

For customers | With-Profits Investments

With-Profits Fund (WP1) factsheet

Quarter one 2024



Fund description

WP1 will invest in a mix of UK equities, gilts and other fixed interest. The current target level of equity exposure is 15% - 25% of the overall investment value.

Units purchased are guaranteed to have a value of £1 at maturity. The unit price is less than £1 at the date of purchase to allow for an element of guaranteed growth if units are held to maturity. This growth element is 4% a year.

Any annual bonus will be applied by giving additional units in the fund at a rate declared at the end of each calendar year.

A terminal bonus or market value reduction (MVR) may be applied in certain circumstances when the benefit becomes payable. The terminal bonus and MVR rates are not guaranteed, though an MVR will not be applied at maturity. The current terminal bonus rates are shown at the end of this factsheet.

Details of how we manage our with-profits business can be found in the Annual Report to With Profits Policyholders.

[Annual Report to With-Profits Policyholders](#)

Fund information

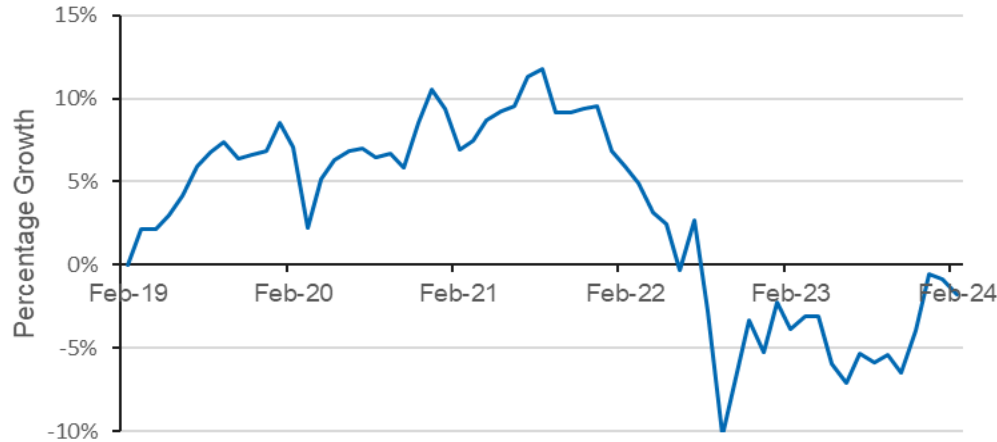
Fund provider	Aegon
Fund launch date	January 1996
Fund closed to new business	January 1998
Fund closed to any further contributions	November 1999
Aegon fund size (£ million)	93.3
Fund type	Pension
Annual management charge	1.00%

Asset Allocations as at 29/02/24:



Asset	Weight
Gilts	29.9%
Other Fixed Interest	50.1%
UK Equity	20.0%
Total	100.00%

Fund performance



	3 months	1 yr	3 yrs	5 yrs	10 yrs
WP1	2.3%	2.2%	-2.8%	-0.4%	1.7%
	Feb 23 to Feb 24	Feb 22 to Feb 23	Feb 21 to Feb 22	Feb 20 to Feb 21	Feb 19 to Feb 20
	2.2%	-9.2%	-1.0%	-0.1%	7.1%

Source: Aegon. Figures in £s on a bid-to-bid basis, net of charges, with gross income reinvested to 29 February 2024. Periods of greater than one year show annualised compound returns.

Past performance is no guide to future performance. The value of this investment can fall as well as rise for a number of reasons, for example market and currency movements. You may get back less than the amount originally invested if you surrender the policy prior to the selected maturity date.

These figures represent the investment return on WP1 fund net of annual management charge, but not incorporating charges for guarantees and the distribution from the inherited estate (see “Enhancements to asset shares” for further information). Actual with-profits payouts also incorporate the effects of smoothing of investment returns and will therefore not necessarily reflect these returns.



Reversionary bonus rates applied

Year	Basic (%)	Attaching (%)
1996	3.5	3.5
1997	3.5	3.5
1998	3.0	3.0
1999	2.25	2.25
2000	1.50	1.50
2001	0.75	0.75
2001	0.50	0.50
2002	0.25	0.25
2003	0.25	0.25
2004	0.25	0.25
2005 to 2024	Nil	Nil

Future benefits from contributions invested are not guaranteed and depend on the bonuses declared by Aegon.

The interim bonus rate applicable for Q1 2024 was nil.

Guarantees charges and estate distributions

Amounts payable to policyholders are guided by the calculation of asset shares. This reflects the accumulation of premiums paid less any withdrawals, contract charges and expenses at the rate of investment return on the underlying with-profits fund assets.

In addition, the investment return is increased by any distributions made from the estate and decreased by charges for guarantees payable to the estate. This includes any additional enhancement to investment returns that may be added, from the estate, at the point of claim. The estate represents the excess of assets within the with-profits fund over and above the amount required to meet customer benefits. Aegon has no entitlement to any of the estate and we aim to distribute the estate equitably to with-profits policyholders over time.

The combination of these effects, plus an allowance for smoothing of investment returns, is then reflected in policy payouts through the terminal bonus and MVR rates. The following table illustrates the effect on the annual investment return from the movements to/from the estate (before any smoothing is applied).

It is important to note that the above estate distributions are not guaranteed. It may become necessary to remove some or all of these should the Scottish Equitable with-profits fund (of which this investment fund forms a part) experience adverse conditions.

Calendar Year	Investment Performance before estate movements	Charge for guarantees (to the estate)	Estate distribution (from the estate)	Investment Return after estate movements	Additional Enhancement to Investment Return made at the point of claim (from the estate)
	(%)	(%)	(%)	(%)	(%)
2004	7.4	-1.25	2.0	8.2	Nil
2005	11.5	-0.75	1.5	12.3	Nil
2006	3.0	-0.5	0.5	3.0	Nil
2007	2.2	-0.25	0.25	2.2	Nil
2008	-8.1	-0.25	0.25	-8.1	Nil
2009	12.2	-0.5	0.5	12.2	Nil
2010	10.4	-0.5	0.5	10.4	Nil
2011	4.9	-0.5	Nil	4.4	Nil
2012	10.8	-0.5	Nil	10.3	Nil
2013	3.9	-0.5	Nil	3.4	Nil
2014	9.9	-0.5	Nil	9.4	Nil
2015	0.8	-0.5	Nil	0.3	0.5
2016	8.6	-0.5	Nil	8.1	1.0
2017	3.8	-0.5	Nil	3.3	3.5
2018	-3.0	0.0	Nil	-3.0	7.0
2019	9.0	0.0	Nil	9.0	10.0
2020	3.4	0.0	Nil	3.4	11.0
2021	-0.9	0.0	1.0	0.1	9.0 – 13.0
2022	-13.5	0.0	Nil	-13.5	1.0 – 6.0
2023	5.0	0.0	Nil	5.0	1.0

Source: Aegon. Figures on a bid-bid basis, net of charges, with gross income reinvested. The enhancement applied to claims remains at 1% and is reflected in the terminal bonus scale effective from 1 April 2024.



Terminal bonus & market value reduction rates (effective 1 April 2024)

Investment Date		MVR Rates	TB Rates
January	1996	0%	21%
February	1996	0%	23%
March	1996	0%	23%
April	1996	0%	20%
May	1996	0%	22%
June	1996	0%	22%
July	1996	0%	24%
August	1996	0%	21%
September	1996	0%	19%
October	1996	0%	20%
November	1996	0%	17%
December	1996	0%	18%
January	1997	0%	15%
February	1997	0%	14%
March	1997	0%	16%
April	1997	0%	14%
May	1997	0%	11%
June	1997	0%	11%
July	1997	0%	7%

Investment Date		MVR Rates	TB Rates
August	1997	0%	10%
September	1997	0%	3%
October	1997	0%	8%
November	1997	0%	8%
December	1997	0%	4%
January	1998	0%	1%
February	1998	1%	0%
March	1998	4%	0%
April	1998	4%	0%
May	1998	5%	0%
June	1998	4%	0%
July	1998	3%	0%
August	1998	0%	0%
September	1998	0%	0%
October	1998	0%	1%
November	1998	4%	0%
December	1998	6%	0%
January	1999	7%	0%
February	1999	5%	0%

Investment Date		MVR Rates	TB Rates
March	1999	5%	0%
April	1999	5%	0%
May	1999	2%	0%
June	1999	3%	0%
July	1999	1%	0%
August	1999	2%	0%
September	1999	0%	2%
October	1999	1%	0%

The rates shown are not guaranteed and can be increased or decreased at any time. In normal circumstances we aim to review rates on a quarterly basis. If money is taken out at any time other than on death or selected retirement date the amount may be subject to an MVR, which would reduce your final plan value.

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