

Brochure / Form ADV 2A

LGIM International Limited

CRD No. 160966 | SEC File No. 801-76368



LGIM International Ltd
One Coleman Street
London
EC2R 5AA

This page left blank

31 March 2021

Introduction

LGIM International Ltd. ("LGIMI") is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC") and authorised and regulated by the Financial Conduct Authority ("FCA") in the UK. This brochure provides information about the qualifications and business practices of LGIMI and is our Form ADV Part 2A. If you have questions about the contents of this brochure, please contact us at +44 (0)203 124 3942 or e-mail mary-ann.colledge@lgimi.com.

The information in this brochure has not been approved or verified by the SEC or any state or foreign securities authority. Registration does not imply that LGIMI, or its associates, have attained a certain level of skill or training. We encourage you to visit the SEC's Investment Adviser Public Disclosure ("IAPD") for more information about LGIMI. The IAPD web address is www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure is dated 31 March, 2021 and is an updating amendment to the prior brochure last updated 20 March, 2020. The changes included herein are an update to the assets under management as at 31 December 2020 (item 4.E), an amendment to Material Relationships in Item 10, and increased disclosure around Best Execution in Item 12. We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may provide other on-going disclosure information about material changes as necessary.

Contents

Introduction.....	3
Item 2 – Material Changes	3
Item 4 – Advisory Business.....	6
Item 5 – Fees and Compensation	7
Item 6 – Performance-Based Fees and Side-By-Side Management	8
Item 7 – Types of Clients	8
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9 – Disciplinary Information	14
Item 10 – Other Financial Industry Activities and Affiliations	14
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	18
Item 12 – Brokerage and Trading Practices	20
Item 13 – Review of Accounts.....	24
Item 14 – Client Referrals and Other Compensation	24
Item 15 – Custody	24
Item 16 – Investment Discretion	24
Item 17 – Voting Client Securities.....	25
Item 18 – Financial Information.....	26
Disclaimer	27

31 March 2021

Item 4 – Advisory Business

A. Description of the Advisory Firm

LGIMI is a United Kingdom-based investment management company. LGIMI is registered with the SEC and authorised and regulated by the FCA in the UK. LGIMI is a wholly owned subsidiary of Legal & General Investment Management (Holdings) Ltd (“LGIM(H)”), a company incorporated under the laws of England and Wales. LGIM(H) is a wholly owned subsidiary of Legal & General Group Plc (“Legal & General”), a publicly-traded company in the UK.

LGIMI is an affiliate of Legal & General Investment Management America, Inc. (“LGIMA”), a Chicago-based adviser regulated by the SEC, Legal & General Investment Management Ltd (“LGIM”), a London based adviser authorised and regulated by the FCA, Go ETF Solutions LLP (“GO ETF”), a London based adviser authorised and regulated by the FCA, LGIM ETF Managers Limited (“ETF Managers”), an Ireland based adviser authorised and regulated by the Central Bank of Ireland, Real Assets (Operator) Ltd, (“RAOL”), a London based adviser authorised and regulated by the FCA, Legal & General Property Ltd (“LGP”), a London based investment company authorised and regulated by the FCA, Legal & General Unit Trust Managers Ltd (“UTM”), a London based investment company authorised and regulated by the FCA, Legal & General (Portfolio Management Services) Ltd (“PMS”), a London based adviser authorised and regulated by the FCA, Legal and General Assurance (Pensions Management) Ltd (“PMC”), a London based insurance company authorised by the PRA and regulated by the FCA and PRA, LGIM Managers (Europe) Limited LGIM Europe, an Ireland based adviser authorised and regulated by the Central Bank of Ireland, Legal & General Investment Management Asia Limited (“LGIM Asia”), an adviser registered with the Hong Kong Securities and Futures Commission, and Legal & General Investment Japan KK (“LGIM Japan”), an adviser regulated by the Financial Services Agency of Japan. The relationships with these related persons are discussed further in Item 10 and information about them is disclosed in our Form ADV Part 1.

In this Brochure, we use the terms “Client” to refer to the U.S. clients for whom we manage assets as an adviser or sub-adviser, “non-U.S. Client” to describe all other clients of ours and “client” to include both types of clients.

B. Types of Advisory Services

We offer Index tracking investment strategies (“Index Strategies”), and High Yield active fixed income strategies (“HY Strategies”), Emerging Market Debt strategies (“EM Strategies”), Multi-Asset investment strategies (“Multi-Asset Strategies”) and Private Credit investment strategies across investment-grade Corporate Credit and Infrastructure Debt investments (“Private Credit Strategies”) to Clients under sub-advisory arrangements with LGIMA. From time to time, LGIMI and LGIMA may delegate discretionary or non-discretionary advisory services to each other via sub-advisory agreements between them. We may use the services of our affiliates, LGIM and LGIM Asia, to assist us in this, under the terms of a Participating Affiliate Agreement (“PAA”) based on guidance in no-action letters issued by the SEC Staff.

Currently, under an affiliate sub-advisory relationship with LGIMA, we provide investment management services as a sub-adviser to certain LGIMA clients. These clients are Legal & General funds and companies. These include separately managed portfolio accounts and serviced portfolios of insurance companies and private funds.

We are the sub-adviser of a private fund that is organised as a Delaware limited liability company which is exempted from the definition of “Investment Company” under Section 3(c)7 of the U.S. Investment Company Act of 1940 (“1940 Act”). The private fund is L&G Global High Yield Fund LLC.

C. Client Tailored Services and Client Imposed Restrictions

31 March 2021

At the start of the relationship, we and our Client agree upon the investment objectives and appropriate levels of risk and/or restrictions on investments. These are set forth in an investment management agreement (“IMA”). Under the IMA, we or LGIMA (where assets are sub-advised), assume discretionary responsibility for the day-to-day management and investment of all securities, cash and other investment instruments agreed upon with the Client. Based upon this, we define the asset mix that we believe is most likely to achieve the investment objectives, select investments, execute transactions and generally manage the Client’s assets.

D. Participation in Wrap Fee Programmes

We do not participate in any Wrap Fee programmes.

E. Assets Under Management

As of December 31, 2020, the most recent date for which calculations are available, we manage the following assets.

Discretionary Assets	US \$663,070,020
Non-Discretionary Assets	
Total	US \$663,070,020

Item 5 – Fees and Compensation

A. How We Are Compensated for Advisory Services

Fees are subject to negotiation. The negotiation of fees may result in similarly situated clients paying different fees for comparable advisory services.

We charge a fee expressed as a per cent of the total value of the assets that we manage (“AUM”), generally determined at the end of each month (or quarter), though we may also charge a fixed-based fee. The fees we charge vary based on the investment strategy employed and other factors. There will be a minimum initial investment of US\$100 million or more for segregated mandates.

We offer reduced fees to affiliates that provide us with assets to manage and may offer reduced fees to certain large or strategic investors.

1. Emerging Market Debt Fee Schedule (minimum AUM US\$100m)

For clients who choose an Emerging Market Debt Strategy, we charge a standard fee of 40 basis points (0.40%).

2. Index Strategy Fee Schedule (minimum AUM US\$100m)

For Clients who choose an Index Strategy, fees range from 1 basis point (0.01%) to 25 basis points (0.25%).

3. Global High Yield Fee Schedule (minimum AUM US\$100m)

For clients who choose a High Yield Strategy, we charge a standard fee of 40 basis points (0.40%).

4. Multi-Asset Strategy Fee Schedule

31 March 2021

Derivative Overlay Fee Schedule:

All asset levels: 10bps on gross notional exposure.

US Long Duration US Equity Fee Schedule:

First \$100 million 25bps

Next \$150 million 20bps

Next \$250 million 19bps

All assets above \$500 million 16bps

5. Private Credit Fee Schedule (minimum AUM US\$100m)

For External clients, fees are 25 basis points (0.25%) and 22 basis points (0.22%) for internal clients.

Where appropriate the Client pays us that fee and we, in turn, pay a portion of our fee to LGIMA. In instances where LGIMA has sub-advised the management of Index Strategies, HY Strategies, Multi-Asset Strategies or Private Credit strategies to LGIMI, LGIMI will receive a portion of LGIMA's fees pursuant to its sub-advisory agreement.

A. Payment of Fees

Fees are generally payable either monthly or quarterly in arrears, according to the terms of the IMA.

B. Clients Are Responsible for Third-Party Fees

Fees are exclusive of brokerage commissions, "spreads," transaction fees and other related costs and expenses: these are incurred by the Client. Clients may incur certain charges imposed by custodians, brokers and other service providers such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, duties or stamp duties, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions.

C. Prepayment of Fees

We do not require the prepayment of fees.

D. Outside Incentives for Recommendations of Securities

We do not accept any compensation from third parties for the sale of securities. All compensation received by us comes from Clients, as described above.

Item 6 – Performance-Based Fees and Side-By-Side Management

We do not have any performance-based fee arrangements with Clients.

Item 7 – Types of Clients

Currently, we do not have any direct Clients. Our Clients are, as noted elsewhere in this Brochure, U.S. Clients of LGIMA.

31 March 2021

LGIMI will provide discretionary investment advisory services to clients that wish to engage in Index Strategies, Multi-Asset, Private Credit Strategies, EM Strategies or HY Strategies. These are institutions, primarily pension funds, and may be subject to the U.S. Employee Retirement Income Security Act of 1974 ("ERISA"). The non-U.S. Clients for whom we manage assets may be the same types of organisations but are not subject to ERISA.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategy

Portfolio construction for Clients wishing to pursue a HY Strategy begins with consideration of the Client's investment objectives with respect to risk and potential returns. Once this occurs, the Client's portfolio is grouped into a composite with those of other clients, if any, with similar investment objectives, guidelines, restrictions and benchmarks. This process helps the Portfolio Management Teams define the universe of acceptable securities to be considered for investment. Assets are purchased on the basis of and subject to the investment objectives and restrictions in the Client's IMA. The IMA stipulates the allowable types of investments and permissible ratings, concentrations and restrictions. The team reviews the IMA to ensure that it understands what it can and cannot do. It maintains communications with Clients to ensure that it processes properly and timely every change to the IMA, including investment objectives and restrictions. Every decision to buy or sell is taken within the parameters of the investment objectives and restrictions.

Investment decisions with respect to issuer and specific bond exposures are a joint responsibility of our two teams, the Portfolio Management and the Credit Research Teams. The Credit Research Team specializes in different sectors, industries, and asset classes. The analysts in the Credit Research Team review financial results, management strategy, asset protection, covenants, collateral and relative valuations, and other factors, in formulating their recommendations. The Credit Research Team analysts and Portfolio Management Team members stay in constant communication about changes in research opinions and market dynamics. Portfolio managers regularly consult with the Credit Research Team when considering transactions.

The securities and instruments in which we invest on behalf of clients include corporate bonds, preferred stock, municipal securities, leveraged loans, sovereign debt, treasury debt, agency debt, convertible bonds, credit derivatives, interest rate derivatives, money market instruments, commercial paper, asset backed securities (ABS) of all types including asset-backed commercial paper, credit card ABS, auto ABS, student loan ABS, commercial mortgage ABS and residential mortgage ABS (agency, non-agency, subprime, Alt-A), futures and foreign exchange forward contracts, swaps and other derivative instruments, along with certificates of deposit.

For Clients wishing to pursue an Index Strategy, assets will be managed by LGIMA, but advisory services will also be provided by LGIMI under the terms of a sub-advisory agreement. Here, the product focus is on equity index tracking investments, principally non-U.S. (tracking MSCI and/or FTSE indices or similar) and U.S. domestic (tracking S&P and/or Russell indices or similar). LGIMI, under the terms of a sub-advisory agreement with LGIMA, will advise on and, at times, manage assets for this strategy, and will support LGIMA in executing EMEA or other orders as required. Bond tracking investments, to the extent that these are required, will also be provided. All investments will be managed on a discretionary basis. Investment managers will have the discretion to invest in shares (ordinary and preferred), depositary receipts (both American and Global), warrants, collective investment schemes, convertibles, government bonds, Eurobonds, commercial paper, certificates of deposit and exchange traded futures and options (both single stock and index). These will be traded on those venues and with those counterparties judged to give best execution. There will be no OTC derivatives other than forward foreign exchange trades used for hedging purposes.

31 March 2021

Portfolio construction for Clients wishing to pursue an Emerging Markets Debt Strategy begins with consideration of the Client's investment objectives with respect to risk and potential returns. Once this occurs, the Client's portfolio is grouped into a composite with those of other clients, if any, with similar investment objectives, guidelines, restrictions and benchmarks. This process helps the Portfolio Management Teams define the universe of acceptable securities to be considered for investment. Assets are purchased on the basis of and subject to the investment objectives and restrictions in the Client's IMA. The IMA stipulates the allowable types of investments and permissible ratings, concentrations and restrictions. The team reviews the IMA to ensure that it understands what it can and cannot do. It maintains communications with Clients to ensure that it processes properly and timely every change to the IMA, including investment objectives and restrictions. Every decision to buy or sell is taken within the parameters of the investment objectives and restrictions.

Investment decisions with respect to issuer and specific bond exposures are the responsibility of our Portfolio Management team with input from strategists, economists and credit analysts. Economists and strategists are specialized by region/country with credit analysts specializing by sectors, industries, and asset classes. Credit analysts review financial results, management strategy, asset protection, covenants, collateral and relative valuations, and other factors such as ESG considerations, in formulating their recommendations. Strategists, economists and credit analysts stay in constant communication with Portfolio Management Team members about changes in research opinions and market dynamics. Portfolio managers regularly consult with them when considering transactions.

The securities and instruments in which we invest on behalf of clients include government bonds and bonds issued by corporations. These securities have variable interest repayment terms which may be fixed or floating, index-linked or zero coupon bonds and can include loan participation notes, structured notes, covered bonds, asset backed and mortgage related securities, perpetual bonds, hybrid fixed income securities, preferred securities, convertible securities, and contingent convertible debt securities.

In addition to investing directly in the instruments listed above, the Portfolio Management team may seek to gain exposure to these investments by investing in financial derivative instruments which deliver a return which is similar to investing directly in the target investments themselves. These financial derivative instruments may include spot and forward contracts, exchange traded futures on bond markets or interest rates, fixed or index-linked interest rate swaps, single name and index credit default swaps and total return swaps and credit linked notes (CLNs). In addition, repurchase agreements (repos and reverse repos) may be used for funding purposes.

Clients wishing to pursue a multi-asset strategy will generally utilize a wide variety of asset classes or investment styles. The strategies will employ a variety of techniques and investment vehicles, including the utilization of a wide variety of derivatives (exchange traded, over the counter, and/or centrally cleared), physical investments (including cash), or a mix thereof.

For clients wishing to pursue a private credit mandate, LGIMI offers a broadly investment-grade private credit strategy including (i) corporate private placements for both public and private companies and (ii) infrastructure private placements focusing on economic infrastructure (such as transportation, utility, power generation, and energy sectors) and social infrastructure (government, healthcare, and university facilities) and, iii) real estate lending. The strategy will allow clients to increase diversification into an asset class with attractive risk-reward characteristics as a result of illiquidity premiums and strong structural protections relative to liquid, publicly traded bonds of comparable credit quality. LGIMI's strategy will utilize sound fundamental credit analyses with focus on structural protection (including financial covenants) through legal documentation appropriate pricing premiums. The strategy will focus on all private debt formats, including traditional private placements (Section 4(a) 2 or Regulation D exemption, Rule 144A re-sale) illiquid bond institutional loans, swaps with fixed, index-linked and floating rate payment structures. Currencies include Sterling, US dollars and Euros and other major G10 currencies.

“Investing in securities involves risk of loss that clients should be prepared to bear.”

B. Material Risks Involved

General Investment Risks: All investors bear certain risks when investing their money, regardless of the asset class, sector or instrument chosen. Securities or other financial instruments may fluctuate in value or lose value or may expose a client account to counterparty risks. While we seek to manage such risks, there can be no guarantee that we will be successful or that a Client account will not suffer losses.

Liquidity Risk: Securities investments may at any given time be illiquid such that either no market exists for them or they are restricted as to their transferability under federal and state securities laws. Thus, the sale of these investments may be made at substantial discounts, delayed, or impossible. In addition, the illiquidity of a security or other instrument may make valuation of such investment difficult.

Fixed Income Market Risk: Fixed income securities' value generally increase or decrease based on changes in interest rates. If interest rates increase, the value of fixed income securities is highly likely to decline. On the other hand, if rates fall, the value of the fixed income securities is highly likely to increase. The longer a fixed income instrument's duration, the greater the impact a change in interest rates can have on its price.

C. Risks of Specific Securities Utilised

HY, EM and Private Credit Strategies:

Call Risk, Prepayment Risk, and Reinvestment Risk: A callable fixed income security allows the issuer to call, or repay, the security early. Declining interest rates may accelerate the redemption of a callable security, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. The risk exists that declining interest rates will cause borrowers to refinance sooner than expected and thereby create an early return of principal to holders of the loans. In the Private Credit space, fixed rate securities will typically have a form of modified-spreads (often known as the “make-whole”), which provides protection against reinvestment risk as the prepayment amount will be adjusted by a discount rate that reflects current rates.

Credit Risk: Fixed income and derivative transactions involve counter-party credit risk and will expose clients to possible unanticipated losses to the extent that counter-parties default or are unable or unwilling to fulfil their contractual obligations. If an issuer defaults, it would be unable to pay scheduled interest and principal payments. Thus, an investor who experiences a default is highly likely to experience a loss in value. Fixed income securities can also be subject to a decline in credit ratings. As these ratings are one of the mechanisms the market uses to price risk, a decline in the credit rating often leads to a decline in the market value of the security.

Issuer Event Risk: The value of a fixed income security may decline because of negative events or circumstances that directly relate to conditions at the issuer, its affiliates or to any entity providing it credit support.

Market Risk: There is a risk of securities declining in value because of economic developments or other events that affect the market. Such risks include interest rate and currency risk.

Inflation Risk: The risk of purchasing power because the value of an investment does not match inflation, thus eroding the purchasing power of money over time.

Liquidity Risk: The risk that one is unable to sell an investment at a fair price and/or get one's money back when desired. To sell the investment, a lower price may be required, and there is a risk that some investments are not possible to sell.

31 March 2021

Horizon Risk: The value of a fixed income security may decline because of a shortening investment horizon due to an unforeseen event. This may force a holder to sell investments that were expected to be held for the long term.

Asset-Backed Securities: Asset-backed securities may decline in value when defaults on the underlying assets (e.g. mortgages, student loans etc.) occur and these securities may exhibit increased volatility in periods of changing interest rates. When interest rates decline, the resulting prepayment of mortgages or assets underlying such securities may result in diminished returns.

Convertible Bonds: Convertible bonds are subject to risk of loss due to changes in interest rates and credit quality and are further subject to the risk that the underlying equity will lose value, affecting the price of the bond. Falling equity prices will generally exert a negative influence on convertible bond prices, while rising equity prices are a positive factor.

Leveraged Loan Risk: Leveraged loans carry a higher risk of default than investment grade bonds and, as a result, they tend to pay higher interest rates. The loan market has lower trading activity than the high yield bond market which may impair the ability to realise full value if sold before maturity. The specific collateral used to secure a loan may decline in value or become illiquid, which would adversely affect the loan's value.

High Yield Risk: Issuers of high yield bonds are typically of a lower credit rating, which will make them more sensitive to market fluctuations and credit risk in a shorter period of time than those of a higher quality rating. Due to the liquidity risk of high yield bonds, a portfolio may not be able to dispose of a bond at a favorable price or prior to a default, which may impact the portfolio. Typically, these bonds are unsecured or possibly subordinated debt of a company, and therefore, a client may be at risk of losing a large portion or its entire investment in the case of a default.

Derivatives: We may invest on behalf of our clients in both exchange-traded and over-the-counter derivatives (both cleared and non-cleared), including, but not limited to, futures, options, forwards, swaps and swaptions, primarily for hedging purposes or for Index Strategies, dividend enhancement strategies. Over-the-counter derivatives are confined to foreign exchange forwards for hedging purposes. These instruments can be highly volatile and expose clients to a risk of loss and a risk that changes in the value of a derivative held by the strategy will not correlate with the underlying instruments of the strategies of other investments. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. Over-the-counter derivatives also involve counterparty solvency risk and the risk that a buyer may not be able to be found, given the lack of an exchange market.

Counterparty risk: Fixed income and derivative transactions involve counter-party credit risk and will expose clients to possible unanticipated losses to the extent that counter-parties default or are unable or unwilling to fulfil their contractual obligations.

Index and EM Strategies:

Index-Related Risk: Index strategies are passively managed in accordance with index guidelines and do not take a defensive position based on market volatility. An index portfolio has a limited ability to adjust its exposure to market disruptions, which could have an adverse effect on its exposure to the required index levels in order to track its underlying index. There is no guarantee that an index strategy will achieve a high degree of correlation to its underlying index and therefore achieve its investment objectives.

Currency Risk: Currency risk has varying avenues of risk exposure and should be considered as part of the overall strategy risk. Several key currency risks that should be considered include the availability or access to the underlying foreign currency, adverse actions taken by the central bank or the local government, political turmoil within the region, and exchange rate erraticism; all of which may

31 March 2021

have a negative impact on the portfolio. Portfolios may purchase or sell future or forward contracts of foreign currencies to hedge the uncertainty currency rates.

Emerging Market Risk: Investing in emerging market securities imposes increased risks over more developed markets based on several factors, which include but are not limited to, the liquidity of the securities, currency fluctuation, development of regulation and oversight, political instability, and other extraneous factors, such as health risk and regional risk due to the impact of terrorism or war. In addition, other risks associated with investing in emerging markets debt securities may include: increased or adverse governmental intervention, increase in inflation, inability to repatriate profits, macroeconomic policies, or material curtailment of the industrial and economic infrastructure development. Due to these various factors, the volatility of the securities traded in these markets could fluctuate more widely than those of developed markets.

Equity Security Risk: Equity securities for the index strategies are traded on multiple securities exchanges and thus will be subject to fluctuations in value. These fluctuations may be impacted by global or local economic conditions, regional or local political issues, currency fluctuations, or taxation implications; all of which can impact the success of a company and their underlying stock.

Foreign Security Risk: Investing in non-US securities subject a client to a variety of risks that are associated with foreign markets and different regulatory requirements governing those markets. Foreign security markets are more susceptible to factors that impact greater price fluctuations and may include broad currency deviations, liquidity of a security or restrictions to access the market, foreign government restrictions, political unrest, and regional risk; all of which can affect the rapid and extreme changes of value on a foreign market.

Stock Market Risk: Equity securities that are freely traded on the open markets are subject to volatility and fluctuations in the market, and will have periods of both increasing and decreasing value.

Small and Mid-Cap Stock Risk: Compared to large-cap companies, small and mid-cap companies may be subject to more sudden or erratic movements in stock price than larger and more established large cap companies. These companies may be subject to adverse developments, such as management inexperience, or low trade volume.

ETF and Investment Company Risk: To the extent a passive index strategy fund invests in shares of other investment companies, including ETFs, the fund bears both its own expenses and the expenses of the underlying investment company. ETFs are intended to provide investments results that, before expenses, generally correspond to the price and yield performance of the corresponding market index, and the value of the ETFs' shares should, under normal circumstances, closely track the value of the index's component securities. Because an ETF has operating expenses and transaction costs, while a market index does not, ETFs that track particular indices typically will be unable to match the performance of an index exactly. Moreover, the price movement of an ETF may not track the underlying index and may result in a loss.

Sanction Risk: Investing in non-US securities may inadvertently subject the client to economic sanction exposure imposed by the Office of Foreign Assets Control ("US OFAC"). LGIMI ensures proper screening is conducted prior to trading in or out of sanctioned securities to ensure compliance with US OFAC regulations. Economic sanction laws in the United States and in other jurisdictions may prohibit LGIMI and the accounts it trades on behalf of, from transacting with or in certain countries and with certain individuals and companies. Such laws and regulations may make it difficult in certain circumstances for LGIMI to meet certain investment objectives.

Multi-Asset Strategies

We offer multi-asset strategies that provide asset allocation and risk management through custom derivative overlays, including replication, replacement, hedging, and rebalancing, as well as custom portfolios designed for a specific outcome such as low equity beta, alternative asset replication, broad diversification, or return enhancement. We do this by using derivatives (exchange traded, over the counter, and centrally cleared), physical investments (including cash), or a mix thereof. The strategies are offered through separately-managed accounts ("SMAs").

31 March 2021

Other Risks

Cyber Security and Technology Risks: The use of technology is prevalent in the ordinary course of business and is, at times, outsourced to a service provider, and as a result the firm could become more susceptible to operational and other risks through breaches that could occur. In general, cyber incidents can result from deliberate attacks or unintentional events, including inadvertent disclosures, and can arise from either external or internal sources for purposes of misappropriating assets or sensitive information; corrupting data, equipment or systems; or causing operational disruption. Although LGIMI takes protective measures and endeavours to modify its systems, software and networks as circumstances warrant, these may be vulnerable to hacking/unauthorised access, misuse, social engineering, viruses, malware, ransom ware, denial of service attacks, other malicious code and other events that could have an impact on the security of your information.

We believe we have established reasonable controls to secure our systems, so they work as intended. Furthermore, we conduct reasonable due diligence on our material service providers both at the stage of initial procurement and on an ongoing basis through LGIM's Supplier Management Committee. Cyber incidents affecting LGIMI, or any service providers, can affect business operations, create impediments to transacting business which could result in financial losses; violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. We have plans in place to respond to both internal and external breaches by making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the firm's books and records, and allowing our clients to transact business as promptly and prudently as reasonably practicable. We seek contractual guarantees to have every service provider notify us of any security breaches or inadvertent disclosures that may affect us or the data we manage. However, there is no guarantee that such efforts will succeed, or that service providers will promptly notify us, especially when LGIMI does not directly control the systems of third party service providers, or that Clients will not be harmed as a result of cyber-attacks or similar issues.

Item 9 – Disciplinary Information

There are no legal or disciplinary events that are material to a Client's or prospective Client's evaluation of LGIMI's advisory business or the integrity of LGIMI's management.

Item 10 – Other Financial Industry Activities and Affiliations

Our sole business is providing investment advisory services to our clients (including those who appoint us as a sub-advisor), directly or with the services of LGIMA. We are not engaged in any other business endeavour. Currently, we act as a sub-adviser to LGIMA Clients.

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither we, nor any management person, are registered in the United States as a broker-dealer or as representatives of a broker-dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator or a Commodity Trading Advisor

Neither we nor any of our management persons are registered as an FCM, CPO or CTA.

C. Relationships Material to this Advisory Business and Conflicts of Interests

As noted above, we are a wholly owned subsidiary of LGIM(H) which, in turn, is a wholly owned subsidiary of Legal & General Group Plc. We are an affiliate of LGIM and LGIMA, GO ETF Solutions LLP ("GO ETF"), LGIM Real Assets (Operator) Ltd ("RAOL"), Legal & General Property Ltd ("LGP"), Legal & General Unit Trust Managers Ltd ("UTM"), Legal & General (Portfolio Management Services) Ltd ("PMS"), Legal and General Assurance (Pensions Management) Ltd ("PMC"), LGIM Managers

31 March 2021

(Europe) Limited ("LGIM Europe"), Legal & General Investment Management Asia Limited ("LGIM Asia"), and Legal & General Investment Management Japan KK ("LGIM Japan"), all of which are "Related Persons" as this term is defined and used in Form ADV. We identify our Related Persons in our Form ADV Part 1. We have controls in place to address the conflicts of interests arising from these and the outside board appointments and business activities do not conflict with the fiduciary duty each of our Directors owes to LGIMI.

Corporate Structure

Legal & General has three principal subsidiaries:

- LGIM(H), which is the parent company of LGIM, LGIMI, GO ETF RAOL, LGP, UTM, PMC, LGIM Europe, LGIM Asia, LGIM Japan and Legal & General Investment Management US (Holdings) Inc ("LGIMUS(H)"), which in turn is the parent company of LGIMA;
- Legal & General Insurance Holdings No. 2 Limited; and
- Legal & General Overseas Operations Limited.

We manage certain assets of Legal & General companies ("L&G Assets") under a sub-advisory investment management agreement with LGIMA. The L&G Assets consist of the following:

- Managed Portfolios on a discretionary basis for the Banner Life Insurance Company (Maryland), the William Penn Life Insurance Company of New York and L&G Global High Yield Fund LLC; and
- Serviced Portfolios on a non-discretionary basis for various Legal & General funds.

Activities with our Parent, LGIM(H), and its subsidiaries

The activities among LGIMI and LGIM(H) (and any LGIM(H) subsidiary, including LGIM and LGIMA) are the following:

1. LGIM(H) controls, but does not supervise, LGIMI. LGIMI has a Chief Executive Officer, Sonja Laud ("CEO"), to supervise LGIMI, and employs a CCO and staff to implement and enforce LGIMI's compliance policies, procedures and controls.
2. As noted elsewhere herein, LGIMI manages L&G Assets for LGIMA.
3. Certain LGIM(H) officers or directors are officers or directors of LGIMI, including Ms. Laud.
4. A Service Level Agreement ("SLA") between LGIMI and LGIM(H), sets forth that LGIM(H) is responsible for the pricing and valuation of client assets and the calculation of fees that LGIMI charges its clients, the activities of which are delegated to LGIM. LGIM has an asset pricing framework that sets out the policies and procedures for pricing securities and financial instruments to ensure a fair, accurate and consistent valuation. The approach is to use automated feeds from multiple vendors where practicable. The actual price utilized is governed by a series of hierarchies. The LGIM Asset Pricing and Valuation Committee oversees and approves pricing policies and methodologies across all asset classes. It also has the responsibility for ensuring appropriate procedures are in place to resolve pricing issues as and when they arise. The committee chair and membership are drawn from directors and senior managers within the business. LGIM's Chief Compliance Officer and Head of Operational Risk Management (or delegates) attend this committee. Due to the fact that LGIM is an affiliate of LGIMI, and to address the conflicts of interest arising out of this, controls have been implemented to ensure that the price feeds that are used to value assets are independent from any Legal & General group company and cannot be amended or

31 March 2021

substituted by LGIM(H), LGIM, LGIMI or LGIMA (although prices can be challenged through a documented, monitored and controlled price challenge process).

5. Under the SLA, LGIM(H), through LGIM, provides certain administrative, IT and operational services to LGIMI. These include the following: administrative (computer data processing, administration of banking, insurance and reinsurance, HR); finance and accounting; IT; taxation, treasury, internal audit, risk, press office and planning services; compliance with group matters (e.g. group wide Schedule 13D/G, Form 13F and 13H filings with the SEC); certain valuation and pricing services (noted above); and the processing of certain derivative transactions, including collateral management. For these services, LGIMI pays LGIM(H) fees via indirect expense allocations.
6. LGIMI provides investment services for certain LGIMA clients. LGIMA is the contracting party in all IMAs and handles account opening and all related matters. LGIMI will manage the assets of clients in accordance with the Client IMA and LGIMI's sub-advisory agreement with LGIMA.
7. LGIM provides advice to LGIMI on Index Strategies under a Participating Affiliate Agreement ("PAA").
8. LGIM Asia provides advice to LGIMI on HY Strategies under a Participating Affiliate Agreement ("PAA").
9. Investment research services relating to U.S. high yield assets are provided by LGIMA to LGIM and LGIMI. For these services, LGIM and LGIMI pay LGIMA fees via indirect expense allocations.

Conflicts of Interest due to these Relationships

To address the conflicts that arise as a result of these activities, controls consisting of informational and operational barriers between LGIMI, LGIM, LGIMA, GO ETF, RAOL, PMC, LGP, LGIM Europe, LGIM Asia, LGIM Japan, LGIM(H) and LGIMUS(H) have been put into place and are monitored.

Through its sub-advisory agreements with LGIMA, portfolio managers provide advice to LGIMI, and vice versa, and in certain instances, execute securities transactions. Further, LGIMA and LGIM personnel are able to view the portfolio securities transactions and holdings of LGIMI's clients. LGIMI ensures LGIM and LGIMA have sufficient controls in place to safeguard LGIMI client information and collaborates with LGIM and LGIMA in the monitoring of these controls.

For Global High Yield strategies, there may be instances, mostly during portfolio ramp-ups and rebalancings, where LGIMI may, if authorized in the IMA and if done in conformance with applicable law, engage in cross transactions between clients, which does pose a risk that one client is favoured over another.

For Multi-Asset strategies, LGIMI provides advice and recommendations to LGIMA, which as Investment Adviser, they have discretion whether to follow suit. Additionally, in certain circumstances LGIMI may execute securities transactions on behalf of, and, ahead of LGIMA. Sufficient controls and safeguards are in place between LGIMI and LGIMA to ensure that this is not to the detriment of any client. A trade coordination policy is in place to mitigate the risks in relation to "central-view" driven trades.

For Passive Equity Index strategies LGIMI will engage in cross-trading when it assists with managing cash flows, to maintain appropriate compositions and weightings, to reclassify securities in instances where securities owned by one client become less appropriate for that client and more appropriate for another account, and when portfolio management requirements indicate that client accounts will be

31 March 2021

buying and selling the same securities and the purchase and sale decisions is made independently for each client account. To account for this, LGIMI maintains a Cross Trading Policy that only permits such trading under certain conditions, provided the trading is in the best interests of the clients. Prior to such a trade, LGIMA Compliance is notified and must be given a clear rationale for the trade, which it then closely monitors.

For Private Credit Strategies, there may be instances where we are acting for more than one sponsor in relation to the same transaction. In these circumstances appropriate confidentiality barriers are established across desks to protect and maintain commercially sensitive information. Desk procedures and controls are also in place to ensure information is properly safeguarded and protected.

For Passive Equity Index strategies, LGIMI is required to transact in the stock of its ultimate parent company, Legal & General Group PLC ("Legal & General," or "L&G"), which is a publicly traded security in the U.K. that trades on the London Stock Exchange and is a constituent of the FTSE 100 Index ("L&G stock") (ticker: "LGEN.LN"). As a consequence of LGIMI's status as a subsidiary of L&G and given the access that certain LGIMI officers and directors have to material non-public information relating to L&G, LGIMI has instituted controls when LGIMI transacts in L&G stock on behalf of clients.

Other than as stated in this brochure, LGIMI does not exercise discretion or control over the assets of any other Legal & General group company.

From time to time, an LGIMI client account will buy, hold or sell a security that a Related Person of LGIMI has, independently, caused one of its own clients to buy, hold or sell. This would arise as a result of separate and independent investment processes.

From time to time, LGIMI places orders to buy or sell a security in competition when an affiliate is acting on the contra side of the transaction. Although these bids would be placed independently in the marketplace, these types of transactions would have the appearance of a conflict.

The LGIM portfolio managers that from time to time work with LGIMI and LGIMA may be engaged in managing LGIM clients' accounts with an identical or substantially similar investment strategy. This form of side-by-side management of different types of accounts involves conflicts of interest when two or more accounts invest in the same securities or pursue a similar strategy. These conflicts include the potential for favourable or preferential treatment of an account or a group of accounts. Other conflicts may include those related to the allocation of investment opportunities, particularly with respect to securities that have limited availability such as initial public offerings and transactions in one account that follow closely related transactions in a different account (e.g. a purchase of securities for an account after a purchase of the same securities in another account has increased the value of the securities).

Investment results for one account may differ significantly from the results achieved by LGIMI for other accounts, even where the same or similar investment strategies and conditions pertain.

LGIMI and, as sub-investment advisor, LGIMA seek to ensure that all accounts are treated fairly and equitably. Purchase and sale opportunities are allocated equitably. In general, investment decisions for each account are made with specific reference to the stated investment objectives and restrictions. There is no requirement that LGIMI or LGIMA use the same procedures consistently with respect to all accounts. Different strategies and client guidelines and restrictions may lead to the use of different methodologies. Accordingly, LGIMI or LGIMA may exercise investment discretion or take other actions for some clients that may differ from the advice given, or the timing and nature of actions taken, for other clients, provided that LGIMI and LGIMA seek to assure that all clients are treated fairly and equitably. Investment results for different accounts, including accounts that are generally managed in a similar style, may differ as a result of these considerations. Some clients may not participate in certain investments in which other clients participate or may participate to a different degree or at a different time than other clients do. Accounts are reviewed regularly for performance and other matters. See Item 13 for a discussion of account review.

31 March 2021

All aspects of operations under the PAA are monitored in an effort to ensure that no LGIM or LGIM Asia person other than "Associated Persons" (persons working for LGIM or LGIM Asia that assist us under the PAA) are involved in the provision of investment management support, and that Client information is properly safeguarded, segregated and subject to strict controls.

LGIMI's policies and procedures, and controls, are intended to address the impact of these and other conflicts of interest.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

We administer and enforce a Code of Ethics ("Code") pursuant to Advisers Act Rule 204A-1. This includes provisions to address ethical standards of behaviour, conflicts of interest, personal account trading, gifts and entertainment, the handling of material, non-public information, protecting LGIMI corporate and client confidential information, the reporting of violations of the Code and other requirements. We treat all employees and persons engaged with us as "Access Persons" and "Supervised Persons", as defined in the Advisers Act and Rule 204A-1. Certain provisions of the Code related to personal account trading, also cover their "Connected Persons" (family members living in their households and sharing beneficial ownership of securities). Associated Persons are subject to certain requirements of the Code, including record keeping and personal account trading pre-clearance.

LGIMI permits employees to receive or give gifts and entertainment from or to entities (including broker-dealers or clients) with which LGIMI conducts business. The receipt or giving of gifts and entertainment (such as tickets to sporting events) may present a conflict of interest. To address this conflict, LGIMI maintains policies and procedures which incorporate standards for the receipt and giving of such gifts and entertainment. Our Compliance Department monitors receipt and giving of gifts and entertainment for any impropriety.

Where LGIMA through a sub-advisory agreement with LGIMI, manages High Yield, Multi-Asset, Private Credit or Index Strategy assets for certain clients, or where the SLA with LGIM(H) provides back office and administrative services, LGIMI Compliance coordinates with the compliance teams of LGIM and LGIMA to review its monitoring and testing, and the monitoring of the personal trading activities of those persons from LGIM and LGIMA who have access to our clients' confidential information.

This is a summary of our Code. We will provide you with a copy of our Code upon request.

B. Recommendations Involving Material Financial Interests

LGIMI does not engage in proprietary trading.

C. Investing Personal Money in the Same Securities as Clients

Personal investment trading may only be undertaken consistent with our Code, which contains controls intended to prevent our personnel from investing in conflict with the interests of Clients. Among these is a prohibition on trading in corporate fixed income securities for personal accounts. Nonetheless, our personnel may be invested in the same securities as our Clients, and may invest in equity securities directly, or as the reference entity of a derivatives contract issued by the same issuer from whom we invest in fixed income or equity securities for Clients. Our Compliance Department monitors and tests for such activity.

31 March 2021

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, under certain unusual circumstances, LGIMI personnel may buy or sell securities for themselves at or around the same time as Clients. Our Compliance Department monitors and tests for such activity.

E. Trading Securities After Private Meetings with Issuers

Access Persons who have a private, non-public encounter with an issuer in his or her capacity is restricted from trading the otherwise allowable Reportable Security within thirty (30) business days of such encounter. LGIM Compliance monitors for such activity.

It is the express policy of LGIMI that no Access Person, Supervised Person or Associated Person shall breach a fiduciary duty owed to a Client, place his or her own interests ahead of those of a Client or make personal investment decisions based on the investment decisions or orders being worked for Clients.

LGIM and LGIM Asia which provides advisory services to certain of our clients pursuant to the PAA, and LGIMA, through a sub-advisory agreement with us, may recommend securities to their own clients or invest on their own clients' behalf in securities that are the subject of recommendations to or discretionary trading on behalf of LGIMI's Clients. See Item 10 for further information about the PAA and sub-advisory relationship, and controls intended to address conflicts of interest relating to these.

31 March 2021

Item 12 – Brokerage and Trading Practices

A. Trading

As noted above LGIMA may manage the assets of our clients for High Yield Strategies. In these cases, LGIMA manages the portfolios and executes the trades. A discussion of how LGIMA operates is contained in its Form ADV Part 2A, a copy of which is given to those of our Clients whose assets are sub-advised to LGIMA when they open an account, annually, and in the event of a material amendment to the disclosures contained therein.

Where LGIMA manages assets for Index Strategies for our Clients, orders may be routed back to LGIMI for execution. The remainder of the discussion in this Item 12 pertains to how LGIMI manages execution of these assets and all other assets managed by LGIMI which are routed to LGIM under a Dealing Services Agreement. This is done in accordance with applicable legal and regulatory requirements.

Selection: We receive authority from our clients pursuant to IMAs which authorize us to select broker-dealers and counterparties through which to execute transactions on behalf of our Clients. We are generally not required to provide notice to, consult with or seek the further consent of Clients prior to engaging in transactions.

All counterparties must satisfy our credit, contractual and best execution standards to qualify for the list of approved brokers. LGIM's Counterparty Credit Committee is responsible for regular review of credit ratings assessments for permitted counterparties under the Counterparty Credit Risk Framework..

We do not take orders from U.S. Clients to buy or sell securities.

Best Execution: The Trading Desk will seek and obtain best execution. The effectiveness of execution arrangements and execution policies are monitored and overseen on an on-going basis by the Best Execution Committee. The Compliance Department independently monitors how the business complies with best execution requirements. When deciding how and where best to execute an order, we will take into consideration a range of factors including price, size and the nature of the order, transaction costs, speed and likelihood of execution, settlement efficiency, client order priority rules or any other factor deemed relevant to the execution of the order.

The choice of the venue for the execution will also be dependent upon the characteristics of the financial instrument underlying the order and the functional capabilities of the venue itself. Generally, price will merit a high relative importance in obtaining the best execution. However, in some circumstances it may appropriately be decided that other execution factors should be given more prominence.

Allocation: When trading simultaneously for more than one client account or portfolio, it is the policy of LGIMI to allocate trades among those accounts using a pre-trade allocation. Partially filled orders are automatically pro-rated with consideration as to economic viability.

To minimise total transaction costs our dealing methods for trading in securities and currencies are, in order of preference, as follows:

Equities and Related Securities:

- Equities – Shares and Depositary Receipts
- Exchange Trade Products – ETFs, ETNs

31 March 2021

- Equity Futures and Options traded on a venue

LGIM operates a fully unbundled equity execution process, as such all of our activity can be considered as execution only. Equity orders are transmitted electronically from our order management system (“OMS”) to our execution management system (“EMS”). From our EMS the Global Trading team has access to a variety of execution channels. Where an order is deemed appropriate for a low touch channel, the Global Trading team will select a suitable execution algorithm from our list of approved counterparties, or alternatively they may instruct a portfolio trading desk electronically via FIX protocol. Where an order warrants a high touch or voice channel, the Global Trading team will similarly seek to instruct the counterparty by FIX protocol where it is possible to do so. In addition to these channels, for Exchange Traded Products and Equity Futures and Options traded on a venue, the Global Trading team may also execute on a Request for Quote basis (“RFQ”). For this process, orders are transmitted electronically from our OMS to a vendor RFQ platform to enable us to electronically gather competitive quotes and execute.

Fixed Income and Related Securities:

- Bonds
- Future Income Futures and Options traded on a venue

Bond orders are traded from our order management system (“OMS”). The Global Trading team has access to a variety of execution channels, but the predominant protocol remains Request for Quote (RFQ). Our OMS transmits bond orders electronically via FIX protocol to a choice of multi-lateral trading platforms (e.g. Tradeweb, MarketAxess) for execution. Where an order is deemed appropriate for a low touch channel, the Global Trading team will select a suitable panel of counterparties and enter into a competitive RFQ. Where an order requires a high touch channel, our traders may enter into a non-competitive RFQ either on voice or via alternative electronic communication (e.g. Bloomberg). Once a high touch order is agreed, it is then processed via a trading platform where it is possible to do so. For Fixed Income Futures and Options traded on a trading venue, the process is slightly different. Orders in these instruments are transmitted from our OMS to our EMS. Where an order is deemed appropriate for a low touch channel, the Global Trading team will select a suitable execution algorithm from our list of approved counterparties, or alternatively they may instruct a listed derivatives trading desk electronically via FIX protocol. Where an order warrants a high touch or voice channel, the Global Trading team will similarly seek to instruct the counterparty by FIX protocol where it is possible to do so.

Foreign Exchange:

- Currency Forwards
- Currency Outrights
- Currency NDFs

FX orders are transmitted electronically from our order management system (“OMS”) to our execution management system (“EMS”). From our EMS, the Global Trading team has access to a variety of execution channels. Where an order is deemed appropriate for a low touch channel, the Global Trading team will generally enter into a competitive Request for Quote (RFQ) from our list of approved counterparties. For high touch orders, such as illiquid currency pairs or large size orders, where potential market impact is a consideration, or liquidity is thin for example, the Global Trading team will assess the most appropriate execution channel taking into account general market structure and conditions. For these types of orders, the traders may select an execution algorithm from our approved list of providers. Equally the team may look to dice the order and enter into a competitive RFQ process (either electronic or voice). In certain circumstances LGIM may choose to execute on a non-competitive basis if we believe that restricting the number of quotes will achieve a better result for the client. For level specific orders (limit) or benchmark orders (WMR), the desk will place them with one of the approved counterparties to manage on our behalf.

31 March 2021

Money Market and Security Financing Transactions (SFTS):

- Reverse Repo
- Term Repo
- Certificates of Deposit
- Commercial Paper

Money market instruments (CDs, CPs & Reverse Repo) are traded from our order management system ("OMS"). Generally, price discovery is conducted via competitive or non-competitive RFQ, on voice or via an alternative electronic communication, such as Bloomberg. Once the economics have been agreed, the order will be booked manually into the OMS. For Term Repo the orders are raised in our Portfolio Management System (PMS) and the orders are transmitted to our EMS. Again, from here price discovery is conducted via competitive or non-competitive RFQ, on voice or via an alternative electronic communication, such as Bloomberg. Once the trade details have been agreed, the order will be transmitted downstream to our investment operations team and the trade will be reflected in the PMS.

Monitoring and Evaluation: It is our normal practice to carry out post trade analysis to monitor the quality of execution. Depending on the market this may involve systematic comparisons of execution prices with respect to average prices, open/closing prices or periodic high/low prices as appropriate. For equities we use ITG's transaction cost analysis (TCA) services and for bonds we use MarketAxess' and TradeWeb's TCA services. The Trading Desk monitors the quality of each broker's services and periodically evaluates each for the purposes of deciding whether and to what extent to continue to place trades with such firm, or whether to close a relationship. Our Compliance Department monitors best execution on a sample basis.

Post trade analysis is not applicable to principal programme trades as the basis for the execution price and total transaction costs are established before the trade is carried out. Commissions paid on such trades normally reflect total transaction costs excluding any taxes/stamp duties.

A1a-e. Research and Other Soft Dollar Benefits

We do not have "soft dollar" arrangements, as contemplated by provisions of Section 28(e) of the U.S. Securities Exchange Act of 1934.

A2a-b. Brokerage for Client Referrals

We do not receive client referrals from brokers.

A3b. Client Directed Brokerage

We do not permit client-directed brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

The Trading Desk executes orders for both LGIMI and LGIM. In accordance with applicable regulatory requirements, the Trading Desk may execute transactions on an aggregated basis to help obtain best execution and negotiate more favourable commission rates or other transaction costs that might have otherwise been paid had such orders been placed independently. When aggregating orders, we require that all of our clients be treated in a fair and equitable manner. We will instruct the Trading Desk not to aggregate orders unless aggregation is consistent with our duty to seek best execution. As regards ERISA, Client orders may be aggregated with orders involving the proprietary assets of other Legal & General Group companies over which we exercise discretion where it may be

31 March 2021

proven that LGIM and LGIMI did not derive a benefit from the aggregation not otherwise enjoyed by the ERISA client, or the ERISA client suffers a loss arising from such aggregation. No account will be favoured over any other account; however, a variety of factors are determinative of whether or not a particular client may or may not participate in a particular aggregated transaction. These factors include but are not limited to: investment objectives and strategies, position weightings, cash availability, and risk tolerance. Because of differences identified above, there may be differences in invested positions and securities held in different client accounts.

Consistent with our fiduciary duties, our policy is to exercise care in making and implementing investment decisions for Client accounts. Under our trading errors policy, to the extent trading errors occur, we seek to ensure that Clients' best interests are served. Our policy is to resolve all trade errors as quickly as possible while ensuring the Client is not disadvantaged, consistent with the orderly disposition (and/or acquisition) of the securities in question. Actual losses suffered by a Client as a result of a trade error caused by us will be reimbursed by us; however, we do not compensate Clients for lost investment opportunities (e.g., the failure to take advantage of investment or market improvements).

C. Cross Trades

LGIMI reserves the right to identify cross trades with other LGIMI or LGIM clients that are executed through external brokers by the Trading Desk at a minimal cost where the cross trade is in the best interests of both parties to the trade. In addition, the Trading Desk may seek to cross trades through an external broker if opportunities arise. In both instances, such cross trades must satisfy relevant laws and regulations e.g. the Advisers Act and ERISA.

31 March 2021

Item 13 – Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who is Responsible for Reviews

We maintain continuous scrutiny of our performance, the positions in the accounts we manage and the consequences of risk. We conduct a daily review of the investment activities in each Client account to ensure that the assets are managed in conformity with the stated investment objectives and restrictions. Where appropriate, LGIMA works in tandem with us in carrying out these responsibilities.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

We may review Client accounts as a result of major changes in macro- or micro-economic conditions, and material market, economic or political events. Further, changes in regulation may cause us to review client accounts. LGIMA does this with us for those clients whose assets are invested in Index Strategies, Private Credit Strategies, Multi-Asset Strategies or High Yield Strategies.

C. Content and Frequency of Regular Reports Provided to Clients

Clients receive on a monthly or quarterly basis (as agreed with their custodian): (i) statements from their custodian, which include, among other things, the change in value of their accounts since the last reports that were provided and (ii) a list of transactions effected and related data. Clients typically receive on an annual basis, statements from the custodian containing performance information based on an agreed set of procedures.

LGIMI will provide reports via LGIMA for it to send to Clients with information regarding trading activity and holdings. In addition, reports may be provided by LGIMI via LGIMA that are tailored to meet Client-specific requests.

Item 14 – Client Referrals and Other Compensation

We have not entered into any contractual arrangements or agreements with firms or individuals that may solicit or have solicited Clients for us. Neither we, nor our employees, receive compensation from third parties.

Item 15 – Custody

Neither LGIMI nor LGIMA has custody of Client funds or securities. Rather, all funds and securities of our Clients will be held with a qualified custodian who is appointed by that Client.

We encourage clients to compare information in our reports to reports provided by the client's qualified custodian and to contact LGIMI, LGIMA or their independent custodian regarding any questions about their account statements.

Item 16 – Investment Discretion

As discussed above, we have discretionary authority to manage the assets in a Client's account subject to the investment limitations and restrictions set out in the IMA relating to that account. For those Clients whose assets are sub-advised to LGIMA, we delegate discretionary investment management control to LGIMA.

31 March 2021

Item 17 – Voting Client Securities

Our proxy voting policies and procedures are adopted to ensure compliance with Rule 206(4)-6 under the Advisers Act and ERISA requirements. They are designed and implemented in a manner reasonably expected to ensure that proxy voting is exercised in the best interests of Clients. For purposes of these policies and procedures, proxy voting includes any voting rights, consent rights or other voting authority we exercise on behalf of Clients, but shall not include matters which are primarily investment decisions, including tender offers, exchange offers, conversions, put options, redemptions and Dutch auctions.

Where proxy voting is delegated to LGIMI in the IMA, all issues concerning the voting of proxies are considered on a case by case basis in the best interests of Clients taking into consideration any relevant contractual obligations, as well as other applicable facts and circumstances.

We have engaged LGIM to monitor corporate events for us. For Clients other than ERISA clients, we reserve the right to delegate the vote to LGIM. However, for ERISA Clients, we consider the information provided to us by LGIM and, acting on the instructions of such clients, vote the securities.

In certain instances, it may not be possible or, in the Client's best interests for LGIMI to vote all proxies concerning corporate actions. This may be because:

- The size of the clients and of the positions held may mean it is uneconomic and not in the client's best interests to vote the proxy;
- Trading strategies employed may mean that positions are held on a short-term basis and the periods of ownership may not give rise to voting rights;
- The trading strategy may mean that it is not in the best interests of the client to "block shares" for a certain period as we may wish to be able to dispose of those shares at any time.

We monitor compliance with our policy and report discrepancies via the Risk Management System to the Operational Risk Team and, if appropriate, the Risk and Compliance Committee with documentation of how the situation will be resolved, who is responsible for resolution and any action needed to prevent reoccurrence.

The full Corporate Governance and Responsible Investment Policy will be provided to Clients upon request.

We have policies and procedures designed to manage the voting of proxies in the case of securities which may be the subject of a conflict of interest.

We will review each proxy to determine whether voting or not voting the proxy gives rise to a material conflict of interest. As part of this review, we will determine whether the issuer of the security or proponent of the proposal is a Client of ours, or if a Client has actively solicited us to support a particular position. If no conflict exists, we will determine whether to vote the proxy. However, if a conflict does exist, we will seek to resolve any such conflict in accordance with these policies and procedures, failing which the proxy might not be voted or voted in a certain manner. All such situations will be documented.

In the event any conflict of interest may arise, we will disclose the circumstances of any such conflict to Client(s) and in most cases either convene an ad-hoc committee to assess and resolve the conflict, forward the proxy materials to the Client to vote, vote according to recommendation of an independent third-party service provider or take such other action as may be appropriate under the particular circumstances and in compliance with applicable requirements, including ERISA.

It is likely that Legal & General Group Plc shares may be held in index tracking portfolios. In the event of a corporate action involving Legal & General the non-executive directors of LGIM(H) would be fully involved in voting decisions, taking into account the best interests of clients, to include consideration of

31 March 2021

the impact on the shares of the bidding company and the insurance sector as a whole. LGIMI and LGIM would also liaise as required with the UK Takeover Panel who has regulatory oversight.

Except to the extent required by applicable law or otherwise approved by LGIMI, we will not disclose to third parties how we voted a proxy on behalf of a Client. However, upon request from an appropriately authorised individual, we will disclose to our Clients or the entity delegating the voting authority to us for such Clients (e.g., trustees or consultants retained by the Client), how we voted such Client's proxy.

Item 18 – Financial Information

We do not have any adverse financial information to disclose.

Disclaimer

LGIM International Limited
One Coleman Street
London
EC2R 5AA

Registered with the U.S. Securities and Exchange Commission ("SEC") and authorised and regulated by the Financial Conduct Authority ("FCA").

LGIM International does not provide advice on the suitability of its products or services.

Ultimate holding company - Legal & General Group plc.