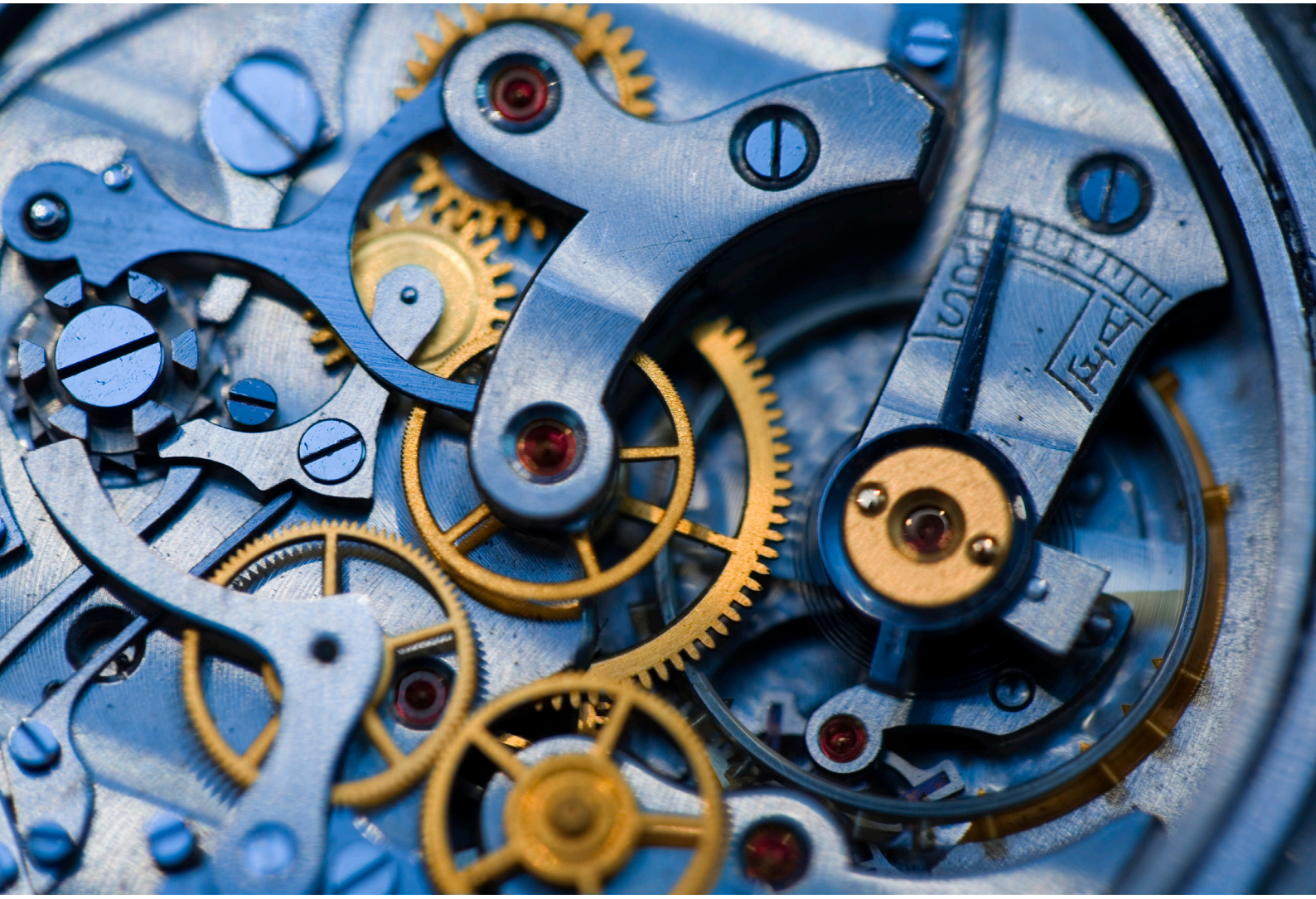
The Investment Only Platform

Offering clients the best of LGIM



A market-leading investment implementation toolkit

Legal & General
INVESTMENT MANAGEMENT

Harness LGIM's entire implementation tool kit

LGIM's Investment Only Platform (IOP) is more than just open-architecture. It brings together the entire implementation tool kit of an experienced Fund Management team within one of the UK's largest asset managers.

We continue to evolve the IOP as we believe asset management is best delivered as an integrated process rather than a series of unconnected services.

The platform puts our clients in control. By consolidating assets in one place, complemented by efficient investment implementation, our clients have time to focus on what matters most.

An offering with a difference

Our proposition is not just to provide a 'fund supermarket' rather we offer a suite of integrated, value-added services.

The LGIM Investment Only Platform has been built by a dedicated and experienced fund management team encompassing both defined benefit (DB) and defined contribution (DC) expertise. We offer our clients a menu of options to support the execution of their strategic objectives. The platform includes bespoke services such as implementing your strategic asset allocation, de-risking triggers, hedge ratio management and efficient transitioning.

KEY BENEFITS FOR CLIENTS

Simplicity

A single contract under our Life Company structure (PMC), with an efficient transitioning service to the platform.

Breadth

Access to LGIM's full range of over 300 funds, as well as a wide range of non-LGIM funds.

Cost-efficiency

We use our experience and scale to seek to maximise portfolio efficiency, by looking for cost savings when trading for mandate changes

Transparency

A single portal to cater for all client servicing and order management needs, including quarterly reporting and online holdings data.

Stability

Our significant scale and experience underpins the platform, which is the natural extension of the asset allocation activities which our fund managers have been providing for decades.

The platform's capabilities at a glance

DB and DC IOP capabilities

- Investment strategy and implementation
- Bespoke asset allocation management
- Efficient management of allocation changes seeking to minimise costs
- Non-LGIM funds wrapped within our life company wrapper (PMC)
- New external funds added driven by client demand
- Cost efficient on-boarding and on-going implementation

DC specific IOP capabilities

- Bespoke white labelled funds as well as blend of blends
- Management of different dealing cycles
- Bespoke client fact sheets

DB specific IOP capabilities

- LDI mandate experience with both LGIM and non-LGIM funds
- Liquidity management
- De-risking triggers
- Hedge ratio management

LGIM Brand & Scale

Legal & General is the largest DB provider in the UK and continues to grow exponentially in the relatively nascent DC market, together this scale and brand strength provides an additional sense of security for our clients.

Wrapper Flexibility

The PMC wrapper is effective across internal and external funds and applicable to many asset classes including illiquid holdings as well being efficient across many structures.

Smart Switching Service

We manage an investment strategy change, where we actively look for opportunities to increase transaction cost savings for an agreed upon period by using multiple trading strategies.

Dynamic Triggers

Many schemes aim to execute a dynamic de-risking strategy at favourable points in the market cycle. We provide intra-day, daily, weekly or monthly monitoring of triggers which span a huge variety of variables such as equity index levels, bond yields, funding levels, swap yields and so on.

Transition Management

Full range of transition services including pre-funding, re-registration of units, as well as expert use of derivatives.

Working together

We work closely with clients to better understand their evolving investment needs. Our guiding principle is to help clients achieve their entire range of long-term financial goals.

BUILDING BESPOKE CLIENT SOLUTIONS

We aim to manage asset exposure by providing scalable and cost efficient implementation solutions throughout the lifecycle of a portfolio. Our Allocation Strategy Management (ASM) team has significant experience in building bespoke implementation solutions through focused portfolio construction and order execution. We have managed client allocations since 1995 and internal solutions for many years prior to this.

The team is also responsible for implementing the asset allocation policy of LGIM's multi-asset fund strategies. Our platform clients benefit from operational and administrative excellence, alongside extensive investment knowledge.

ASM

- Team of experienced fund managers
- 30 year+ heritage
- Multi-asset expertise
- Evolving suite of client-focused services
- Integration of specialist operational and investment teams

VALUE-ADDED SERVICES

Within the IOP we offer clients a range of value-added services:

Managing out of market exposure

Trigger monitoring

Proven track-record of managing complex restructures

Outstanding corporate governance

Tax efficient structures

Complex multi-asset strategy implementation

HELPING TO MANAGE CHANGE

There are two teams involved in the transition of assets who are highly experienced in managing change across both DB and DC assets:

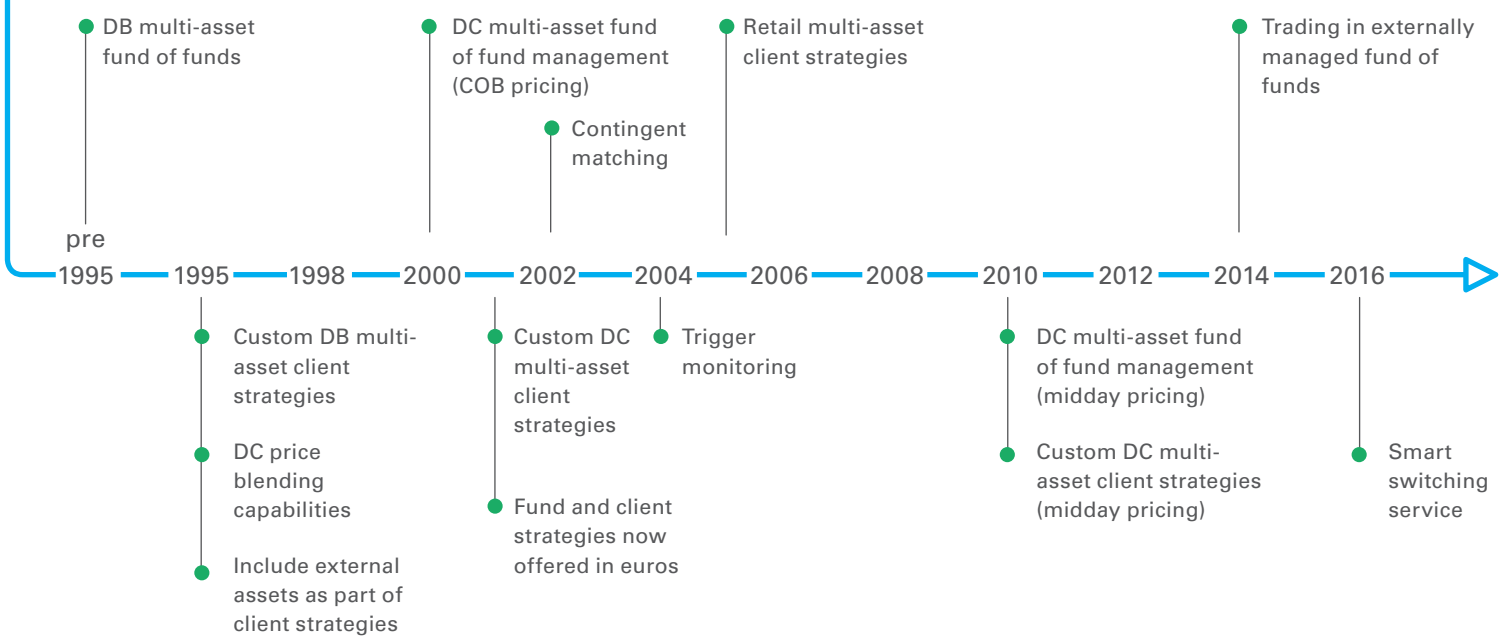
Our **Transition Management team** sets up holdings from the preceding investment manager, incorporating these holdings within LGIM funds. If required, the team can execute full portfolio transitions. The team has considerable expertise, handling a variety of transitions including those involving liability-hedging portfolios from a wide range of external investment managers.

Our **Allocation Strategy Management team** not only has extensive experience managing ongoing asset allocation requirements for schemes, but also managing asset allocation changes using various techniques which aim to reduce trading costs. Unit switches, stock switches and contingent matching trades are all common methods used across various bespoke client strategies.

LGIM has been managing blended fund-of-fund structures since 1995 and are experienced at setting up blends with single fund or multi-fund structures, allowing the functionality to add further funds as required. We are able to blend funds from different managers with differing dealing and pricing cycles.

The success of these teams has been built on flexibility and being adaptable to the varying requirements of our clients, which provided the backdrop for the launch of LGIM's Investment Only Platform in 2014.

EVOLVING CLIENT SOLUTIONS DRIVEN BY CORE CAPABILITIES



Why invest with LGIM?

PUTTING CLIENTS FIRST

LGIM exists to help clients achieve their long-term financial goals. We aim to make a real difference to their lives, as well as to our industry and the wider community. Throughout the past 45 years we have become one of Europe's largest asset managers by understanding what matters most to our clients and transforming this insight into valuable investment solutions.

TAPPING INTO A STRONG HERITAGE

LGIM is one of Europe's largest asset managers and a major global investor[1]. Our experience in managing proprietary LGIM funds gives us the real world experience to enhance our platform for the benefit of clients. We also tap into the expertise and experience of the wider Legal & General Group and annuities business, with the majority of funds wrapped by L&G's life company.

HARNESSING THE EFFICIENCY OF SCALE

Having everything under one roof keeps things simple and reduces costs. We use our scale to seek opportunities to enhance performance and increase efficiency. Our investment only platform offers an extensive and growing range of funds and the capacity to create combinations of portfolios in a timely and cost-effective manner.

OFFERING SPECIALIST INVESTMENT EXPERTISE

We provide investment expertise across multiple asset classes including equities, fixed income, real assets and cash. Across these asset classes, we offer a broad range of investment solutions, including many designed specifically for both defined benefit and defined contribution pension schemes. We can also create bespoke solutions to meet individual requirements.

1. With total assets of £983.3 billion as at 31 December 2017, including derivative positions and advisory assets. This figure includes assets managed by LGIMA, an SEC Registered Investment Advisor

CONTACT US

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Important information

The information contained in this brochure is not intended to be, nor should be construed as investment advice nor deemed suitable to meet the needs of the investor. The value of investments and any income from them can fall as well as rise, is not guaranteed and your clients may get back less than they invest.

Authorised and regulated by the Financial Conduct Authority.

As required under applicable laws Legal & General will record all telephone and electronic communications and conversations with you that result or may result in the undertaking of transactions in financial instruments on your behalf. Such records will be kept for a period of five years (or up to seven years upon request from the Financial Conduct Authority (or such successor from time to time)) and will be provided to you upon request.

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