



# Key Information Document ('KID')

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

Name of Fund: **L&G Absolute Return Bond Fund**

Share class name: **I USD Unhedged Accumulation**

Manufacturer name: LGIM Managers (Europe) Limited, part of the Legal & General Group

Share class ISIN: LU2144880353

This PRIIP is authorised in Luxembourg

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

Telephone: +44 (0) 203 124 3277

Regulator: Commission de Surveillance du Secteur Financier (CSSF)

Production date: 2024-01-31

## What is this product?

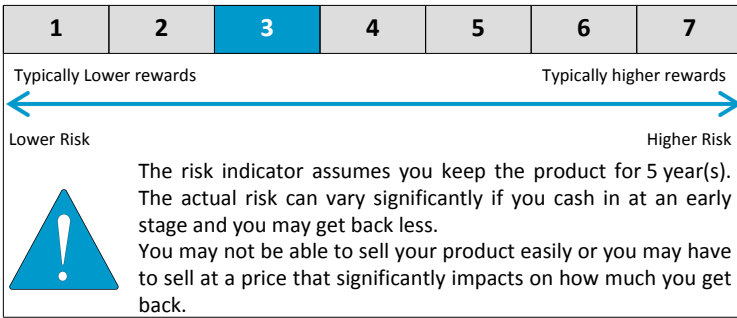
**Type:** This investment fund is a sub-Fund of Legal & General SICAV, an umbrella type open-ended investment company incorporated as a société d'investissement à capital variable. The Fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

**Term:** There is no fixed maturity date.

**Objectives:** The objective of the Fund is to provide a combination of growth and income above those of the ICE BofA SONIA 3-Month Constant Maturity Total Return Index, the "Benchmark Index". The Fund aims to outperform the Benchmark Index by 1.5% per annum. This objective is before the deduction of any charges and measured over rolling three year periods. The Fund aims to deliver this objective while decarbonising the portfolio over time, targeting a 50% reduction in weighted average carbon intensity by 2030, compared to a December 2019 baseline level. The Fund aims to generate positive returns in all market conditions. There can be no assurance that the Fund will achieve its investment objective. The Manager has broad discretion over the composition of the Fund's portfolio. The Fund will invest at least 80% of its assets in a broad range of fixed income securities from around the world. These include bonds and other debt instruments, issued in a variety of currencies by companies and governments from around the world. In addition to decreasing the weighted average carbon intensity over time, the Fund promotes a range of environmental and social characteristics by: (i) Excluding investments in bonds issued by companies in the LGIM Future World Protection List ("FWPL") and (ii) Excluding companies from the Fund which do not meet the Manager's "Climate Impact Pledge", in order to encourage strong governance and sustainable strategies. The Fund may invest in debt rated by a recognised rating agency as investment grade (rated as lower risk). The Fund may invest up to 15% of its assets in debt which is considered subinvestment grade at the time of purchase, that is, debt which is rated BB+ and below or equivalent by Standard & Poor's and Fitch and Ba1 and below by Moody's. The Fund may also invest in unrated bonds whose creditworthiness is, in the opinion of the Investment Manager, of comparable quality to other bonds eligible for investment by the Fund. 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. Some investments held by the Fund may be issued in currencies other than Sterling. The Fund may use a technique known as currency hedging to protect against exchange rate movements between other currencies and Pounds Sterling. The Fund may invest up to 20% of its assets in asset-backed securities (ABS) and mortgage-backed securities (MBS). The Fund may invest up to 20% of its assets in contingent convertible debt securities. The Fund is actively managed as the Manager uses their expertise to select investments to achieve the Fund's objectives. The Fund promotes a range of environmental and social characteristics. Further information on how such characteristics are met by the Fund can be found in the Supplement. The depository of the Fund is Northern Trust Global Services SE. Further information about the Fund and the share class can be obtained from the Fund's prospectus and the annual and semi-annual reports, which are available, in addition to the latest prices for the unit class and details of any other unit classes, free of charge at: [www.lgim.com](http://www.lgim.com).

**Intended retail investor:** This Fund is designed for investors looking for growth and income from an investment in range of fixed and variable rate income securities. 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. Whilst investors can redeem at any time this Fund may not be appropriate for those who plan to withdraw their money within 5 years. The Fund's base currency is denominated in sterling (GBP).

## What is the risk and what could I get in return?



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.

We have classified this product as class 3 out of 7, which is a medium-low risk class.

The value of the fund may be affected by risks not in the SRI: failure of a counterparty, custodian or issuer; inability to sell holdings; trends in interest rates/inflation.

This product does not include any protection from future market performance so you could lose some or all of your investment.

**Be aware of currency risk.** You may receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

The Fund is not covered by an investor compensation scheme.

## Performance scenarios

Investment USD 10,000.00			
Scenarios		1 year	5 years (Recommended holding period)
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.		
Stress scenario*	What you might get back after costs	6,828.00 USD	6,735.00 USD
	Average return each year	-31.7%	-7.6%
Unfavourable scenario**	What you might get back after costs	8,095.00 USD	9,754.00 USD
	Average return each year	-19.0%	-0.5%
Moderate scenario***	What you might get back after costs	10,057.00 USD	10,281.00 USD
	Average return each year	0.6%	0.6%
Favourable scenario****	What you might get back after costs	12,227.00 USD	12,697.00 USD
	Average return each year	22.3%	4.9%

\* The Stress scenario shows what you might get back in extreme market circumstances.

\*\* The Unfavourable scenario was simulated based on the appropriate benchmark used for an investment between 2017-10 to 2022-09.

\*\*\* The Moderate scenario was simulated based on the appropriate benchmark used for an investment between 2014-05 to 2019-04.

\*\*\*\* The Favourable scenario was simulated based on the appropriate benchmark used for an investment between 2016-06 to 2021-05.

This table shows the money you could get back over the next 5 year(s), under different scenarios, assuming that you invest 10,000.00 USD.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product with input from benchmark(s)/proxy over the last 10 years. Markets could develop very differently in the future.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

**Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.**

## What happens if LGIM Managers (Europe) Limited is unable to pay out?

If LGIM Managers (Europe) Limited defaults, investors in the Fund would not face any financial losses. However, 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 fund is not covered by an investor compensation scheme.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the holding period(s). They include potential early exit penalties. The figures assume you invest 10,000.00 USD. The figures are estimates and may change in the future.

## Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest and how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

These figures include the maximum distribution fee that the person selling you the product may charge. This person will inform you of the actual distribution fee.

We have assumed:

- In the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- USD 10,000.00 is invested.

Investment USD 10,000.00	If you cash in after 1 year	If you cash in after 5 years
Total costs	72.00 USD	374.00 USD
Impact on return (RIY) per year (*)	0.72%	0.72%

(\*) This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be 1.28% before costs and 0.56% after costs.

## Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- What the different cost categories mean.

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	0.00% There is no entry fee for this product.	0.00 USD
Exit costs	0.00% There is no exit fee for this product.	0.00 USD
Ongoing costs taken each year		
Management fees and other administrative or operating costs	0.55% of the value of your investment per year.	54.93 USD
Transaction costs	0.17% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	16.72 USD
Incidental costs taken under specific conditions		
Performance fees and carried interest	0.00% There is no performance fee for this product.	0.00 USD

## How long should I hold it and can I take my money out early?

An investor can hold their investment for any time period but 5 year(s) is recommended.

The recommended holding period of 5 years has been selected for illustrative purposes. Investments should be seen as long-term investments, however there is no minimum (or maximum) holding period for the fund and you can redeem your investment at any time in accordance with the fund prospectus.

The above mentioned period has been defined in accordance to the product characteristics.

## How can I complain?

Complaints can be made in writing to LGIM Managers (Europe) Ltd, 70 Sir John Rogerson's Quay, Dublin 2, DO2 R296, Ireland or by submitting your complaint via the contact us section of the website <https://www.legalandgeneral.com/contact-us/> or by email to [complaints@lgim.com](mailto:complaints@lgim.com)

## Other relevant information

Further information about the Fund including 3 years of past performance history and previous performance scenarios required under PRIIPs regulation can be found at [www.lgim.com](http://www.lgim.com). Past performance is not a guide to future performance and future returns could be significantly worse than shown. This Key Investor Document is updated at least every 12 months. If you are in any doubt about the action you should take, you should seek independent financial advice.

The state of the origin of the fund is Luxemburg. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O., CH-8024 Zurich. The prospectus, the key information documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative.