

# L&G Euro Corporate Bond (Responsible Exclusions) Fund

SICAV (UCITS compliant) Z-Class EUR Acc

Base currency: EUR

Domicile: Luxembourg



## FUND AIM

The objective of the Fund is to provide a combination of growth and income by outperforming the Markit iBoxx Euro Corporates Total Return index, the "Benchmark Index". The Fund aims to outperform the Benchmark Index by 0.5% per annum. This objective is before the deduction of any charges and measured over rolling three year periods. The Fund will generate investment return whilst excluding companies on the Responsible Exclusions list. The exclusion criteria applied to generate this list, is detailed in the investment policy.

## RISK AND REWARD PROFILE



The synthetic risk and reward indicator (SRRI) is based on the historic volatility of the fund's value and it may change in the future.

For more information, please refer to the Key Risks section on page 3.

## WHO IS THIS FUND FOR?

- This Fund is designed for investors looking for capital growth and income by investing in Euro denominated fixed income securities of companies that do not form part of the Responsible Exclusions list, detailed above.
  - Although investors can take their money out at any time, this Fund may not be appropriate for those who plan to withdraw their money within five years.
  - This Fund is not designed for investors who cannot afford more than a minimal loss of their investment.
  - If you do not understand this document we recommend you seek additional information to help you decide if this Fund is right for you

## FUND FACTS

Fund size  
€304.4m

Fund launch date  
21 Oct 2019

## COSTS

Initial charge  
0.00%

Ongoing charge  
0.06%

Price basis  
Single swing

Dilution adjustment  
0.548%

## BENCHMARKS

Benchmark

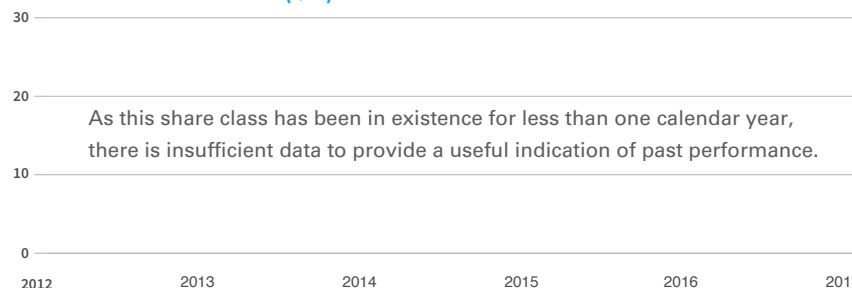
Markit iBoxx Euro Corporates Total Return Index\*

Performance objective

Markit iBoxx Euro Corporates Total Return Index +0.5%\*

\*The benchmark performance shown below is in EUR for this share class.

## PERFORMANCE (%)



|                       | 1m | 3m | 1y | 3y | Launch |
|-----------------------|----|----|----|----|--------|
| ■ Fund                | -  | -  | -  | -  | -      |
| ■ Benchmark           | -  | -  | -  | -  | -      |
| Performance objective | -  | -  | -  | -  | -      |

## 12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

| 12 months to 31 March | 2020 | 2019 | 2018 | 2017 | 2016 |
|-----------------------|------|------|------|------|------|
| Fund                  | -    | -    | -    | -    | -    |
| Benchmark             | -    | -    | -    | -    | -    |

All performance periods over a year will be annualised. For annual performance against the performance objective please see the Key Investor Information Document (KIID). Performance for the Z EUR Acc share class in EUR, launched on 24 October 2019. Source: Lipper. Performance is calculated on a Net Asset Value (NAV) to NAV basis and assumes all fund charges have been taken and that all income generated by the investments, after deduction of tax, remains in the fund. This fund has adopted a single swinging price, this means that on any given day the single dealing price will be set at either bid, offer or somewhere in between, based on whether there was a net inflow or outflow into or out of the Fund. Swing pricing, as defined in the Prospectus, may be applied on a subscription or redemption of shares to reflect the costs of dealing in the Fund's assets.

**Past performance is not a guide to the future.**

## FUND SNAPSHOT

- What does it invest in?** Invests in a broad range of bonds and bond-related instruments denominated in Euro, Sterling and US Dollar, with at least 70% invested in a portfolio of Euro denominated bonds. Invests at least 70% in corporate bonds.
- How does it invest?** Actively managed, investing primarily in fixed income securities with an investment grade (lower risk) credit rating. May also invest in debt with a sub-investment grade (higher risk) credit rating on a limited basis, as well as derivative instruments. Will exclude companies on the Responsible Exclusions list described on the fund's Key Investor Information Document.

## PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.



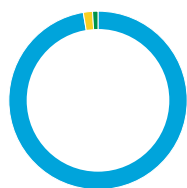
■ Top 10 issuers 21.3%  
■ Rest of portfolio 78.7%  
No. of issuers 140

### TOP 10 ISSUERS (%)

|                                     |     |
|-------------------------------------|-----|
| Bundesrepublik Deutschland          | 5.7 |
| Citigroup Inc                       | 2.2 |
| Vonovia Finance BV                  | 2.1 |
| UBS AG                              | 1.8 |
| Orange SA                           | 1.7 |
| Caisse Nationale De Credit Agricole | 1.7 |
| BMW AG                              | 1.7 |
| BNP Paribas                         | 1.5 |
| Electricidad De Portugal            | 1.5 |
| Banque Federative Du Credit Mutuel  | 1.5 |

### TOP SECTOR OVER/UNDERWEIGHTS (%)

|                      | Fund | Benchmark | Relative |  |
|----------------------|------|-----------|----------|--|
| Sovereign            | 5.7  | 0.1       | 5.7      |  |
| Real Estate          | 7.4  | 4.5       | 2.9      |  |
| Consumer Services    | 6.7  | 4.0       | 2.7      |  |
| Cash and Equivalents | 2.1  | -         | 2.1      |  |
| Utilities            | 11.6 | 10.2      | 1.5      |  |
| Banks                | 30.2 | 29.1      | 1.1      |  |
| Other                | 0.7  | -         | 0.7      |  |
| Financial Services   | 2.6  | 2.3       | 0.3      |  |
| Oil & Gas            | 4.6  | 4.4       | 0.3      |  |
| Basic Materials      | 2.1  | 2.8       | -0.7     |  |
| Technology           | 1.9  | 2.7       | -0.9     |  |
| Telecommunications   | 5.6  | 7.2       | -1.7     |  |
| Health Care          | 4.2  | 6.2       | -2.0     |  |
| Insurance            | 2.2  | 4.9       | -2.7     |  |
| Industrials          | 4.2  | 8.0       | -3.9     |  |
| Consumer Goods       | 8.5  | 13.8      | -5.3     |  |



### CURRENCY (%)

|       |      |
|-------|------|
| ■ EUR | 97.4 |
| ■ USD | 1.7  |
| ■ GBP | 1.0  |

### CREDIT RATING (%)

|      | Fund | Benchmark | Relative |  |
|------|------|-----------|----------|--|
| AAA  | 5.7  | 0.2       | 5.5      |  |
| AA   | 2.6  | 5.2       | -2.5     |  |
| A    | 32.4 | 36.6      | -4.1     |  |
| BBB  | 53.5 | 55.8      | -2.3     |  |
| BB   | 3.0  | 2.3       | 0.7      |  |
| NR   | 0.7  | -         | 0.7      |  |
| Cash | 2.1  | -         | 2.1      |  |

## LGIM GLOBAL FIXED INCOME

Legal and General investment Management (LGIM) is one of Europe's largest asset managers and a major global investor, with assets under management of £1.1tn\*.

**Scale and experience-** Our Global Fixed Income team is responsible for over £172 billion\* of actively managed assets with over 80 professionals with an average of 15 years' industry experience bringing together a blend of expertise to the management of regional and global fixed income portfolios. As part of the wider Legal & General Group, and as one of the leading global bond investors in the industry, we believe that we have a unique insight into providing suitable investment solutions that meet our clients' wider needs.

**Macro-thematic approach-** Our investment process combines top-down fundamental macro analysis with bottom-up stock selection, focusing on identifying turning points and new themes that drive long-term performance. Our integrated approach has helped LGIM to successfully manage portfolios and deliver risk-adjusted performance across our range of active funds.

\*Source: LGIM internal data as at 30 June 2019. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. The AUM includes the value of securities and derivatives positions.



### LAN WU

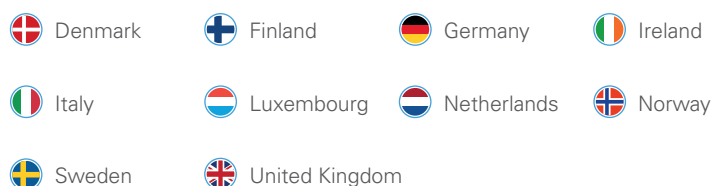
Lan is a euro credit portfolio manager in the Pan European Credit team, having joined LGIM in September 2010 as assistant to the fund manager. Previously Lan was at Hedge Funds Investment Management where she worked as a part-time research analyst in their Investment team. Prior to this, Lan completed internships with China Lion Securities in China, in their investment banking department, and with UBS, London where she worked in their fixed income, currencies and commodities division. Lan holds a MMath in mathematics and statistics from Oxford University as well as an MSc in finance at Imperial College London. Lan is a CFA charterholder.

## KEY RISKS

- The value of an investment is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- This fund holds bonds that are traded through agents, brokers or investment banks matching buyers and sellers. This makes the bonds less easy to buy and sell than investments traded on an exchange. In exceptional circumstances the fund may not be able to sell bonds and may defer withdrawals, or suspend dealing. The Directors can only delay paying out if it is in the interests of all investors and with the permission of the fund depository.
- The fund invests directly or indirectly in bonds which are issued by companies or governments. If these companies or governments 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 the fund may fall.
- Prices of the ABS/MBS may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict. In addition, the terms of the ABS/MBS may restrict its sale in particular circumstances.
- Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains.
- The fund may have underlying investments that are valued in currencies that are different from the currency of this share class. Exchange rate fluctuations will impact the value of your investment. Currency hedging techniques may be applied to reduce this impact but may not entirely eliminate it.
- We may take some or all of the ongoing charges from the fund's capital rather than the fund's income. This increases the amount of income, but it reduces the growth potential and may lead to a fall in the value of the fund.
- Investment returns on bonds are sensitive to trends in interest rate movements. Such changes will affect the value of your investment.

For more information, please refer to the key investor information document on our website [↗](#)

## COUNTRY REGISTRATION



**Important:** Due to exceptional market conditions, spreads are currently volatile and may be subject to frequent change. To see the latest spread visit our fund centre at [www.lgim.com](http://www.lgim.com)

### Important information

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**Internal Fund Code: 5443**



## SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe's largest asset managers and a major global investor, with assets under management of €1,411.7 billion (as at 31 December 2019). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Source: LGIM internal data as at 31 December 2019. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. The AUM includes the value of securities and derivatives positions.

## DEALING INFORMATION

Valuation frequency Daily, 16:00 CET

Dealing frequency Daily

Settlement period T+3

Administrator/Custodian Northern Trust

## CODES


ISIN LU2050552236

Bloomberg LGEREZE LX

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