

## Legal And General Managed Fund

### INVESTMENT POLICY AND OBJECTIVES

The objective of the Fund is to deliver good long-term relative performance by being fully invested in a diversified portfolio of UK commercial property. Its objective is to exceed the median return for similar funds in the CAPS Survey of pooled property funds.

Approved defined benefit and defined contribution occupational pension schemes

Fund details	
Type of fund	Exempt approved
Residence	United Kingdom
Launch date	01-Jun-71
Open/closed-ended	Open-ended
Earliest date of winding up	Not applicable
Year-end	31-Mar
NAV (GBPm)	3187.6

Source: Legal & General Investment Management Limited

Management/professional advisors	
Manager	Legal & General Investment Management Limited
Property advisor	-
Investment Advisor	Legal & General Investment Management Limited
Fund Manager	Rob Codling
Corporate trustee	Not applicable
Auditors	PwC

Source: Legal & General Investment Management Limited

	Legal And General Managed Fund	MSCI/AREF UK Quarterly Property Fund Index*		
		Managed open-ended funds	All balanced open-ended funds	All funds
3 months	-2.0	-0.3	-0.2	-0.2
Year-to-date	-2.0	-0.3	-0.2	-0.2
12 months	-13.7	-15.5	-14.5	-14.4
3 years+	2.6	2.6	2.6	1.4
5 years+	2.3	1.9	2.5	1.4
10 years+	5.9	5.7	6.4	5.6

Source: Legal & General Investment Management Limited

\* MSCI/AREF UK Quarterly Property Fund Index

Note: Weighted average returns + Annualised

Property investment restrictions	
Maximum development exposure	1%
Maximum speculative development exposure	*
Maximum lot-size holding as a standing investment	1%
Maximum lot-size holding permitted at purchase	7.5%
Maximum exposure to limited partnerships	15%
Maximum exposure to joint ventures	15%
Maximum exposure to closed and open-ended property unit trusts	15%

Note: \*None specified

Source: Legal & General Investment Management Limited

	Legal And General Managed Fund+*	MSCI/AREF UK Quarterly Property Fund Index**		
		Managed open-ended funds	All balanced open-ended funds	All funds
Standard retail – South East	1.8	3.6	4.7	4.6
Standard retail – Rest of UK	3.0	2.3	1.4	2.3
Shopping centres	2.0	1.8	0.9	2.5
Retail warehouses	10.3	11.1	11.8	7.6
<b>All UK retail</b>	<b>17.1</b>	<b>18.8</b>	<b>18.8</b>	<b>17.0</b>
City offices	0.7	3.8	3.6	3.3
West End offices	7.2	5.8	8.0	5.3
Rest of South East offices	7.8	5.9	7.4	5.9
Rest of UK offices	5.5	4.3	5.0	5.3
<b>All UK offices</b>	<b>21.3</b>	<b>19.8</b>	<b>24.0</b>	<b>19.8</b>
South East industrial	31.7	26.1	24.3	20.1
Rest of UK industrial	1.9	13.4	13.5	11.7
<b>All UK industrial</b>	<b>33.5</b>	<b>39.6</b>	<b>37.9</b>	<b>31.8</b>
Other UK properties	14.8	12.6	12.1	25.4
Cash***	13.2	9.3	7.2	5.9
<b>Overall</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Note: + Includes the Fund's share of any properties held jointly or indirectly Sources: \* Legal & General Investment Management Limited

\*\* MSCI/AREF UK Quarterly Property Fund Index

### Property ownership structure



Source: Legal & General Investment Management Limited

The unexpired term of leases	
Years	% of rent passing
20 years or greater	4.3
15 years or greater, but less than 20	3.2
10 years or greater, but less than 15	12.6
5 years or greater, but less than 10	25.1
Less than 5 years	54.8

Source: Legal & General Investment Management Limited

Joint and Indirect property holdings						
Holdings	Sector	Joint/Indirect	Vehicle Type	Ownership %	Valuation	Est. % of total portfolio
HAMMERSMITH	Office	INDIRECT RE - LIMITED PARTNERSHIP	-	50.0	95.4	3.4
INDUSTRIAL PROPERTY INVESTMENT FUND	Industrial	INDIRECT RE - LIMITED PARTNERSHIP	-	8.7	267.4	9.5
LEISURE FUND LIMITED PARTNERSHIP	Leisure	INDIRECT RE - LIMITED PARTNERSHIP	-	13.9	58.1	2.1
L&G BTR fund	Residential	INDIRECT RE - LIMITED PARTNERSHIP	-	3.2	28.5	1.0
-	-	-	-	-	-	-

Source: Legal & General Investment Management Limited

Debt analysis					
Fixed rate borrowings			Variable rate borrowings		
Amount drawn (GBPm)	Average rate (%)	Average unexpired term (years)	Amount drawn (GBPm)	Rate above LIBOR (incl expenses) (%)	Off balance sheet debt (GBPm)+
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

Source: Legal & General Investment Management Limited

Development exposure*				
	Capital value of developments			Cost to complete schemes in progress+
	Not yet started	In progress+	All developments	
GBPm	0.0	0.0	0.0	0.0
% of all directly held properties*	0.0	0.0	0.0	0.0

Note: \* Includes joint ventures in which the Fund has an interest of 50% or more

+ Including schemes to which the fund is contractually committed

Source: Legal & General Investment Management Limited

Valuations/performance monitors/affiliations	
Frequency of valuation	Monthly, as at the end of each month
Valuers	CB Richard Ellis
Portfolio performance monitored by MSCI	Yes
Constituent of MSCI/AREF UK Quarterly Property Fund Index	Yes
Member of the Association of Real Estate Funds	Full member

Source: Legal & General Investment Management Limited

Restrictions on holdings of cash/borrowings	
Maximum total gearing permitted for investment purposes	NIL*
for liquidity purposes	NIL*
Cash holdings (maximum)	25%
Cash holdings (minimum)	5%

Note: \* Gearing is permitted for participation in collective investment schemes.

Source: Legal & General Investment Management Limited

The contribution of major tenants to rental income	
Tenant	%
Hotel	3.9
Into Newcastle University LLP	3.0
TJX UK	2.6
The Bank Of New York Mellon	2.6
Eddie Stobart Ltd	1.8
Matalan Retail Ltd	1.8
The Malmaison Hotel (Birmingham) Ltd	1.7
Next Holdings Limited	1.5
Sainsburys Supermarkets Ltd	1.4
Travelodge Hotels Ltd	1.3
Three largest tenants' contribution to rental income	9.4
Five largest tenants' contribution to rental income	13.8
Ten largest tenants' contribution to rental income	21.5

Source: Legal & General Investment Management Limited

Balance sheet/gearing	
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	Direct holdings	Joint holdings	Indirect investments	Listed investments	Total
<b>Balance sheet (GBPm)</b>					
Properties at valuation	2361.2	0.0	449.4	0.0	2810.6
Listed investments	0.0	0.0	0.0	0.0	0.0
Debt	0.0	0.0	-72.0	0.0	-72.0
Cash	429.0	0.0	0.0	0.0	429.0
Other net assets/liabilities	9.7	0.0	10.4	0.0	20.0
<b>Total net assets</b>	<b>2799.8</b>	<b>0.0</b>	<b>387.8</b>	<b>0.0</b>	<b>3187.6</b>
<b>Gearing (%)</b>					
Net debt (cash)/properties	-18.2	-	16.0	-	-12.7
Net debt (cash)/equity	-15.3	-	18.6	-	-11.2

Source: Legal & General Investment Management Limited

<b>Quarterly data per unit</b>						
As at	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23
Bid (GBP)	63.76	66.61	69.42	67.30	58.74	57.61
Offer (GBP)	67.85	71.03	73.99	68.07	62.55	61.38
Mid (GBP)	65.81	68.82	71.71	67.68	60.64	59.50
Bid/offer spread	6.02%	6.22%	6.17%	1.12%	6.08%	6.14%
Net asset value (GBP)	64.49	67.37	70.22	68.07	59.41	58.27
Quarterly distribution (GBP)	n/a	n/a	n/a	n/a	n/a	n/a
Yield	n/a	n/a	n/a	n/a	n/a	n/a

Source: Legal & General Investment Management Limited

### Unit pricing

The unit price is calculated on the last business day of each month. Income is not included in the unit price. Some of the vehicles through which the Fund holds directly-held investments have fixed-rate debt. The market value of this debt is not published and it does not reflect in the monthly recalculation of the Fund's net asset value.

### Distributions

The Fund has an accumulating share class only, however investors are able to sign up to the Notional Income Service for regular disbursements.

### Minimum investment/disinvestment

The minimum initial investment is GBP250,000, although this can change at the managers discretion. Existing unitholders may increase or decrease their holdings by minimum amounts of GBP10,000 (rounded to the nearest number of whole units). No redemption notice will be accepted that would result in a holding falling to below the minimum holding value determined by the manager (currently GBP10,000).

### Creation, transfer and realisation of units

The fund is open to subscriptions on a monthly and daily basis, with applications to be received at least two business days before subscription day, which is the last working day of the month, for DB clients, or before 6pm the preceding day for DC clients.

The Manager has the discretion to defer redemptions if it deems it in the interest of continuing unitholders to do so, or if market conditions dictate.

<b>Unit holder analysis</b>		
	Number of unitholders	Total % held
Less than 1% of units in issue	-	-
1% or greater but less than 2%	-	-
2% or greater but less than 4%	-	-
4% or greater but less than 8%	-	-
Greater than 8.0%	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Major investors</b>		
Largest holder	1	-
Three largest holders	3	50.6
Five largest holders	5	56.6
Ten largest holders	10	65.7
<b>Internal/external investors</b>		
Internal	-	-
External	862	100.0

Source: Legal & General Investment Management Limited

<b>Liquidity</b>						
Period	Year to Dec 2018	Year to Dec 2019	Year to Dec 2020	Year to Dec 2021	Year to Dec 2022	Year to Dec 2023
<b>Issues and redemptions</b>						
Units in issue as at start of period	67,666,299	66,043,863	63,174,181	59,865,523		
Units issued during period	764,598	0	0	1,156,967		
Units redeemed during period	-2,387,034	-2,869,683	-3,308,658	-1,490,276.06		
Units in issue at end of period	66,043,863	63,174,181	59,865,523	59,532,214		
<b>Unit transfers</b>						
Matched bargains	-	-	-	-		
Matched bargains %*	-	-	-	-		

\* as % of units in issue at the end of the period

Source: Legal & General Investment Management Limited