONS | PAGE 7
  What the different fund risk ratings mean.
- YOUR RISK METER | PAGE 8
  The funds arranged according to their risk rating.
- FUND SPECIFIC RISK DEFINITIONS | PAGE 9
  An explanation the risks listed on page 5.
- YOUR LIFESTYLE PROFILES | PAGE 13
  Details of the lifestyle profiles available to you.
- CHOOSING YOUR OWN INVESTMENTS | PAGE 17
  Take a look at our step-by-step guide.

WHY SHOULD I READ THIS GUIDE?

There are four separate parts to this guide.

You’ll find this section on your scheme website. It explains how your pension savings will be invested and provides an overview of your options as you approach retirement.

Part 2: About Investing.
This section looks at the basics of investing and highlights some of the important things you’ll need to consider, such as investment risk.

Even if you don’t want to make your own investment choices, we suggest you still read this section.

Part 3: Your Investment Options.
In this part of the guide we highlight the different investment options available to you and looks at how Legal & General risk rates its funds.

Part 4: Terms Explained.
Where we’ve used a term you may not be familiar with we’ve highlighted it in blue and included a definition in this section.

We suggest you also read this guide in conjunction with the Member’s booklet, which you’ll find on your scheme website.
YOUR INVESTMENT OPTIONS

You can change the way in which your pension savings are invested at any time.

**THE DEFAULT INVESTMENT OPTION**

The default investment option selected by the Trustees is the Legal & General (PMC) Multi-Asset Fund 3.

**WHAT’S THE AIM OF THE MULTI-ASSET FUND?**

This fund has been chosen by the Trustees because it invests in a diverse range of assets with the aim of providing investment growth over the long term.

Through its diversified approach, the default investment option aims to achieve a balance between risk and reward.

The diversified nature of this fund means it’s expected to have lower volatility than a fund that only invests in equities.

**HOW IS THE ASSET ALLOCATION OF THE MULTI-ASSET FUND SELECTED?**

When determining the asset allocation of a fund Legal & General takes into account:

- a desire for a sufficient level of diversification (both by asset class and geographical spread)
- relative market sizes of different assets
- a preference for long-term and/or inflation sensitive assets
- an appropriate balance between sterling and non-sterling currencies.

WANT TO FIND OUT MORE ABOUT THE DEFAULT INVESTMENT OPTION?

For more information about the charges, risks and performance of the Legal & General (PMC) Multi-Asset Fund 3, please see the fund factsheet.
YOUR INVESTMENT OPTIONS

You can change the way in which your pension savings are invested at any time. This section looks at the options available to you if you want to make your own investment decisions.

HOW MANY FUNDS CAN I INVEST IN?

There are 17 funds to choose from and you can invest in as many as you wish, in whatever proportions you want. Fund factsheets are available for each of these funds and include details about the fund’s aims, asset allocation and performance. A full list, including links to each of these fund factsheets, can be found on page 6 or by going to www.legalandgeneral.com/mtfunds.

HOW MANY LIFESTYLE PROFILES CAN I INVEST IN?

There are three lifestyle profiles to choose from, details of which can be found on page 13. If you invest in a lifestyle profile, you cannot invest in any other funds.

WHO DECIDES WHICH INVESTMENT OPTIONS ARE AVAILABLE?

The Trustees of the plan have chosen these funds and lifestyle profiles. The Trustees will review the selection from time to time. In the future, this could mean that certain investments will be removed or new ones added.

HOW DO I CHANGE MY INVESTMENTS?

You can change the way your pension savings are invested at any time. You can do this:

- Online: Go to your scheme microsite and select ‘Manage Your Account’.
- By phone Call Legal & General. See your scheme website for details of the scheme-specific Helpline telephone number. Call charges will vary. Legal & General may record and monitor calls.
YOUR INVESTMENT OPTIONS

Depending on which fund(s) or lifestyle profile you choose to invest in, the amount you pay in charges could differ.

WHO MANAGES THE FUNDS?
All the funds are managed by professional fund managers. If you choose to invest in a fund that is not managed by Legal & General, then you need to be aware that you still will be buying units in a Legal & General fund.
Legal & General will then use the money you contribute to buy units in the manager’s own fund (called the ‘authorised fund’).

WHAT ARE THE CHARGES FOR INVESTING?
Each of the funds carries a Fund Management Charge (FMC). This charge is accounted for in the price of the unit and is reflected in the value of your fund.
The Fund Management Charge (FMC) consists of the Investment Management Charge (IMC) plus Additional Expenses (AE).
It includes investment management fees, fund administration fees, custody/custodian fees, auditing and accounting fees, and regulatory charges.
Different funds have different charges and these are shown in the list of funds on the following page.
If you invest in a lifestyle profile, the charges you’ll pay will be calculated on the proportion of your pension savings invested in each fund (or funds) at that time.

WHAT IS THE TOTAL COST OF RUNNING MY PENSION?
To calculate the total cost of running a pension plan, you should add the Annual Management Charge (AMC), which covers Legal & General’s administration costs, to the Fund Management Charge (FMC).
Details of the AMC for this plan can be found in your Member’s booklet.
The FMC varies from one fund to another. Details of the FMC for each fund can be found on page 6.

It’s important to be aware that, in certain circumstances, we may need to make changes to our charges or introduce new charges.
## YOUR INVESTMENT FUNDS

You can invest your pension savings in any of the funds listed below. To find out more information about each fund listed, including its aims, asset allocation and performance, simply click on the fund name.

<table>
<thead>
<tr>
<th>FUND RISK RATING CATEGORY</th>
<th>FUND NAME</th>
<th>FUND CODE</th>
<th>ABI SECTOR</th>
<th>FUND SPECIFIC RISKS</th>
<th>IMC</th>
<th>AE</th>
<th>FMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Upper</td>
<td>L&amp;G MT Emerging Markets Index Fund</td>
<td>BD03</td>
<td>Global Emerging Markets Equities</td>
<td>12,13,21,29,35,37</td>
<td>0.25%</td>
<td>0.00%</td>
<td>0.25%</td>
</tr>
<tr>
<td>5 Lower</td>
<td>L&amp;G HSBC Amanah Global Equity Index Fund 3</td>
<td>EFK3</td>
<td>Global Equities</td>
<td>12,13,21,22</td>
<td>0.55%</td>
<td>0.00%</td>
<td>0.55%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Ethical Global Equity Index Fund 3</td>
<td>NEB3</td>
<td>Global Equities</td>
<td>12,13,27,29,35</td>
<td>0.30%</td>
<td>0.00%</td>
<td>0.30%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Future World Fund 3</td>
<td>BJ13</td>
<td>Global Equities</td>
<td>12,13,29,35</td>
<td>0.24%</td>
<td>0.00%</td>
<td>0.24%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G MT Global Developed Equity Index Fund</td>
<td>BC03</td>
<td>Global Equities</td>
<td>12,13,29,35</td>
<td>0.10%</td>
<td>0.00%</td>
<td>0.10%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) World (Ex-UK) Equity Index Fund 3</td>
<td>NED3</td>
<td>Global Equities</td>
<td>12,13,29,35</td>
<td>0.12%</td>
<td>0.00%</td>
<td>0.12%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G MT Smaller Companies Index Fund</td>
<td>BD73</td>
<td>Global Equities</td>
<td>12,13,19,29,35</td>
<td>0.22%</td>
<td>0.00%</td>
<td>0.22%</td>
</tr>
<tr>
<td>4 Upper</td>
<td>L&amp;G Threadneedle Managed Equity Fund 3</td>
<td>3441</td>
<td>Flexible Investment</td>
<td>12,13,14,15,17,18,19</td>
<td>0.79%</td>
<td>0.18%</td>
<td>0.97%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) UK Equity Index Fund 3</td>
<td>NBC3</td>
<td>UK All Companies</td>
<td>13,29</td>
<td>0.10%</td>
<td>0.00%</td>
<td>0.10%</td>
</tr>
<tr>
<td>4 Middle</td>
<td>There are no funds in this category</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Lower</td>
<td>L&amp;G MT Active Diversified Growth Fund</td>
<td>BD93</td>
<td>Specialist</td>
<td>12,13,14,15,16,17,18,21,29,34,35</td>
<td>0.80%</td>
<td>0.04%</td>
<td>0.84%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Multi-Asset Fund 3</td>
<td>NTW3</td>
<td>Mixed Investment 40%-85% Shares</td>
<td>12,13,14,15,29,35</td>
<td>0.13%</td>
<td>0.00%</td>
<td>0.13%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G Property Fund 3</td>
<td>EAE3</td>
<td>UK Direct Property</td>
<td>23,29</td>
<td>0.30%</td>
<td>0.59%</td>
<td>0.89%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G Henderson Preference &amp; Bond Fund 3</td>
<td>3290</td>
<td>Sterling Strategic Bond</td>
<td>12,14,15,16,17,18,35</td>
<td>0.68%</td>
<td>0.04%</td>
<td>0.72%</td>
</tr>
<tr>
<td>3 Upper</td>
<td>L&amp;G (PMC) Retirement Income Multi-Asset Fund 3</td>
<td>NWD3</td>
<td>Specialist</td>
<td>12,13,14,15,16,18,21,29,35</td>
<td>0.28%</td>
<td>0.02%</td>
<td>0.30%</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Pre-Retirement Fund 3</td>
<td>NEN3</td>
<td>Sterling Long Bond</td>
<td>14,15,20,29,36</td>
<td>0.12%</td>
<td>0.00%</td>
<td>0.12%</td>
</tr>
<tr>
<td>3 Middle</td>
<td>There are no funds in this category</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Lower</td>
<td>L&amp;G MT Short Dated Bond Index Fund</td>
<td>BD83</td>
<td>Sterling Corporate Bond</td>
<td>14,15,29</td>
<td>0.12%</td>
<td>0.00%</td>
<td>0.12%</td>
</tr>
<tr>
<td>2</td>
<td>L&amp;G Cash Fund 3</td>
<td>EAB3</td>
<td>Deposit &amp; Treasury</td>
<td>24,29</td>
<td>0.09%</td>
<td>0.01%</td>
<td>0.10%</td>
</tr>
<tr>
<td>1</td>
<td>There are no funds in this category</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 See page 7 for a description of fund risk rating categories. 2 See page 9 for details of Fund Specific Risks. 3 See page 5 for an explanation of these charges.
Each of our funds is risk rated, using Legal & General’s risk rating methodology. It is based on how a fund has performed over a period of at least 10 years and focuses, in particular, on how often it has fallen in value - from one month to another - and by how much. Where a fund has less than 10 years performance history, we will use alternative performance measures that we believe are likely to behave in a similar way, to complete the 10 year period. The measure used might be an index, which measures the changes in a collection of investments that represent a portion of the overall market, or a benchmark, which is a standard used to measure the performance of a fund or investment manager.

These ratings are reviewed on an ongoing basis and adjusted accordingly. From time-to-time, normally as a result of external market or economic factors, Legal & General may make an additional adjustment to the risk rating of a particular fund. This will be done if Legal & General believes the risk calculated does not adequately reflect the risk of investing in that particular fund.

Once a risk rating has been calculated, the fund will be placed in one of the five fund risk rating categories shown below. This score is then used to position the fund on a ‘risk meter’, which you will find on the following page and which can be used to compare the relative risk of different funds.

It’s important to remember that, although these ratings can provide a useful indicator of a fund’s current and previous level of risk, they should not be used as a guide to future investment performance.

<table>
<thead>
<tr>
<th>Fund Risk Rating category</th>
<th>Additional rating within category</th>
<th>Fund Risk Rating category description (Note: all investment funds can go up or down in value and can lose money)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>UPPER</td>
<td>Funds in these categories may invest in either single investment types or a wide variety of investments that will go up and down in value a lot from day to day. Funds may tend to invest in less stable investment areas, for example certain overseas or emerging markets, where economic or political conditions create an extra degree of uncertainty.</td>
</tr>
<tr>
<td></td>
<td>LOWER</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>UPPER</td>
<td>Funds in these categories hold investments that are expected to go up and down in value a lot from day to day. Funds are likely to invest in a range of investment types, including higher proportions of riskier investment types. Funds towards the middle and top of this band will hold investment types that have gone up or down more in value over the past ten years than funds at the bottom. For example, this may be because those funds are designed to invest in areas or investment types that are more likely to experience larger changes in value than other investment types.</td>
</tr>
<tr>
<td></td>
<td>MIDDLE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOWER</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>UPPER</td>
<td>Funds in these categories hold investments that will go up and down in value. Funds may not hold all investment types and tend to focus on investments that do not typically change in value a lot from day to day. Funds may also invest in a range of investment types to try to limit the effect of one or more investment types performing poorly but fund values could still fall significantly over time. Funds towards the middle and top of this band will hold investment types that have gone up or down more in value in the past than funds at the bottom. For example, this may be because those funds have invested in riskier investment types or they have focused on single investment types.</td>
</tr>
<tr>
<td></td>
<td>MIDDLE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOWER</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>Funds in this category invest in short-term money markets such as bank deposits and Treasury Bills. These funds do not invest in any asset types where the capital value can fall, such as fixed interest securities. The value of the fund’s assets would only fall if a deposit holder or the UK Government were unable to meet their obligations. If the interest earned by the fund’s assets is insufficient to cover the annual fund charge and any additional fund expenses, the value of your fund will fall.</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td>There are no funds in this category.</td>
</tr>
</tbody>
</table>
## The Spectrum of Risk

The Risk Meter shows a ‘spectrum of risk’. Although two funds could be in the same fund risk category, they won’t necessarily have the same level of risk.

A fund near the top of one fund risk category might have a more similar risk profile to a fund near the bottom of the category above it than to funds lower down in its own category.

These ratings are calculated without knowing your personal attitude to investment risk.

Therefore, when you’re looking at where to invest it’s important that you don’t just rely on this Risk Meter.

You need to look at - and think carefully about - all the different investment risks.

Your circumstances and outlook are unique and it’s this that should be influencing your investment decisions.

If you have any doubts or questions, you should talk to a financial adviser.

---

**Please remember that neither your employer, nor the Trustees nor Legal & General can provide financial advice.**

If you want to make your own investment decisions, you should speak to a qualified financial adviser. You can find one in your local area at [www.unbiased.co.uk](http://www.unbiased.co.uk). Please note that advisers will usually charge for their services.

### RISK METER

<table>
<thead>
<tr>
<th>FUND RISK CATEGORY</th>
<th>FUND NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 UPPER</td>
<td>L&amp;G MT Emerging Markets Index Fund</td>
</tr>
<tr>
<td></td>
<td>L&amp;G HSBC Amanah Global Equity Index Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Ethical Global Equity Index Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Future World Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G MT Global Developed Equity Index Fund</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) World (Ex UK) Equity Index Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G MT Smaller Companies Index Fund</td>
</tr>
<tr>
<td>5 LOWER</td>
<td>L&amp;G (PMC) Threadneedle Managed Equity Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) UK Equity Index Fund 3</td>
</tr>
<tr>
<td>4 UPPER</td>
<td>L&amp;G MT Active Diversified Growth Fund</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Multi-Asset Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Property Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G Henderson Preference &amp; Bond Fund 3</td>
</tr>
<tr>
<td>4 MIDDLE</td>
<td>L&amp;G (PMC) Retirement Income Multi-Asset Fund 3</td>
</tr>
<tr>
<td></td>
<td>L&amp;G (PMC) Pre-Retirement Fund 3</td>
</tr>
<tr>
<td>4 LOWER</td>
<td>L&amp;G MT Short Dated Bond Index Fund</td>
</tr>
<tr>
<td>3 UPPER</td>
<td>L&amp;G Cash Fund 3</td>
</tr>
<tr>
<td>3 MIDDLE</td>
<td></td>
</tr>
<tr>
<td>3 LOWER</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>
FUND SPECIFIC RISKS

In the ‘Fund Specific Risks’ column of the fund list on page 6, you will have seen one or more numbers listed against each fund. Each number relates to a specific risk associated with that fund. This section contains descriptions for each of the fund specific risks listed. You’ll see there are some numbers missing from this list. Although Legal & General applies these risks to a wide range of funds, only the risks that apply to the funds in this guide are shown in this list.

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 other investment types, especially in the short term.

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

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

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

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

18. DERIVATIVE COUNTERPARTY RISK
The fund may have derivative contracts with companies such as banks or other financial institutions. If these companies experience financial difficulty, they may be unable to pay back some or all of the interest, original capital or other payments that they owe. If this happens, the value of your fund may fall.
19. SMALLER COMPANIES
The fund invests in smaller companies. Investments in smaller companies tend to be riskier than investments in larger companies because they can:
- be harder to buy and sell
- go up and down in value more often and by larger amounts, especially in the short term.

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

21. EMERGING MARKETS
The fund invests in countries where investment markets are not as well developed as those in the UK.
This means that investments are generally riskier than those in the UK because they:
- are not as well regulated
- are more difficult to buy and sell
- have less reliable arrangements for the safekeeping of assets
- are more exposed to political and taxation uncertainties.
The value of the fund can go up and down more often and by larger amounts than funds that invest in developed countries, especially in the short term.

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

23. COMMERCIAL PROPERTY
Property can be difficult to buy or sell. This could mean:
- cash builds up waiting to be invested, so the fund will underperform when property returns are greater than the interest earned, and/or
- property may have to be sold for less than expected.
If an exceptional amount of withdrawals are requested, the fund manager may be forced to sell properties quickly. This could mean that properties are sold for less than expected which would reduce the value of your investment. If the size of the fund falls significantly, the fund may have to invest in fewer properties. This may lead to an increase in risk.
Rental growth is not guaranteed and unpaid rent could affect the performance of your investment.
The value of property is generally a matter of valuer’s opinion rather than fact and the true value of a property may not be recognised until the property is sold.

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

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

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

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

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

For example, a fund with investments in commercial properties may find they may take time to sell. Whilst waiting to complete on the sale of properties, the fund manager may suspend making payments to investors who want to cash in.
The fund can only delay paying out if it’s 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, 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.
FUND SPECIFIC RISKS

32. PRIVATE EQUITY
This fund invests in shares of companies that are not listed on a stock exchange, so they can be difficult to buy or sell. This could mean the shares may have to be sold for less than expected, which would reduce the value of your investment. The value of private company shares is generally a matter of valuer’s opinion rather than fact.

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

34. TARGETED ABSOLUTE RETURN FUNDS
The fund is a Targeted Absolute Return Fund. This type of fund tries to increase the value of your investment over a period of time, in both rising and falling markets. It is important to be comfortable with the funds objective. There is no guarantee of returns. The fund’s value may go down as well as up. You may not get back the money you invested. Targeted Absolute Return Funds use a range of different types of investment strategies, some of which can be high risk, and may use derivatives. As a consequence these funds can be more complex than traditional funds. It is possible that the value of these funds could go down when the market is rising, or may not rise as quickly. Each Targeted Absolute Return Fund is designed to produce a specific outcome, so care should be taken when comparing them with other funds.

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

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

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

A lifestyle profile is an investment strategy that offers the potential to grow your pension savings over the long term. Normally, it will move your pension savings from higher volatility into lower volatility funds as you approach your selected retirement date and may also target a specific objective such as cash, guaranteed income (an annuity) or flexible income (drawdown).

Legal & General has created three lifestyle profiles, each of which gradually moves your pension savings, in the three years leading up to your selected retirement date, from the default investment option into a fund that the Trustees have selected as being appropriate if you intend to:

- take it as cash
- buy a guaranteed income (an annuity)
- take flexible income (drawdown).

For a high-level summary of these lifestyle profiles please see the ‘at-a-glance’ table on page 14.

For more detailed information on each one, see the descriptions on pages 15 and 16.

You will also find links to the factsheets for each of these lifestyle profiles on your scheme website.

IMPORTANT

Once you reach your selected retirement date automatic switching will stop.

This strategy may not be suitable if you don’t take pension benefits as intended from your selected retirement date. You should review your selected retirement date on a regular basis, as it will determine where your pension pot is invested as you approach retirement.

It’s also important to review your investment strategy on a regular basis, after your selected retirement date, to ensure that the funds in which your pension pot is invested remain suitable for your needs.

To find out more about investing in a lifestyle profile, including the advantages and disadvantages, see page 6 in the ‘About Investing’ section of this guide.
**YOUR LIFESTYLE PROFILES**

You have a choice of three lifestyle profiles. The table below provides a high-level overview of each one, so that you can easily compare one against the others.

### YOUR LIFESTYLE PROFILES AT-A-GLANCE

<table>
<thead>
<tr>
<th>Lifestyle profile name:</th>
<th>L&amp;G Drawdown Lifestyle</th>
<th>L&amp;G Annuity Lifestyle</th>
<th>L&amp;G Cash Lifestyle</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lifestyle profile code:</strong></td>
<td>LQ23</td>
<td>LQ33</td>
<td>LQ43</td>
</tr>
<tr>
<td><strong>Contributions initially invested in:</strong></td>
<td>Legal &amp; General (PMC) Multi-Asset Fund 3</td>
<td>Legal &amp; General (PMC) Multi-Asset Fund 3</td>
<td>Legal &amp; General (PMC) Multi-Asset Fund 3</td>
</tr>
<tr>
<td><strong>Switching starts before your selected retirement date:</strong></td>
<td>3 years</td>
<td>3 years</td>
<td>3 years</td>
</tr>
<tr>
<td><strong>Pension savings switch into:</strong></td>
<td>Legal &amp; General (PMC) Retirement Income Multi-Asset Fund 3</td>
<td>Legal &amp; General (PMC) Pre-Retirement Fund 3</td>
<td>Legal &amp; General Cash Fund 3</td>
</tr>
<tr>
<td><strong>Retirement objectives:</strong></td>
<td>Leave pension pot invested and use it to provide flexible income (drawdown)</td>
<td>Take tax-free cash and use remaining pension pot to buy a guaranteed income (an annuity)</td>
<td>Take pension pot as cash</td>
</tr>
</tbody>
</table>

For more information on each of these lifestyle profiles, see pages 14 and 15. Please note that, should you choose to invest in a lifestyle profile, you won’t be able to invest in any other lifestyle profile or fund.
YOUR LIFESTYLE PROFILES

The Trustees have selected the following lifestyle profiles for this scheme. Each one targets a different objective at retirement and might be appropriate for you if you know whether you intend to take your pension pot as cash, use it to buy a guaranteed income (an annuity) or leave it invested and use it to provide flexible income (drawdown).

LEGAL & GENERAL DRAWDOWN LIFESTYLE

WHO IS IT DESIGNED FOR?
This lifestyle profile is designed for members who intend to leave their pension pot invested beyond their selected retirement date, with the intention of taking flexible income (drawdown).

WHAT ARE THE AIMS?
It’s an investment strategy that offers you the potential to grow your pension savings both prior to and beyond your selected retirement date.

Initially, your pension savings will be invested in the Multi-Asset Fund. Then, when you are three years from your selected retirement date, your pension savings will be gradually moved into the Retirement Income Multi-Asset Fund.

This strategy has been specifically designed for members who want to use their pension pot to provide an income in retirement.

WHERE CAN I FIND OUT MORE?
For more information about the Drawdown Lifestyle, please see the lifestyle profile factsheet.
If you’d like to find out more about the funds that make up this lifestyle profile, including the charges, risks and performance, please see the fund factsheets for the Multi-Asset Fund and the Retirement Income Multi-Asset Fund.

LEGAL & GENERAL ANNUITY LIFESTYLE

WHO IS IT DESIGNED FOR?
This lifestyle profile is designed for members looking to use their pension pot to buy a guaranteed income (an annuity) and take tax-free cash at their selected retirement date.

WHAT ARE THE AIMS?
It’s an investment strategy that offers you the potential to grow your pension savings prior to your selected retirement date.

Initially, your pension savings will be invested in the Multi-Asset Fund. Then, when you are three years from your selected retirement date, your pension savings will be gradually moved into the Cash Fund and the Pre-Retirement Fund.

This strategy has been designed for members who want to take a combination of tax-free cash at their selected retirement date and use the remainder of their pension pot to purchase an annuity.

WHERE CAN I FIND OUT MORE?
For more information about the Annuity Lifestyle, please see the lifestyle profile factsheet.
If you’d like to find out more about the funds that make up this lifestyle profile, including the charges, risks and performance, please see the fund factsheets for the Multi-Asset Fund, the Cash Fund and the Pre-Retirement Fund.
LEGAL & GENERAL CASH LIFESTYLE

WHO IS IT DESIGNED FOR?
This lifestyle profile is designed for members who intend to take all of their pension pot as cash at their selected retirement date.

WHAT ARE THE AIMS?
It’s an investment strategy that offers you the potential to grow your pension savings in the long term.

Initially, your pension savings will be invested in the Multi-Asset Fund. Then when you are three years from your selected retirement date your pension savings will be gradually moved into the Cash Fund.

This strategy aims to reduce the risk of a sharp fall in markets reducing the value of your pension pot when you reach your selected retirement date.

WHERE CAN I FIND OUT MORE?
For more information about Cash Lifestyle, please see the lifestyle profile factsheet.

If you’d like to find out more about the funds that make up this lifestyle profile, including the charges, risks and performance, please see the fund factsheets for the Multi-Asset Fund and the Cash Fund.
## CHOOSING YOUR OWN INVESTMENTS

There’s a lot to think about when it comes to choosing your own investments. We’ve created this step-by-step guide to help you consider all the relevant things before making any investment decisions.

### Step 1: Identify your attitude to risk

Legal & General has developed an **Attitude to Risk** tool that can help you to identify how you feel about risk. It can also provide you with an indication of the Customer Risk Profile that most closely fits you.

Each profile offers a description of the different levels of investment risk that a typical person with that attitude to investment risk may be prepared to take. See ‘About Investing’ for more information.

### Step 2: Things you may want to consider

When choosing funds you may want to consider:
1. Investing in a range of different investment types.
2. How much you understand about investing.
3. Your income needs in retirement.
4. How often you’ll review and change your investments.
5. The timing of your investment and whether you’re making one-off or gradual investments.

### Step 3: Find out about Legal & General’s Fund Risk Ratings

Legal & General has created five Fund Risk Rating categories, using a scale of 1 (lowest risk) to 5 (highest risk). ‘About Investing’ provide you with a broad description of the level of risk attached to the funds within each category.

### Step 4: See how the funds compare in terms of risk

Legal & General has risk rated all its funds and has placed them on a Risk Meter, which you will find on page 8. This will help you identify the relative risk of investing in one fund compared to the other funds in that range.

### Step 5: Consider funds that suit your risk profile

You can decide on the level of risk you want to take. You may want to invest in funds from a single Fund Risk Rating category or you may prefer to invest in a range of funds across more than one Fund Risk Rating category.

You can find more information on all the funds available to you, including details of each funds Fund Risk Rating category on page 7.

### Step 6: Making sure you’re happy with your choice

It’s important to be comfortable with the risks associated with each fund before investing. You should also review your fund choices regularly to ensure they remain appropriate for your needs. To do this go to your scheme website and select ‘Manage Your Account’.

You may want to seek financial advice before making any investment decisions. For more information on how to find a financial adviser see page 8.