

ASSET MIX OF OUR WITH-PROFITS FUND

MAIN WITH-PROFITS FUND

The majority of with-profits policies are currently backed by the same mix of assets. This mix for the last year is as follows:

	31 Dec 2016	30 Jun 2017	31 Dec 2017
UK Gov't Fixed-interest	5%	6%	3%
Corporate Fixed-interest	12%	11%	10%
Loans secured against commercial property	4%	4%	4%
Property	10%	10%	11%
Equity UK shares	19%	21%	22%
Equity Non-UK shares	29%	30%	29%
Absolute Return	12%	12%	13%
Other Investments (mainly cash deposits)	9%	6%	8%

The main exception is the mix of assets backing the two with-profits investment options available to holders of Flexible Options Bonds: the With-Profits Growth Fund and the With-Profits Income Fund. These asset mixes are as follows:

WITH-PROFITS GROWTH FUND

	31 Dec 2016	30 Jun 2017	31 Dec 2017
UK Gov't Fixed-interest	4%	5%	2%
Corporate Fixed-interest	8%	8%	8%
Property	15%	15%	15%
Equity UK shares	29%	29%	31%
Equity Non-UK shares	42%	42%	40%
Other Investments (including cash deposits)	2%	1%	4%

WITH-PROFITS INCOME FUND

	31 Dec 2016	30 Jun 2017	31 Dec 2017
UK Gov't Fixed-interest	2%	3%	2%
Corporate Fixed-interest	68%	70%	71%
Property	25%	25%	25%
Equity UK shares	0%	0%	0%
Equity Non-UK shares	0%	0%	0%
Other Investments (including cash deposits)	5%	2%	2%

Finally, the assets backing the Pensionplanner contract have been kept at a mixture of 80% fixed interest and 20% equity shares for a number of years.

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