

For customers – With-Profits Investments

# With-Profits Endowment fund (WPE) factsheet

## Quarter three 2019



### Fund description

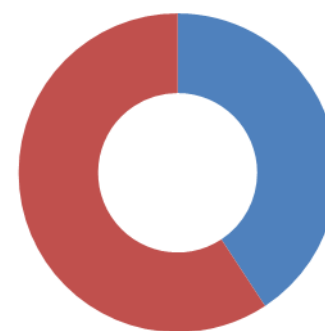
This fund can invest in a wide range of bonds, gilts, equities in the UK and overseas, plus direct property. Effective from 1 April 2014, we reduced the exposure to equity investment from 10% to nil and is now 100% invested in fixed interest assets. Units purchased are guaranteed to have a value of £1 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 guaranteed growth depends on the term to maturity, but typically averages around 5.5% pa from the date of each investment to maturity. Any annual bonus will be applied by giving additional units in the fund at a rate declared at the end of each calendar year. The unit price is not guaranteed upon encashment prior to the maturity date. At the selected retirement date, early retirement, surrender or death, an additional terminal bonus may be added. The current rates are shown at the end of this factsheet. The terminal bonus rates are not guaranteed.

### Fund information

<b>Fund provider</b>	Aegon
<b>Fund launch date</b>	January 1985
<b>Fund closed to new business</b>	January 1996
<b>Fund closed to any further contributions</b>	November 1999
<b>Aegon fund size (£ million)</b>	740.0
<b>Fund type</b>	Pension
<b>Annual management charge</b>	1.00%



### Asset allocation



	%
■ Gilts	40.7
■ Other Fixed Interest	59.3



## Performance in detail

### Periods ended 31 August 2019:

	3 months	1 year	3 years	5 years	10 years
	(%)	(%)	(%)	(%)	(%)
WPE	4.0	7.9	1.7	4.2	6.1

### Growth (%) over 12-month periods:

Jan-18 To Jan-19	Jan-17 To Jan-18	Jan-16 To Jan-17	Jan-15 To Jan-16	Jan-14 To Jan-15
-0.6	2.3	7.6	0.0	11.8

Source: Aegon. Figures in £s on a bid-to-bid basis, net of charges, with gross income reinvested to 31 August 2019. 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 WPE 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 (%)
1990	5.0	6.75
1991	5.0	6.75
1992	4.0	7.0
1993*	4.0	7.0
1994	3.0	6.0
1995	2.5	4.5
1996	2.0	4.0
1997	1.75	3.75
1998	1.25	3.25
1999	0.5	2.5
2000	0.5	1.5
2001	0.5	1.0
2002	0.5	0.75
2003 to 2005	0.25	0.25
2006 onwards	Nil	Nil

\*Following demutualisation on 31 December 1993, an additional special reversionary bonus was applied. This increased the attaching bonus by +5% and +10% for regular and single premium contributions respectively.

Future benefits from contributions invested are not guaranteed and depend on the bonuses declared by Aegon. The interim bonus rate for 2019 is currently nil.



## Guarantee 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)
	(%)	(%)	(%)	(%)	(%)
<b>2005</b>	11.1	-0.75	1.5	11.9	Nil
<b>2006</b>	2.0	-0.5	0.5	2.0	Nil
<b>2007</b>	2.3	-0.25	0.25	2.3	Nil
<b>2008</b>	-8.2	-0.25	0.25	-8.2	Nil
<b>2009</b>	12.4	-0.5	0.5	12.4	Nil
<b>2010</b>	11.1	-0.5	0.5	11.1	Nil
<b>2011</b>	3.9	-0.5	Nil	3.4	Nil
<b>2012</b>	11.0	-0.5	Nil	10.5	Nil
<b>2013</b>	2.9	-0.5	Nil	2.4	Nil
<b>2014</b>	11.8	-0.5	Nil	11.3	Nil
<b>2015</b>	0.0	-0.5	Nil	-0.5	0.5
<b>2016</b>	7.6	-0.5	Nil	7.1	1.0
<b>2017</b>	2.3	-0.5	Nil	1.8	3.5
<b>2018</b>	-0.6	0.0	Nil	-0.6	7.0

Source: Aegon. Figures on a bid-bid basis, net of charges, with gross income reinvested.

The enhancement applied to claims made during 2019 is currently equal to 10% and is reflected in the terminal bonus scale effective from 1 October 2019.



## Terminal bonus & market value reduction rates (effective from 1 October 2019)

Investment Date		TB Rates
June	1984	22%
July	1984	21%
August	1984	21%
September	1984	20%
October	1984	20%
November	1984	20%
December	1984	19%
January	1985	19%
February	1985	19%
March	1985	19%
April	1985	19%
May	1985	19%
June	1985	19%
July	1985	19%
August	1985	19%
September	1985	19%
October	1985	20%
November	1985	20%

Investment Date		TB Rates
December	1985	20%
January	1986	18%
February	1986	17%
March	1986	16%
April	1986	15%
May	1986	14%
June	1986	12%
July	1986	11%
August	1986	10%
September	1986	9%
October	1986	8%
November	1986	7%
December	1986	6%
January	1987	7%
February	1987	8%
March	1987	9%
April	1987	10%
May	1987	11%

Investment Date		TB Rates
June	1987	12%
July	1987	13%
August	1987	14%
September	1987	15%
October	1987	16%
November	1987	18%
December	1987	19%
January	1988	19%
February	1988	18%
March	1988	18%
April	1988	18%
May	1988	18%
June	1988	18%
July	1988	18%
August	1988	18%
September	1988	18%
October	1988	18%
November	1988	17%

Investment Date		TB Rates
December	1988	17%
January	1989	15%
February	1989	14%
March	1989	12%
April	1989	10%
May	1989	8%
June	1989	6%
July	1989	5%
August	1989	3%
September	1989	1%
October	1989	0%
November	1989	0%
December	1989	0%
January	1990	0%
February	1990	1%
March	1990	4%
April	1990	6%
May	1990	9%

Investment Date		TB Rates
June	1990	12%
July	1990	14%
August	1990	17%
September	1990	20%
October	1990	23%
November	1990	26%
December	1990	29%
January	1991	29%
February	1991	23%
March	1991	19%
April	1991	19%
May	1991	19%
June	1991	23%
July	1991	21%
August	1991	21%
September	1991	22%
October	1991	24%
November	1991	31%
December	1991	31%
January	1992	27%

Investment Date		TB Rates
February	1992	27%
March	1992	31%
April	1992	27%
May	1992	24%
June	1992	32%
July	1992	37%
August	1992	41%
September	1992	36%
October	1992	29%
November	1992	28%
December	1992	27%
January	1993	26%
February	1993	23%
March	1993	23%
April	1993	24%
May	1993	22%
June	1993	21%
July	1993	19%
August	1993	14%
September	1993	15%

Investment Date		TB Rates
October	1993	14%
November	1993	15%
December	1993	8%
January	1994	7%
February	1994	12%
March	1994	18%
April	1994	18%
May	1994	23%
June	1994	25%
July	1994	22%
August	1994	20%
September	1994	25%
October	1994	25%
November	1994	25%
December	1994	28%
January	1995	29%
February	1995	30%
March	1995	29%
April	1995	27%
May	1995	23%

Investment Date		TB Rates
June	1995	26%
July	1995	22%
August	1995	22%
September	1995	22%
October	1995	22%
November	1995	18%
December	1995	18%
January	1996	17%
February	1996	20%
March	1996	20%
April	1996	17%
May	1996	19%
June	1996	19%
July	1996	20%
August	1996	18%
September	1996	16%
October	1996	16%
November	1996	14%
December	1996	14%
January	1997	12%

Investment Date		TB Rates
February	1997	11%
March	1997	13%
April	1997	12%
May	1997	8%
June	1997	8%
July	1997	5%
August	1997	7%
September	1997	1%
October	1997	5%
November	1997	5%
December	1997	2%
January	1998	0%
February	1998	0%
March	1998	0%
April	1998	0%
May	1998	0%
June	1998	0%
July	1998	0%
August	1998	0%
September	1998	0%

Investment Date		TB Rates
October	1998	0%
November	1998	0%
December	1998	0%
January	1999	0%
February	1999	0%
March	1999	0%
April	1999	0%
May	1999	0%
June	1999	0%
July	1999	0%
August	1999	0%
September	1999	0%
October	1999	0%

The rates shown are those applicable to plans reaching their maturity date based on the month of each investment. These rates are not guaranteed and can be increased or decreased at any time. Different rates may apply upon encashment prior to your selected maturity date based on both the duration in force and the outstanding duration. In normal circumstances we aim to review rates on a quarterly basis.

Aegon is a brand name of Scottish Equitable plc (No. SC144517) registered in Scotland, registered office: Edinburgh Park, Edinburgh, EH12 9SE. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Financial Services Register number is 165548. © 2019 Aegon UK plc