

Your with profits policy

Investment performance

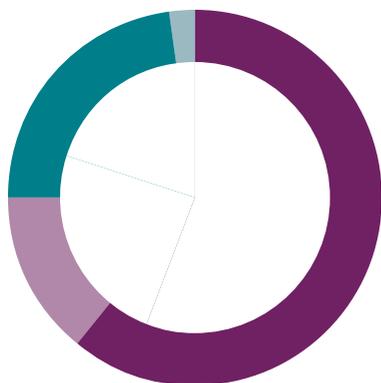
Your policy is invested in the RL open fund within the Royal London Long-Term fund. In this leaflet we call this ‘the with profits fund’.

What is the investment mix of the with profits fund?

In managing the with profits fund, we aim to optimise the investment return for with profits policyholders whilst also protecting their guaranteed benefits within the with profits fund. We hold a wide range of assets to help reduce the risk that would arise if we invested in a single type of investment.

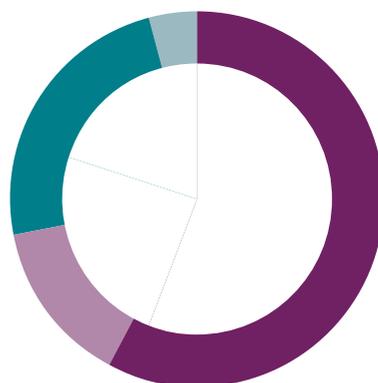
The charts below show the types of investments that asset shares have been invested in for the past two years. By asset share, we mean the build up of payments made into the with profits fund after taking off expenses, charges and tax and allowing for the profits and losses earned by the investments.

Investment mix at 31.12.2025



- 61% Company shares
- 14% Property
- 23% Government and other bonds
- 2% Cash and other investments

Investment mix at 31.12.2024



- 58% Company shares
- 14% Property
- 24% Government and other bonds
- 4% Cash and other investments

What was the investment return for my policy for 2025?

The investment return applied to with profits policies in the with profits fund (before tax and charges) for 2025 was 11.8%.

The with profits fund's investment portfolio has provided an overall positive return during 2025. The key source of growth was from company shares.

Due to the nature of your policy being with profits, we try to smooth out variations in investment returns year on year so that your policy is less affected by the ups and downs. Please refer to the next page to find out how your policy shares in these profits and losses.

We don't know what investment returns will be in the future; you shouldn't assume they'll be the same as they were in previous years. However, we believe that the investment mix is appropriate for the with profits fund in current economic conditions.

Investing responsibly

Driven by our Purpose, we look to act and invest responsibly. Visit royallondon.com/responsiblebusiness to find out more about our approach to investing responsibly,

as well as our climate commitments, and our stewardship and sustainability reporting.

How do I share in the profits and losses of the with profits fund?

The performance of the with profits fund is shared out to its policyholders through a system of bonuses. There are two types of bonus which we may add to your policy:

- regular bonuses, which we may add during the lifetime of your policy and which increase the unit price used to calculate the value of your policy, and
- final bonuses, which we may add when you cash in some or all of your policy. Final bonuses are not guaranteed and may go up or down.

The annual bonus rate that we have applied to your policy for 2025 is between 2.5% and 3.5%, depending on the type of policy that you have.

In certain situations, for example bad stock market conditions or after a long period of low investment returns, the value of the with profits units allocated to your policy may be higher than the policy's asset share. If this happens we may reduce the value of your units if your policy ends, you cash units in or you switch to a unit-linked fund. This reduction in value is called a market value reduction (MVR). We will only apply a MVR to ensure fair payouts to everyone invested in the with profits fund. If we don't do this, investors staying in the with profits fund will not get their fair share.

There are some situations where we will not apply an MVR. Your policy document describes the situations that apply to your policy but these will normally include cashing units on death or cashing units on regular withdrawals below a certain limit.

BREAD



Where can I find out more information about the with profits fund?

You can view and download the following documents from our website royallondon.com:

- ‘Principles and Practices of Financial Management’ (PPFM) which is a technical document that explains the way in which we manage our with profits fund.
- The Directors’ report on compliance which is the most recent report about how we’ve complied with the PPFM.
- ‘A guide to how we manage our with profits fund’ which is a plain English guide to the key points of the PPFM. This includes more information on asset shares and how we decide regular and final bonus rates and MVRs. The version that covers your policy is ‘Guide 7’.

To find these documents please visit royallondon.com/PPFM. If you’d like braille, large print or audio versions of these documents, you can ask us to send you copies by calling us on **0345 741 3002**.

Changes to the PPFM

There have been a small number of updates made to the PPFM Practices to improve clarity.



**If you would like a copy of this
document in large print, braille
or audio, please call us on
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