

# Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## L&G Absolute Return Bond Plus Fund (the "Fund")

Share Class Z (GBP Hedged Accumulation - ISIN: LU0989306807). The Fund is a sub-fund of Legal & General SICAV.

The management company of the Fund is LGIM Managers (Europe) Limited, part of the Legal & General group.

## OBJECTIVE AND INVESTMENT POLICY

### Objective

The Fund aims to generate positive returns in all market conditions.

The Fund has a higher performance target than that of the L&G Absolute Return Bond Fund.

The Fund aims to meet its performance objectives over a rolling three year period.

There can be no assurance that the Fund will achieve its investment objective.

### Investment policy:

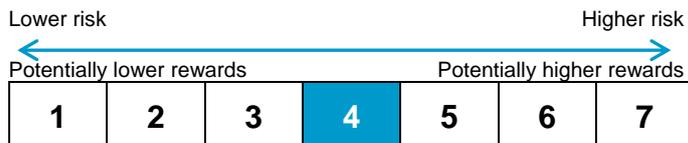
- The Fund will invest predominantly in fixed income securities (investments that provide a certain level of income). These include bonds and other debt instruments, issued in a variety of currencies by companies and governments from around the world.
- The Fund will invest primarily in debt rated by a recognised rating agency as investment grade (rated as lower risk). It may also invest in debt rated as sub-investment grade (rated as higher risk). Credit ratings give an indication of how likely it is that the issuer of a bond will be able to pay back interest and the loan on time. The Fund may also invest in unrated bonds which have not been rated by a credit rating agency.
- The Fund may also invest in other transferable securities, including but not limited to, depository receipts, permitted deposits, money market instruments, cash, near cash and units in collective investment schemes.
- The absolute return philosophy is focused on capital preservation and minimising falls in value. In order to achieve consistent positive returns, significant emphasis is placed on risk management and avoiding downside scenarios.
- The Fund will use derivatives extensively for investment purposes or to reduce risk or cost or to generate additional growth. Derivatives are financial instruments whose values are based upon the price of one or more other asset(s). Usage of derivatives is monitored to ensure that the Fund is not exposed to excessive or unintended risks.

- The financial derivative instruments that the Fund may invest in include the following: Spot and Forwards contracts (which allow the Fund to fix a price at which an investment may be purchased or sold in the future), Credit Default Swaps (which will aim to protect the Fund in the event of a default or credit event on a particular investment), Options (which can be used to hedge against the movements of a particular investment or to gain exposure to a particular investment instead of using a physical security) and Exchange Traded Futures (which allow the Fund to hedge against market risk or gain exposure to underlying bonds or interest rates).
- Some investments held by the Fund may be issued in currencies other than US dollar. The Fund may use a technique known as currency hedging to seek to protect against exchange rate movements between other currencies and US dollar.

### Other information:

- This Fund is designed for investors looking for income or growth from an investment in fixed income securities.
- 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.
- Shares can be bought, sold or switched on any business day. Orders received by 2.00pm (CET) will be processed as at the valuation point on the same business day. Orders received after 2.00pm (CET) will be processed as at valuation point on the next business day.
- The Fund's base currency is denominated in US dollar (USD).
- This Share Class uses currency hedging to seek to protect your investment against exchange rate movements between the share class currency and the Fund's base currency.

## RISK AND REWARD PROFILE



- This risk and reward indicator is based on historical data which may not be a reliable indication of the Fund's risk and reward category in the future.
- The category number highlighted above reflects the rate at which the Fund's share price could move up and down based on the Fund's performance target and internal risk limit. If the Fund has at least 5 years' track record, the number could instead reflect the rate at which the Fund's share price has moved up and down in the past, but only when this would put the Fund in a higher category. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money. For information about the Fund's performance target, please see the Fund's factsheet at [www.lgim.com](http://www.lgim.com).
- The Fund is in category 4 because it invests in company or government bonds which are sensitive to changes in interest rates, inflation and credit. This can be driven by political and economic changes and other significant events and may cause the value to go up and down. Bonds that are closer to their maturity date tend to be more stable in value. Bonds are generally considered to be higher risk investments than cash, but lower risk than company shares.
- The Fund's category is not guaranteed to remain the same and may change over time.
- Even a fund in the lowest category is not a risk free investment.
- The value of your investment may fall as well as rise and is not guaranteed. You might get back less than you invest.

Further information on the risks of investing in this Fund is contained in the Prospectus available at [www.lgim.com](http://www.lgim.com).

The risk and reward indicator may not take account of the following risks of investing in the Fund:

- This Fund holds bonds that, rather than being traded on an exchange, are traded through agents, brokers or investment banks matching buyers and sellers. This makes the bonds less easy to buy and sell than investments that are traded on an exchange and on any particular day there may not be a buyer or a seller for the bonds. 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 and the Manager may defer withdrawals, or suspend dealing. The Manager can only delay paying out if it is in the interests of all investors and with the permission of the Fund trustee or depositary.

- Investment returns on bonds are sensitive to trends in interest rate movements. Their values are likely to fall when interest rates rise. Such falls may be more pronounced in a low interest rate environment. Bonds with a short time to go before their maturity date will fall by less than bonds with a longer time to their maturity date.
- 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 your Fund may fall.
- The Fund could lose money if any institutions providing services such as acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the Fund.
- 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 impact to the Fund can be greater where derivatives are used in an extensive or complex way.
- The Fund may have underlying investments that are valued in currencies that are different from GBP. Any such investments will be impacted by exchange rate fluctuations and this may affect the value of your investment and any income from it. Currency hedging techniques may be applied to reduce the impact of exchange rate fluctuations 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.

## CHARGES FOR THIS FUND

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential return from your investment.

One-off charges taken before or after you invest	
Entry charge	None*
Exit charge	None*
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.	
*The Fund also incurs a dilution adjustment. See opposite.	
Charges taken from the fund over a year	
Ongoing charges	0.05 %
Charges taken from the fund under certain specific conditions	
Performance fee	None

- There are no entry or exit charges for this Fund.
- The ongoing charges figure is based on the latest available expenses at December 2017. This figure may vary from year to year.
- This Fund's ongoing charges include any charges made by any other funds it may invest in. They exclude portfolio transaction costs.
- Some or all of the ongoing charges may be taken from the capital of the Fund.

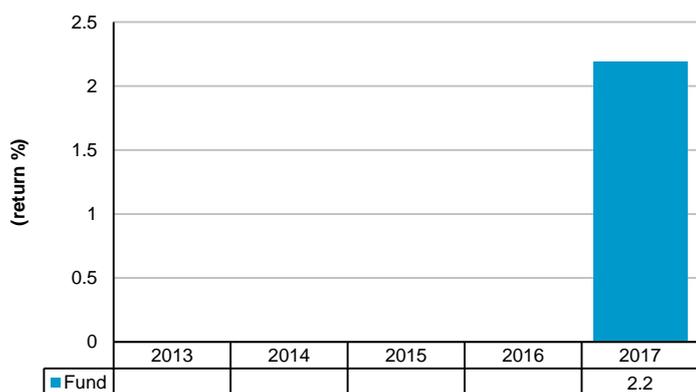
### Other Costs:

- **Dilution adjustment:** each day the Fund manager calculates a single price for this Fund based on the mid-point between the buying and selling prices of the Fund's assets. In certain circumstances, the Fund manager can adjust this price to account for whether there is more money going into or coming out of the Fund. This adjustment is called the 'dilution adjustment'. Its purpose is to protect ongoing investors from the difference between the buying and selling prices of the assets in the Fund and costs associated with buying and selling the assets. The dilution adjustment is separate to the ongoing charges shown in this section.

As an example, the dilution adjustment for this Fund was 0.29% for purchases and 0.29% for sales at 31 December 2017. The amount of the dilution adjustment may differ in future.

- **For more information about charges and the dilution adjustment, please see the sections headed 'Fees and Expenses' and 'Valuation' of the Fund's Prospectus, which can be obtained on our website [www.lgim.com](http://www.lgim.com).**

## PAST PERFORMANCE



- Past performance is not a guide to future performance.
- The figures for the Fund take into account the ongoing charges and assume income (after any tax) is reinvested. The figures do not take account of any dilution adjustment or any transaction costs.
- The performance has been calculated in GBP.
- The annual return is for a 12 month period ending 31 December.
- The Fund launched in 2013.
- This Share Class launched in 2016.
- The Fund changed its name in September 2016 from L&G LIBOR High Alpha Global Credit Fund to L&G Absolute Return Bond Plus Fund.

## PRACTICAL INFORMATION

- The depositary of the Fund is Northern Trust Global Services PLC, Luxembourg Branch.
- You can obtain further information about the Fund including copies of its prospectus, application forms and the latest annual and semi-annual reports at [www.lgim.com](http://www.lgim.com). We provide documents free of charge and in English. We publish the latest prices of shares within the Fund each business day on our website: [www.lgim.com](http://www.lgim.com).
- This Fund is subject to the tax legislation of Luxembourg, which may have an impact on each investor's personal tax position.
- LGIM Managers (Europe) Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.
- This document describes a specific share class of a sub-fund of Legal & General SICAV. The prospectus and periodic reports are prepared for Legal & General SICAV. The assets of the Fund are segregated by law and belong exclusively to it and are not available to meet the liabilities of any other sub-fund of Legal & General SICAV.
- Investors may switch their shares for another sub-fund of Legal & General SICAV, subject to certain conditions as set out in the prospectus. Charges may apply.
- You can find details of our Remuneration Policy at [www.lgim.com/remuneration](http://www.lgim.com/remuneration). You can also request a paper copy free of charge. The Policy includes details of our Remuneration Committee and how remuneration and benefits are calculated.