

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.

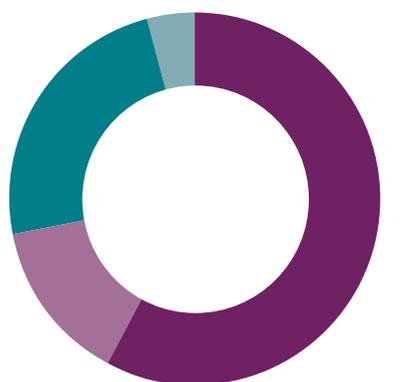
The investment returns from government bonds, other bonds and cash tend to vary less from year to year than the returns from company shares and property. However, over the longer term, the investment returns from government bonds, other bonds and cash tend to be lower than those from company shares and property.

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 total investment return applied to asset shares in the with profits fund (before taxes and charges) for 2025 was 11.8%.

The with profits fund's investment portfolio has provided an overall positive return during 2025. The key sources of growth were 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:

- annual bonuses, which we may add during the lifetime of your policy and which increase the guaranteed amount payable when you take your guaranteed benefits, and
- final bonuses, which we may add when your policy ends. Final bonuses aren't guaranteed and may go up or down.

The annual bonus rate for 2025 is 1.65%. Your bonus rate includes 0.15% added as a result of ProfitShare this year. You can read more about this in the section headed 'Royal London ProfitShare'.



Royal London ProfitShare

As a result of our good operating profits and continued strong capital position we have allocated a discretionary ProfitShare to all eligible with profits policyholders. We have applied this by enhancing the asset share of your policy by 1.2%. As mentioned earlier, our approach to ProfitShare means that we have also given you an extra annual bonus of 0.15% this year.

We hope to award a similar level of ProfitShare next year and our business plan supports that. However, the current uncertainty in financial markets may affect the amount of profits we are able to earn and share with our customers. Rest assured that, whatever happens in 2026, we will do all we can to maintain your ProfitShare at an attractive level.



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.
- ‘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 annual and final bonus rates. The version that covers your policy is ‘Guide 1’.
- The Directors’ report on compliance which is the most recent report about how we’ve complied with the PPFM.

To find these documents 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 050 2020**.

Changes made to the PPFM

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

**If you would like a copy of this
document in large print, braille
or audio, please call us on
0345 050 2020**



Royal London

Royal London House, Alderley Park, Congleton Road, Nether Alderley, Macclesfield SK10 4EL
royallondon.com

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. Registered in England and Wales number 99064. Registered office: 80 Fenchurch Street, London, EC3M 4BY.