

Managed Property Fund (charges included)

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



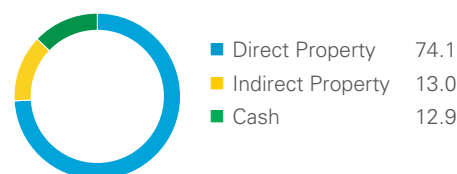
FUND AIM

The fund aims to exceed the MSCI/AREF UK Quarterly All Balanced Property Fund Index (UK PFI) over three and five year periods.

WHO IS THIS FUND FOR?

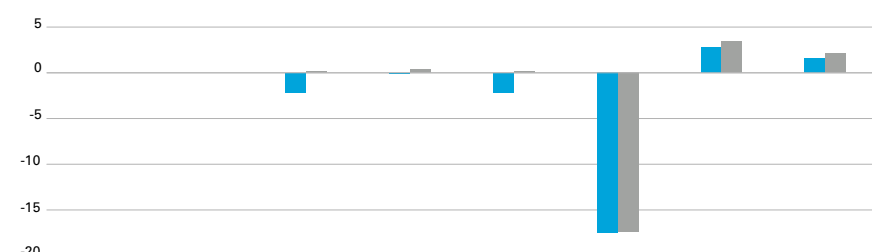
- Trustees of UK registered occupational pension schemes, which may be classified as either retail clients or professional clients.
- Please refer to your professional advisor who should be able to advise you on the suitability of this fund for your scheme.

ASSET ALLOCATION (%)



Figures are as a % of NAV

PERFORMANCE (%)



	YTD	3m	6m	1y	3y	5y
Fund	-2.13	-0.05	-2.13	-17.51	2.80	1.61
Benchmark	0.16	0.38	0.16	-17.39	3.39	2.16
Relative	-2.29	-0.43	-2.29	-0.12	-0.59	-0.55

ANNUAL PERFORMANCE (%)

12 months to 30 June	2023	2022	2021	2020	2019
Fund	-17.51	23.34	6.78	-2.57	2.31
Benchmark	-17.39	23.33	8.47	-2.56	3.37
Relative	-0.12	+0.01	-1.69	-0.01	-1.06

All performance periods over a year will be annualised. Source: LGIM. Performance based on daily close mid-market prices after the deduction of our standard investment management fees, which may or may not be the same for your scheme. Please refer to your scheme literature, or to your scheme administrator, for the fee rate that applies to your scheme. The assumption for this calculation is 70 basis points. The MSCI/AREF UK Quarterly All Balanced Property Fund Index is reported on a net only basis. **Past performance is not a guide to the future.**

FUND FACTS

NAV	Base currency
£3,160m	GBP
Launch date	Domicile
Jan 2007	United Kingdom
Benchmark	
MSCI/AREF UK Quarterly All Balanced PFI	

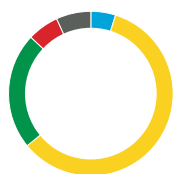
FUND CHARACTERISTICS

The fund invests in UK freehold and leasehold property recognising that superior stock selection is a key driver of outperformance. The fund does not permit gearing on directly held assets. The fund may invest in indirect vehicles and property derivatives.

Please note that the name of the benchmark has been updated to reflect the MSCI acquisition of IPD Group

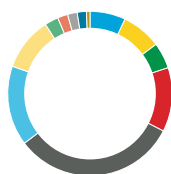
PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.



LEASE LENGTH (%)

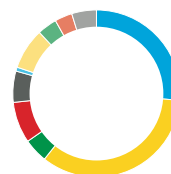
15-20 years	4.9
0-5 years	59.2
5-10 years	22.9
10-15 years	6.2
20+ years	6.8



SECTOR (%)

Offices - West End & Mid Town	7.0
Offices - Rest of South Eastern	7.8
Offices - Rest of UK	5.1
Cash	12.6
Industrial - South Eastern	32.2
Other	15.7
Retail warehouses	10.5
Standard retail – Rest of UK	2.7
Shopping centres	2.0
Industrial - Rest of UK	1.9
Standard retail – South East	1.8
City offices	0.7

Figures are as a % of GAV



REGION (%)

London	26.3
South East	34.4
South West	4.7
Eastern	8.0
West Midlands	6.0
East Midlands	0.8
North West	7.9
North East	3.8
Scotland	3.4
Yorks/Humber	4.8

TOP 10 DIRECT PROPERTY HOLDINGS (£M)

Holding	Sector	Valuation
Brentford-West Cross Industrial Park	Industrial - London	150-200
London- Strand Island Site	Office-West End & Mid Town	100-150
Dunstable-Woodside Industrial Estate	Industrial - Rest of South East	100-150
Basingstoke- Kingsland Business Park	Industrial - Rest of South East	100-150
Newcastle- Into Newcastle University	Other UK Properties	80-100
London-Yotel London Clerkenwell	Industrial- London	80-100
Manchester- One Piccadilly	Office- Rest of UK	60-80
London- 76-88 Wardour Street	Office-West End & Mid Town	60-80
Bedford- Interchange Retail Park	Retail Park	60-80
Reading- Apex Plaza	Office- Rest of South East	60-80

KEY CHARACTERISTICS

No. of assets	65
No. of direct properties	61
Void rate ex. development	11.3%
Average lease length	6.5 years
Average lot size	£38.4m
Net initial yield	4.6%
Cash level	£406.2m
Uncommitted cash	£360.9m

Void rate, lease length, lot size and net initial yield relate to direct properties only.

FUND MANAGER COMMENTARY

All Property capital values flattened during Q2, and ended-21.5% on June 2022's peak. Investment volumes declined over the quarter as a lack of price discovery and refinancing costs weighed on sentiment.

Whilst total returns were positive in Q2, the office sector continued to see capital value declines in an increasingly polarised market. The best offices with the strongest ESG credentials are proving resilient to structural changes in occupational needs. The Fund has committed £25m of capex to offices in the last 12 months, resulting in 23 lettings and 5 renewals – all at increased rents.

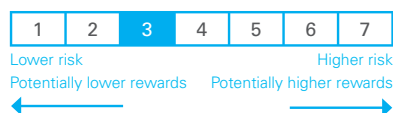
We maintain a higher cash level to be responsive to attractive and re-priced market opportunities. During Q2 the Fund completed on the second tranche of a £50m investment into the L&G BTR Fund, which is in line with the Fund's strategy to increase exposure to the Alternatives sector. The BTR market continues to prove resilient, largely driven by stable occupancy and positive rental growth.

The asset management team had an active Q2 with 11 deals concluded, 55% of which was delivered through new lettings secured across all sectors. The remaining added value was derived from lease renewals and release of development profit, as an industrial scheme reached practical completion and achieved a new headline rent, rebasing rental values for the estate moving forward. The H2 asset management pipeline remains strong, with a continued focus on new lettings and development activity to grow income streams and maintain asset relevance, particularly focused on our ESG targets.

LGIM PROPERTY FUND MANAGEMENT TEAM

The Fund is managed by Rob Codling. The Fund team also includes an assistant fund manager and seven Asset Managers. This team is supported by LGIM RA's wider platform capabilities in Transactions; Research; Sector Specialism; Sustainability; Derivatives; and Planning and Development.

RISK AND REWARD PROFILE



The summary risk indicator does not capture the likelihood of tenants paying their rents on the properties that this fund owns.

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. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

PMC 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 [↗](#)

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Internal Fund Code: KJ



SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe's largest asset managers and a major global investor, with assets under management of £1,195.7 billion (as at 31 December 2022). 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 31 December 2022. 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.

TO FIND OUT MORE

This factsheet has been produced to provide you with fund information and is not designed to provide advice on the suitability of an investment for your personal financial situation. It should be read in conjunction with your pension scheme particulars.

If you have any questions regarding its contents, please speak to the scheme administrator, trustees or your financial advisor.