

# AAA-AA Fixed Interest Over 15 Year Targeted Duration Fund



Unit-Linked Life Insurance Reported in GBP (Gross of charges)

## FUND AIM

The fund aims to produce a total return in line with the performance of a subset of the FTSE Actuaries UK Conventional Gilts Over 15 Years Index, this being the gilts with maturities of 15 to 35 years and capture the yield spread over gilts of AAA-AA rated fixed interest securities.

## RISK AND REWARD PROFILE



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

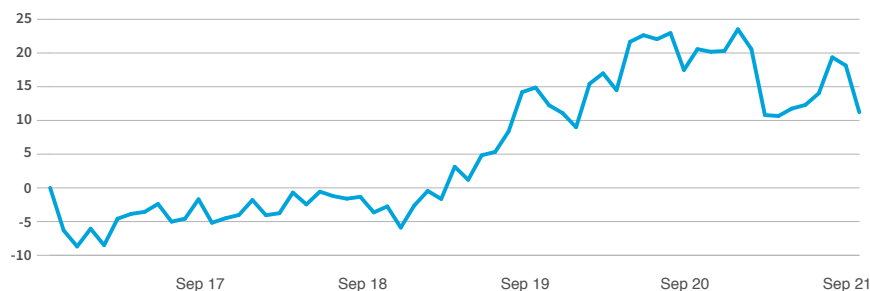
## WHO IS THIS FUND FOR?

- The trustees of UK registered and certain non-UK registered defined benefit or defined contribution occupational pension schemes, which may be classified as either retail clients or professional clients.
- Although investors can take their money out at any time, the recommended minimum holding period is 5 years.
- Please refer to your professional advisor who should be able to advise you on the suitability of this fund for your scheme.

## FUND FACTS

Fund size <b>£137.9m</b>	Base currency <b>GBP</b>	Benchmark -	
Launch date <b>Nov 1999</b>	Domicile <b>United Kingdom</b>	Gross redemption yield <b>1.65% (unhedged)</b>	Modified duration <b>18.32 years</b>

## PERFORMANCE (%)



	YTD	3m	6m	1y	3y	5y
■ Fund	-9.96	-2.46	0.52	-7.76	4.89	2.14

## CALENDAR YEAR PERFORMANCE (%)

	2020	2019	2018	2017	2016
Fund	13.34	11.90	-0.84	4.52	17.03

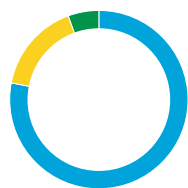
All performance periods over a year will be annualised. Source: LGIM. Performance based on weekly mid-market prices before the deduction of fees. **Past performance is not a guide to the future.**

## FUND CHARACTERISTICS

This passively managed fund follows a buy and maintain strategy and provides an alternative to the Over 15 Year Gilt Index Fund through exposure to AAA-AA corporate bonds that are, following issue, constituents of the Markit iBoxx £ Non-Gilts Sovereign & Sub-Sovereign AAA-AA Over 15 Years Index. The fund may also hold gilts to provide liquidity and to ensure that the fund's duration remains within tolerance of the FTSE Actuaries UK Conventional Gilts 15-35 Years Index.

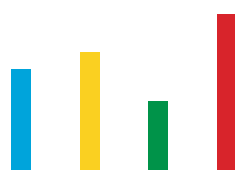
## PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding. In order to minimise transaction costs, the Fund will not always own all the assets that constitute the index and on occasion it will own assets that are not in the index. The number of fund holdings can differ from the index due to corporate events and proxy holdings.



### SECTOR (%)

Government	78.0
Social Infrastructure	16.4
Financial Services (Debt)	5.6



### YEARS TO MATURITY (%)

15 - 20 Years	22.7
20 - 25 Years	26.5
25 - 30 Years	15.7
30 - 40 Years	35.1



■ Top 10 holdings 87.5%  
■ Rest of portfolio 12.5%  
No. of issuers in fund 11

### TOP 10 HOLDINGS (%)

European Investment Bank 5% 2039	14.5
LCR Finance 5.1% 2051	14.3
Affordable Housing Finance 2.893% 2043	13.2
European Investment Bank 4.625% 2054	10.7
European Investment Bank 4.5% 2044	7.2
SNCF Réseau 4.83% 2060	7.1
UK Gilt 0.5% 2061	5.9
SNCF Réseau 5% 2052	5.9
Temasek Financial I Ltd 5.125% 2040	5.6
Ahfiln 3.8 20-May-2042	3.3

### CREDIT RATING (%)

AAA	40.3
AA	53.8
AA-	5.9

### COUNTRY (%)

United Kingdom	40.8
Supranational	32.8
France	12.9
Singapore	5.6
Jersey	3.2
United States	1.9
Guernsey	1.4
Luxembourg	1.3

Celebrating  
**25+**  
Years

### INDEX FUND MANAGEMENT TEAM

The Index Fund Management team comprises 25 fund managers, supported by two analysts. Management oversight is provided by the Global Head of Index Funds. The team has average industry experience of 15 years, of which seven years has been at LGIM, and is focused on achieving the equally important objectives of close tracking and maximising returns.

## KEY RISKS

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- The return from your investment is not guaranteed and therefore you may receive a lower or higher return than you anticipated. There will be a variation in performance between funds with similar objectives due to the different assets selected.
- PMC's charges and associated transaction costs are subject to change, with notice for the former and without notice for the latter. Charges and transactions costs deducted from the policy reduce your potential for capital growth in the future.
- Tax rules and the treatment of income and capital gains could change in the future and may be applied retrospectively.
- Inflation reduces the purchasing power of money over time as the cost of purchasing goods and services increases. If the rate of inflation exceeds the rate of return on your portfolio, it will erode the value of your portfolio and its investments in real terms.
- In extreme market conditions it may be difficult to realise assets held for a fund and it may not be possible to redeem units at short notice. We may have to delay acting on your instructions to sell or the price at which you cancel the units may be lower than you anticipated.
- The value of a fund's assets may be affected by uncertainties such as international political developments, market sentiment, economic conditions, changes in government policies, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made.
- PMC seeks to mitigate counterparty risk wherever possible on behalf of its policyholders through a variety of measures which include: each fund's non-cash assets being held with independent custodians, sweeping cash (where appropriate) overnight into the LGIM's range of Liquidity funds (above a deminimus level), using the delivery versus payment system when settling transactions and the use of central clearing for exchange traded derivatives and forward foreign exchange transactions. However, in the event of the failure of a counterparty, custodian or issuer there is a residual risk that a fund may suffer asset losses which are unrecoverable.

For more information, please refer to the Description of Funds [↗](#)



## SPOTLIGHT ON LEGAL &amp; GENERAL INVESTMENT MANAGEMENT

We are one of Europe's largest asset managers and a major global investor, with assets under management of £1,326.8 billion (as at 30 June 2021). 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 30 June 2021. 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

Units can be purchased, sold or switched on a designated dealing day. Funds are offered on a weekly or daily basis as below:

Weekly close	Yes
Daily close	Yes
Daily midday	Yes
NIS available	Yes

The Notional Income Service (NIS) is available from the weekly dealt version where indicated. Further information is available in the relevant operational procedures sheet and the Description of Funds [↗](#)

## TO FIND OUT MORE

 Visit [www.lgim.com](http://www.lgim.com)

 Call **+44 (0) 20 3124 3277**

We may record and monitor calls. Call charges will vary.

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**Internal Fund Code: BH**