

LG With-Profit Fund factsheet

All figures in this document are calculated as at **31 December 2022** (unless stated otherwise).

Investment objective

The investment strategy of the LG With-Profit Fund aims to balance risk and reward. It seeks to maximise the investment return on the Fund through holding a diversified portfolio of assets, whilst recognising the need to safeguard the solvency of the Fund by investing in assets appropriate to the underlying liabilities. Regard is also had of the capacity of the Fund to absorb a financial shock due to holding assets not fully matched to the relevant liabilities. During 2023 we intend to develop further how we incorporate environmental, social and governance considerations into our investment decisions.

The Fund invests principally in a mix of government and other fixed interest securities (including from emerging markets), overseas and UK equities, UK commercial property and cash deposits. Derivatives may be used to assist with efficient portfolio management. Different elements of the Fund may be subject to different investment mixes.

Investment returns

2022 investment returns

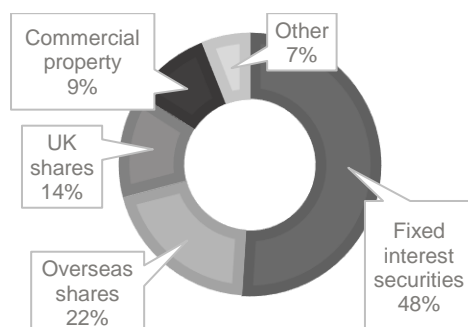
Before allowance for tax: **-10.0%** After allowance for tax: **-8.0%**

5-year investment returns

	2018	2019	2020	2021	2022
Before allowance for tax:	-3%	12%	4.4%	5.2%	-10.0%
After allowance for tax:	-2%	10%	3.8%	4.4%	-8.0%

- These are the investment returns for the whole fund. Read the **Investment returns and asset mixes** to find the investment returns for your product.
- 2020 to 2022 figures are calculated after deduction for investment expenses and rounded to one decimal place. This is how we will show this information in future.
- 2018 and 2019 figures are shown on the basis previously used, which is before investment expenses have been deducted and rounded to the nearest whole percentage.

Asset mix



- This is the asset mix for the whole fund. The proportions of each type of asset we hold varies for groups of products.
- Read the **Investment returns and asset mixes** to find the asset mix for your product.



ReAssure

Fund values

Current value of the LG With-Profit Fund:	£14,390 million
Value of the LG With-Profit Fund estate:	£463 million*

* Following the closure of the LG With Profits Fund to new business on 31 January 2015, we have considered annually whether to distribute part of this money. For the bonus declaration in February 2023, we have added a further 0.90% to the value of the underlying assets used to calculate final / terminal bonus rates and for setting claim values more generally – it is not added directly to the final / terminal bonus rates.

Bonus information

Since 2021, we have included details of your bonus in your annual statement instead of sending a separate bonus notice. You can also contact us if you need to know more about your bonus.

Types of bonus

- **Regular bonus (also known as a reversionary or annual bonus)** – this is typically paid annually and added to the value of your policy.
- **Final bonus (also known as a terminal bonus)** – when you take your money out of the fund, we may pay a final bonus. This ensures you receive a fair portion of the fund.
- **Interim bonus** – when you take your money out of the fund, we may pay an interim bonus to cover the period for which an annual bonus has not yet been added to your policy.
- **Temporary bonus** – this may be applied to a With Profits Annuity on the policy anniversary and will apply in that year only.

Factors affecting bonus rates

Investment returns, less any tax applicable, are the most important factor in deciding how much bonus we pay, but we also consider the following:

- Bonuses already declared.
- Our view of future investment conditions.
- Money built up in the fund above what we need for future obligations.
- Your policy type and terms and conditions.
- When the policy started.
- The effects of smoothing.
- The costs of administering your policy.
- Any other adjustments, for example, to cover the cost of guarantees and options.

2023 Contractual Minimum Addition (CMA) rates

- Life policies: 1.25% (0.40% in 2022)
- Pensions: 1.55% (0.50% in 2022)

CMAs are added to the regular bonus, for eligible policies. If you are not sure whether your policy is eligible, or you want to know more about your CMA, you can contact us to find out.

More information about the fund

Visit reassure.co.uk/funds to find:

- Investment returns and benchmark asset mix
- Principles and Practices of Financial Management (PPFM)
- Annual board report