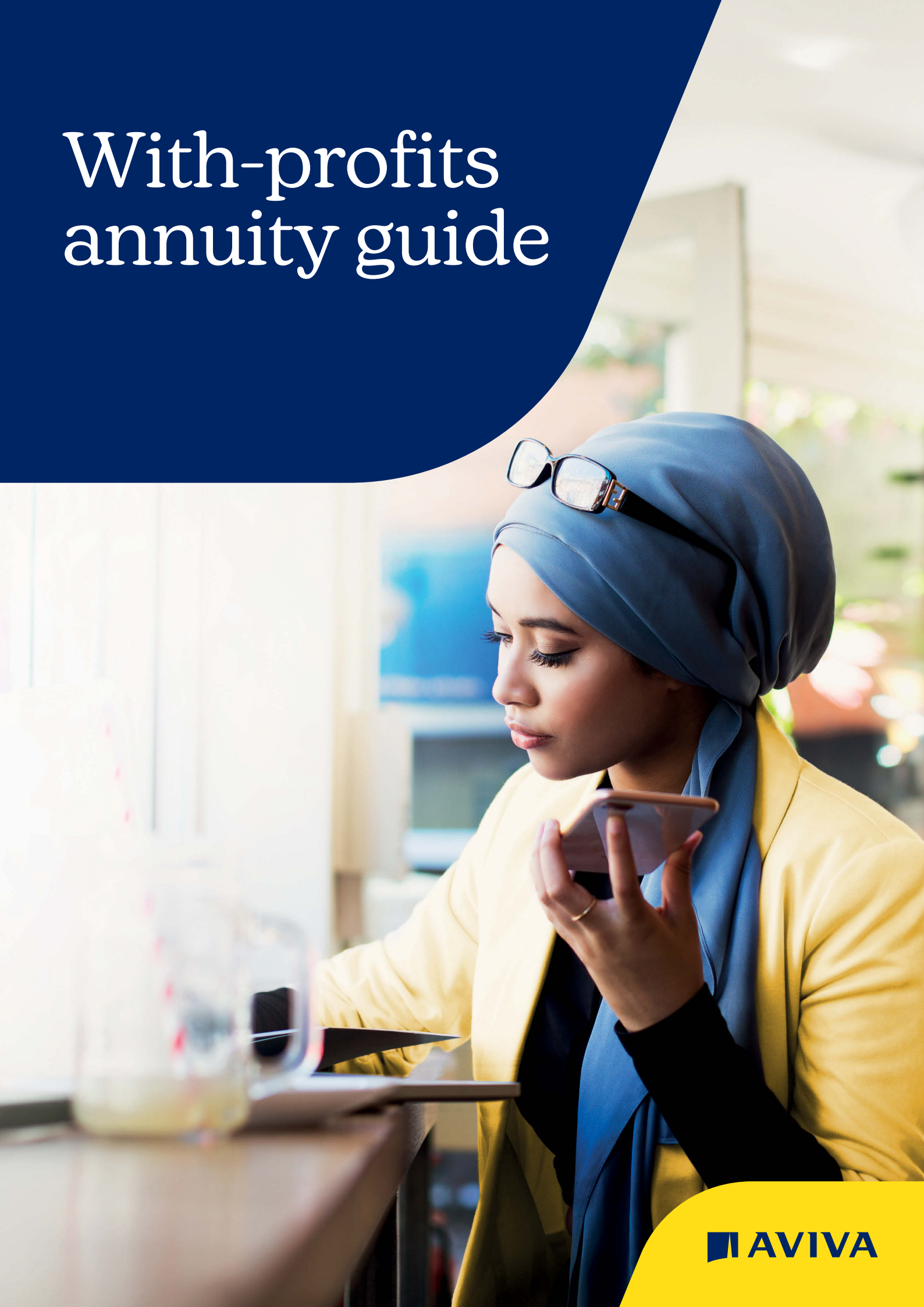
With-profits annuity guide



AVIVA

This guide provides a summary of how we manage the with-profits annuity products invested in either:

- **Aviva Life & Pensions UK Limited With-Profits Sub-Fund** or
- **Aviva Life & Pensions UK Limited Old and New With-Profits Sub-Funds** or
- **Aviva Life & Pensions UK Limited Provident Mutual Sub-Fund**

Your policy document will show the name of the company your policy was taken out with. If you're unsure which with-profits sub-fund you're invested in, you can find further details at **aviva.co.uk/ppfm**

Throughout this document, unless otherwise stated references to 'Sub-Fund' relate to the appropriate with-profits sub-fund as detailed above.

Contents

5 An Aviva with-profits investment

6 Asset mix

10 Historical asset mixes

11 Smoothing – how it works

12 Bonuses – how do we add the bonuses?

14 What affects your level of income?

16 What are the guarantees?

18 A bit more about the Sub-Fund

19 Risk warnings

24 Where can you find out more?

Making sense of it

You may find some of the terms in this guide unfamiliar. To help, we've provided an explanation of the terms in ⓘ **What does it mean?** boxes.

There are three annuity products applicable to this guide:

The **With Profits Pension Annuity** (invested in the Aviva Life & Pension UK Limited With-Profits Sub-Fund)

The **With Profits Annuity** (invested in the Aviva Life & Pension UK Limited Old and New With-Profits Sub-Funds)

The **Dynamic Annuity** (invested in the Aviva Life & Pension UK Limited Provident Mutual Sub-Fund)

ⓘ What does it mean?

Annuity

An insurance contract which provides an income throughout life, purchased by a one-off payment from a pension fund. The income you receive from an annuity is often referred to as a pension.

An Aviva with-profits investment

At a glance

A number of our products allow investment into with-profits. An Aviva with-profits investment is a low to medium risk investment that has the advantage of pooling your money with that of other investors, so you can benefit from investing in a wide spread of **assets**.

We explain assets in greater detail on page 6.

- The Sub-Fund is rated as a **low to medium risk** fund.
- The value of the Sub-Fund can go down as well as up depending on the returns made by the assets that make up the Sub-Fund, so you may get back less than has been paid in. We share out the profits and losses of the Sub-Fund through a system of bonuses, with the aim of smoothing the returns on your with-profits investment over the long term.
- We explain smoothing in more detail on page 11, but basically it helps to reduce some of the significant ups and downs of investing in the stock market. We smooth the rises and falls in value by holding back some of the investment returns in good years. We then use them to top up bonuses in poor investment years. Losses made in poor investment years may also reduce returns in good investment years.

What does it mean?

Aviva assesses its risk ratings using historical performance data.

Low to medium - 3

Funds typically investing in **assets like corporate bonds** or a mix of assets where day-to-day changes in value have historically been less than for shares. There's still a risk that the value of your investment could fall. We review each investment fund's risk rating on a yearly basis, so they may change from time to time.

You can find out more about our risk ratings and risk warnings at **aviva.co.uk/retirement/fund-centre/investment-funds/risk-ratings/**.

You can see the specific risk warnings relating to investing in the Sub-Fund on page 19.

Assets

An asset is a type of investment. Different types of assets include equities (shares), property, fixed interest (gilts and other bonds), alternative investments and cash/money market. Assets can rise and fall in value.

Asset mix

At a glance

We invest your money in the Sub-Fund, which invests in a mix of assets, including:

- equities – UK and international (shares)
- property
- fixed interest
- alternative trading strategies
- cash/money market investments

How do we invest your money?

We invest your money into a broad mix of assets. The asset diagrams below show the type and percentage of each asset that the Sub-Fund applicable to your annuity invests in.

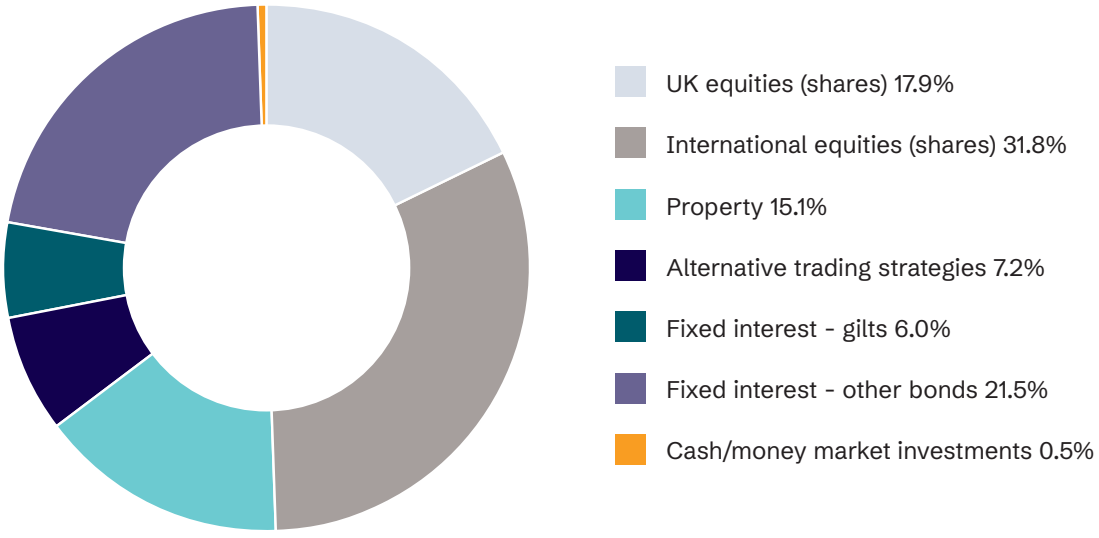
The Sub-Fund your policy invests in will always hold a mixture of higher and lower risk assets to achieve its objective.

The Sub-Fund holds a greater proportion of higher risk assets, such as **equities (shares)** and **property**. The rest is in medium and lower risk investments, such as **fixed interest, alternative trading strategies** and **cash/money market investments**.

For details of the December 2025 asset mixes see the illustrations below. Historical asset mixes are shown on page 10.

Aviva Life & Pensions UK Limited With-Profits Sub-Fund

Asset mix as at 31/12/2025



The investment returns achieved by the With-Profits Sub-Fund in recent years are:

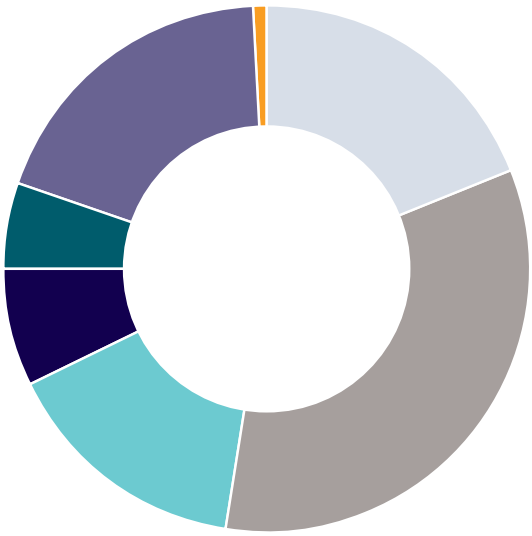
	2025	2024	2023	2022	2021
before tax (pensions)	12.4%	6.9%	6.6%	-6.0%	9.9%

The returns above are on the whole Sub-Fund and aren't applicable to any individual policy or plan. This is past performance. Past performance isn't a guide to future performance.

Asset mix (continued)

Aviva Life & Pensions UK Limited Old and New With-Profits Sub-Funds

Asset mix as at 31/12/2025



- UK equities (shares) 19.0%
- International equities (shares) 33.6%
- Property 15.2%
- Alternative trading strategies 7.4%
- Fixed interest - gilts 5.3%
- Fixed interest - other bonds 18.9%
- Cash/money market investments 0.6%

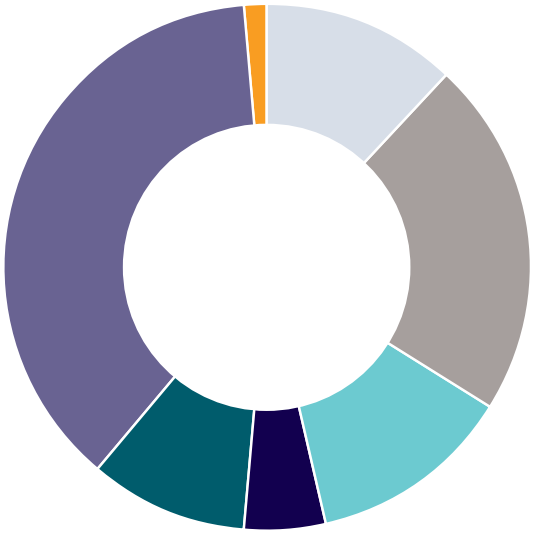
The investment returns achieved by the Old & New With-Profits Sub-Funds in recent years are:

	2025	2024	2023	2022	2021
before tax (pensions)	13.0%	7.3%	8.2%	-6.3%	10.2%

The returns above are on the whole Sub-Funds and aren't applicable to any individual policy or plan. This is past performance. Past performance isn't a guide to future performance.

Provident Mutual Sub-Fund

Asset mix as at 31/12/2025



- UK equities (shares) 12.1%
- International equities (shares) 22.0%
- Property 12.4%
- Alternative trading strategies 4.9%
- Fixed interest - gilts 9.9%
- Fixed interest - other bonds 37.5%
- Cash/money market investments 1.2%

Asset mix (continued)

The investment returns achieved by the Provident Mutual Sub-Fund in recent years are:

	2025	2024	2023	2022	2021
before tax (pensions)	10.7%	5.5%	6.0%	-8.3%	5.5%

The returns above are on the whole Sub-Fund and aren't applicable to any individual policy or plan. This is past performance. Past performance isn't a guide to future performance.

Rounding: The total asset allocation may be affected by individual percentages being rounded to one decimal place. Rounding is used to simplify numbers and make them easier to read. As examples: 12.34% would be rounded to 12.3%, and 12.35% would be rounded to 12.4%.

The performance of the different types of assets varies over time, and all asset types can go down in value as well as up. Our fund managers may change the asset mix to:

- try to improve the long term performance of the Sub-Fund
- make sure that the Sub-Fund can meet its obligations.

From time to time the Sub-Fund may include investments in other Aviva group companies. However, this won't have a direct effect on the asset mix backing your policy.

What does it mean?

Equities - UK and International (Shares)

Equities are company shares. They represent part-ownership in a company. Companies issue shares on stock exchanges such as the London Stock Exchange, and the shares are then bought and sold on stock markets. Their value can go up or down.

While there is more potential for gains with shares than some types of investment, there is also greater risk that they will fall in value.

Property

This usually refers to commercial property. Shops, offices and warehouses are examples of commercial property. There are two components to an investment in commercial property – the value of the property itself and the rental income received from the tenants of the property.

Commercial property can be subject to heavy falls and sharp increases in value. **Property isn't always easy to sell because it can take time for the purchase or the sale to be completed, and as a result, to access the money from the property.** Property funds may also invest in indirect property investments, including quoted property trusts and unregulated collective investment schemes.

Alternative trading strategies

Alternative trading strategies can help to enhance returns and provide diversification.

These investments could include multi-strategy funds (that offer a larger number or broader range of investment strategies within a single fund) which seek to take advantage of investment opportunities not always found in the approach used by more traditional asset classes. They can also include investment in non-traditional assets, such as commodities (raw materials) and derivatives (financial instruments to help manage risk and/or enhance returns). **They may increase the risk profile of the fund compared to funds that only use traditional asset types.**

Asset mix (continued)

Fixed interest

Government bonds (defensive bonds) and corporate bonds (riskier and typically 'growth' bonds) are examples of fixed interest assets. UK government bonds are also called gilts.

Government bonds are loans issued by governments in the financial markets to pay for things such as public services. They're a way for governments to borrow money, usually for a fixed term. Governments then pay interest on the loans and therefore on the bonds.

International and UK corporate bonds are loans issued by companies to pay for their operations or to grow the business among other things.

Gilts, and government bonds issued by developed nations, are generally regarded as lower risk investments than corporate bonds.

Bonds pay bondholders a regular income. The full value of the bond is paid to bondholders when the bond matures. Bonds carry interest rate risk - **changes in interest rates can contribute to the value of a bond going up and down. For example, if interest rates rise, the value of a bond is likely to fall**. Bonds also carry default risk. This applies especially to corporate bonds, but also to government bonds. This is the risk that the issuer of the bond becomes unable to pay back the money it has borrowed.

Cash/Money market investments

Money market investments are also known as cash investments. They are short-term deposits of cash amounts, usually held with a financial company for less than 12 months. Please note they are not deposit accounts with banks or building societies.

Although these investments are less risky than other asset classes, they can sometimes fall in value, for example if an organisation is unable to pay back money it has borrowed. Their value can also be gradually affected over time by inflation and the effect of charges.

Historical asset mixes

Recent With-Profits Sub-Fund asset mix

	2025	2024	2023	2022	2021
UK equities (shares)	17.9%	17.1%	17.1%	18.9%	20.3%
International equities (shares)	31.8%	30.7%	32.2%	29.0%	29.2%
Property	15.1%	16.9%	16.0%	16.7%	15.1%
Alternative trading strategies	7.2%	6.8%	6.8%	7.2%	6.9%
Fixed interest – gilts	6.0%	6.8%	7.3%	5.8%	5.8%
Fixed interest – other bonds	21.5%	20.5%	20.3%	21.9%	17.9%
Cash/money market	0.5%	1.2%	0.3%	0.5%	4.8%

Recent Old and New With-Profits Sub-Funds asset mix

	2025	2024	2023	2022	2021
UK equities (shares)	19.0%	17.7%	18.2%	20.0%	21.9%
International equities (shares)	33.6%	32.3%	34.0%	31.2%	31.3%
Property	15.2%	17.7%	15.6%	15.8%	13.8%
Alternative trading strategies	7.4%	7.2%	7.2%	7.5%	7.6%
Fixed interest – gilts	5.3%	6.0%	6.7%	5.2%	5.1%
Fixed interest – other bonds	18.9%	17.8%	18.0%	19.6%	15.9%
Cash/money market	0.6%	1.3%	0.3%	0.7%	4.4%

Recent Provident Mutual Sub-Fund asset mix

	2025	2024	2023	2022	2021
UK equities (shares)	12.1%	12.2%	11.7%	13.4%	14.2%
International equities (shares)	22.0%	23.0%	22.3%	19.2%	20.7%
Property	12.4%	12.2%	13.0%	12.5%	10.3%
Alternative trading strategies	4.9%	5.0%	4.8%	4.9%	5.1%
Fixed interest – gilts	9.9%	10.9%	11.1%	9.9%	10.2%
Fixed interest – other bonds	37.5%	35.9%	36.3%	38.6%	34.5%
Cash/money market	1.2%	0.7%	0.8%	1.5%	5.0%

Rounding: The total asset allocation may be affected by individual percentages being rounded to one decimal place. Rounding is used to simplify numbers and make them easier to read. As examples: 12.34% would be rounded to 12.3%, and 12.35% would be rounded to 12.4%.

Smoothing – how it works

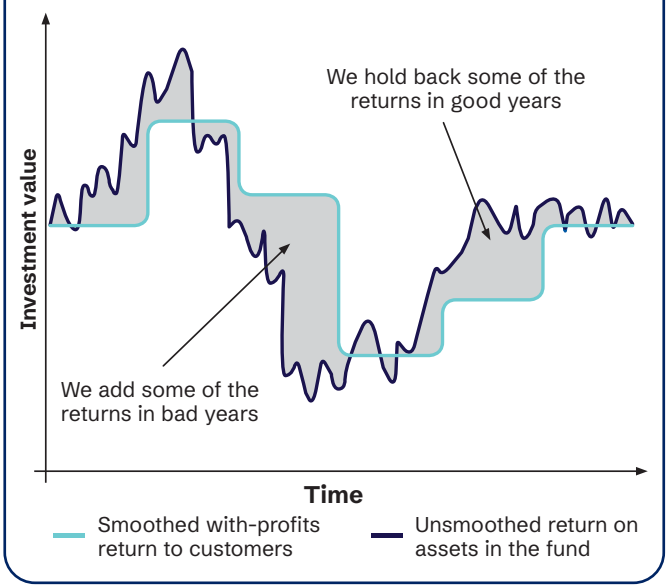
At a glance

One of the main features of a with-profits investment is that it aims to grow in value smoothly from year to year rather than being affected by the significant ups and downs of the stock market.

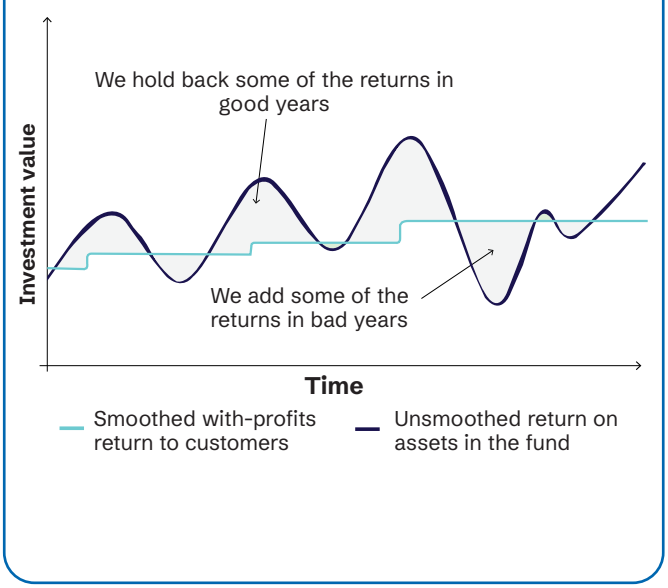
Over time the value of the assets held by the Sub-Fund will rise and fall. We even out these variations in performance through changes to the bonus rates that apply, and typically this occurs at least twice a year. This is known as smoothing. We show this with the green line in the diagram below. In contrast, the unsmoothed Sub-Fund's value changes each day as the value of the assets goes up and down. This is shown by the purple line in the diagram.

These diagrams are for illustration purposes only and show a period of positive growth overall, which isn't guaranteed.

With Profits Pension Annuity and **With Profits Annuity**



Dynamic Annuity



The green lines in the diagrams above differ due to the way bonus rates are applied for the different products.
Please see the section on **Bonuses - how do we add the bonuses?** on page 12

⚠ Things you need to be aware of

There may be times in poor market conditions when smoothing can't fully protect your pension income. This can happen following a large or sustained fall in the stock markets or when investment returns are below the level we normally expect. Under these circumstances we won't add bonuses.

Bonuses – how do we add the bonuses?

We share out the returns the Sub-Fund earns to your pension income through a system of bonuses. There are different types of bonuses depending on the product you have.

You can usually see bonus details in your yearly statement. The rate will vary over the period of your investment.

We decide the bonuses by looking at:

- how the Sub-Fund has performed in the current year
- any returns or losses from earlier years that we haven't already shared out through smoothing
- what we expect to earn in future years, and the effect of smoothing.

With Profits Pension Annuity and **With Profits Annuity**

Regular bonus (sometimes referred to as a reversionary bonus)

We work out how much of the available profits to pay out in the form of bonuses and how much to carry forward to future years. Part of the profits is shared out through regular bonus. We decide regular bonus rates once a year. The regular bonus may increase the guaranteed minimum income for your policy. Once a regular bonus has been added to your policy it can't be reduced or removed. This doesn't mean that your pension income will always go up each year.

Your new basic income takes into account the new regular bonus, allowing for the level of anticipated bonus (growth) rate you selected.

Additional bonus (also known as top-up bonus)

Depending on the returns earned by the Sub-Fund to date, we may also apply an additional bonus (also referred to as a top-up bonus). Your income throughout each policy year will be based on the additional bonus in force at the start of that policy year. Any additional bonus together with the regular bonus will determine your total income for that particular policy year.

We review the additional bonus at least once a year, but possibly more frequently. When we set the additional bonus rate, we take into account many of the same factors that we do for the regular bonus rate. However, with the additional bonus rate, there's a greater emphasis on the profits actually earned in the policyholders' share of the Sub-Fund over recent years.

The additional bonus rate will be smoothed annually as we expect policyholders to prefer a steady income to one which could go up and down from year to year.

The regular bonus rate is expected to be more stable than the additional bonus rate.

Bonuses – how do we add the bonuses? (continued)

⚠ Things you need to be aware of

With Profits Pension Annuity and **With Profits Annuity**

- If the new regular bonus rate is more than your anticipated bonus (growth) rate, your basic income may increase. If the new regular bonus is less than your anticipated bonus (growth) rate your basic income may decrease.
- A regular bonus isn't the same as interest from a bank or building society.
- We don't guarantee to add a regular bonus to your policy each year.
- It's likely that bonuses will be smaller in poor investment years than in good years.
- We may pay an additional bonus but it's not guaranteed and may change at any time. Any additional bonus will only apply for that policy year.
- The additional bonus and the regular bonus, together with the level of anticipated bonus rate you selected, will determine your pension income for the year.

Dynamic Annuity

We share out the returns earned by the Sub-Fund and add them to your investment through a regular bonus. Once the regular bonus has been added to your pension income it's guaranteed and can't be removed or reduced.

We have wide discretion in deciding bonuses and investment strategy and can't guarantee we'll apply a bonus every year. If there's no bonus added then your pension income will be static.

⚠ Things you need to be aware of

Dynamic Annuity

- We confirm regular bonus rates at least once a year.
- Regular bonus rates may vary and aren't guaranteed.
- One of the most important factors is how we think investment returns will fare in the long term. Depending on our expectations, we may adjust the regular bonus up or down.

What affects your level of income?

The amount of regular income you get will depend on a number of factors, including:

- your age
- the amount you invest
- the options and, where applicable, the **anticipated bonus rate** or **anticipated growth rate** you choose
- how the Sub-Fund has performed during the time you've invested with us
- policyholders' **mortality**
- the effect of any guarantees
- our charges
- any tax we pay and future tax changes.

With Profits Pension Annuity and **With Profits Annuity**

You made a choice from a range of starting incomes by choosing an anticipated bonus (growth) rate on your policy. Your income will depend on the bonuses we add to your policy throughout your retirement. In turn, the bonuses depend on the profits and losses of the Sub-Fund.

If bonuses are higher than your chosen anticipated bonus rate, your income will increase from its starting level. If bonuses are lower than your chosen anticipated bonus rate, your income will decrease from its starting level. The higher the anticipated bonus rate you choose, the greater the risk of your income falling below the initial level.

Whatever anticipated bonus rate you chose, we guarantee that your income will never fall below the initial level you would have received if you'd chosen an anticipated bonus rate of 0%.

Dynamic Annuity

Your income will depend on the bonuses we add to your policy throughout your retirement. In turn, the bonuses depend on the profits and losses of the Provident Mutual Sub-Fund.

Bonus rates are reviewed at least once a year. If a bonus rate is declared then your income will rise. Your income won't fall but may remain static if a bonus rate isn't declared following a rate review.

What affects your level of income? (continued)

What does it mean?

Mortality

Mortality refers to the number of deaths within a given period. Some policyholders will die earlier than expected and others will live longer than expected.

Anticipated bonus rate and anticipated growth rate

If you have a **With Profits Pension Annuity** or a **With Profit Annuity**, at the start of your policy you chose an anticipated bonus rate (also referred to as an anticipated growth rate) of between 0% and 5% in 0.25% steps. Along with a number of other factors, this will set your initial pension income and affect future levels of income. A higher anticipated bonus (growth) rate will give you a larger initial income, but increases the risk that your income may go down in future.

Things you need to be aware of

If you die in the early years, the total pension income you've received may be less than the original payment you made to buy the annuity.

For With Profits Pension Annuity policyholders

Once you've purchased an annuity you can't cash it in even if your circumstances change. However, you can convert to a conventional annuity at any point after the first policy anniversary.

Your income may fluctuate from year to year depending on the level of anticipated bonus rate you've selected and the level of bonuses we add. Your level of income also depends on the annual deduction to cover the guarantees and capital costs that apply to your policy (currently this charge is zero).

For With Profits Annuity policyholders

Once you've purchased an annuity you can't cash it in even if your circumstances change.

Your income may fluctuate from year to year depending on the level of anticipated growth rate you've selected and the level of bonuses we add.

For Dynamic Annuity policyholders

Once you've purchased an annuity you can't cash it in even if your circumstances change.

What are the guarantees?

Your annuity offers some guarantees, for example on the amount of income that you'll receive. You should refer to your policy document for specific details.

With Profits Pension Annuity and **With Profits Annuity**

Any regular bonus added will have a permanent effect on your pension income. Once a regular bonus has been added to your policy it can't be reduced or removed. This doesn't mean that your pension income will always go up each year, as the new pension income will also take your anticipated bonus (growth) rate into account.

We guarantee that we won't change your pension income more than once a year.

We guarantee that your pension income will never fall below a minimum amount, which is the pension income you could have bought at the start of the policy based on an anticipated bonus (growth) rate of 0%.

This guaranteed minimum amount of your pension won't change after the pension has started.

Conversion option – for With Profits Pension Annuity policyholders only

At any time after a year, you can choose to convert your With Profits Pension Annuity to a conventional annuity, which provides a fixed amount of income.

This could be more or less than your current With Profits Pension Annuity income and you may get less than your current guaranteed amount. The terms of such a conversion will depend on the value of your investment and the conventional annuity rates available at the time.

If you seek financial advice on whether to convert, we aren't able to pay an adviser charge from the annuity.

Dynamic Annuity

We guarantee your income will never fall. Once bonuses are added to your pension income they become a permanent addition and can't be removed.

There may be years when bonuses aren't added to your income and your income will be unchanged.

What are the guarantees? (continued)

⚠ Things you need to be aware of

For a With Profits Pensions Annuity invested in the With-Profits Sub-Fund, we may take an additional yearly charge from asset share towards the cost of guarantees. This charge is reviewed at least annually and is currently zero.

Asset shares are an assessment of with-profits policyholders' fair share of what's been earned in the fund, allowing for the payments that have been made and actual investment returns.

As these guarantees are valuable, we recommend you seek financial advice before converting to a conventional annuity in the future.

A bit more about the Sub-Fund

What's the With-Profits Committee?

Our customers are at the heart of everything we do and we're fully committed to treating them fairly at all times. To support this, we have a With-Profits Committee which oversees our work with independent expertise to make sure our decisions relating to with-profits investments are fair.

You can find out more about our With-Profits Committee at **aviva.co.uk/wpcommittee**

How are business risks managed?

There are a few factors which could have an impact on the Sub-Fund. We call these factors business risks. These may change over time and may include:

- the amount of new business we sell and the terms we offer
- the cost of any guarantees we offer
- the Sub-Fund's expenses being higher than planned.

As business risks could affect the returns earned by the Sub-Fund, we continually assess the risks to see if they:

- are acceptable to the Sub-Fund
- provide an acceptable return compared with the risk we take.

What's the inherited estate?

Each of our with-profits sub-funds has a buffer over and above the amount needed to make pay-outs to policyholders. This buffer is known as the inherited estate and we use this to support smoothing and guarantees and to provide security for our policyholders.

The size of the inherited estate is important as it gives us:

- the flexibility to invest in a wider range of assets
- a cushion of extra security to protect our investors when investment returns are low
- a greater ability to smooth the returns you receive.

We review the size of the 'buffer' in each with-profits sub-fund every year to determine whether they have additional surplus that can be shared between eligible policies.

You can find out about the inherited estate distributions that are currently applying at **aviva.co.uk/estate-distributions**

The estate also provides **solvency capital** for our with-profits business, and will normally absorb any profits or losses caused by the business risks.

What are the policyholder and shareholder interests?

There are two groups who have an interest in the Sub-Fund – **policyholders** and **shareholders**. We must make sure that any decisions we make about how we run the Sub-Fund are fair to everyone. This means we have to balance the interests of:

- policyholders whose investments start at different times
- policyholders who leave the Sub-Fund and those who keep their money invested in it
- our shareholders.

We take all this into consideration in the way we run the Sub-Fund.

We allocate a proportion of the distributable surplus arising in the Sub-Fund to policyholders, with the remainder allocated to shareholders, as outlined in the relevant Principles and Practices of Financial Management for your annuity. Please see the section on **Where can you find out more?**

What does it mean?

- **Policyholders** have invested their money in the Sub-Fund.
- **Shareholders** own a stake in our total business.
- **Solvency capital** is capital that allows Aviva to demonstrate that the assets of our Sub-Fund are worth more than the liabilities and that we'll be able to meet our obligations even if we suffer losses.

What are the risk warnings that apply to the Sub-Fund?

All funds carry risks because of the type of assets they invest in. The risk warnings that apply to the Sub-Fund are explained in the table below.

Risk warning	Risk warning description
A - General	**Investment is not guaranteed:** The value of an investment is not guaranteed and can go down as well as up. You could get back less than you've paid in. **Specialist funds:** Some funds invest only in a specific or limited range of sectors. This will be set out in the fund's aim. These funds may be riskier than funds that invest across a broader range of sectors. **Suspend trading:** Fund managers are often able to stop any trading in their funds in certain circumstances for as long as necessary. When this happens, cashing in or switching your investment in the fund will be delayed. You may not be able to access your money during this period. **Derivatives:** Derivatives are financial contracts whose value is based on the prices of other assets. Most funds can invest partly in derivatives so that the fund can be managed more efficiently or to reduce risk, but there's a risk that the company that issues the derivative may default on its commitments, which could lead to losses. Some funds also use derivatives to increase potential returns – this is known as 'speculation' – and an additional risk warning applies to those funds (see risk F below).
B - Foreign exchange risk	When a fund invests substantially in overseas assets, its value will go up and down in line with movements in exchange rates as well as the changes in value of the fund's investments.
C - Emerging markets	Where a fund invests substantially in emerging markets, its value is more likely to move up and down by large amounts and more frequently than a fund that invests in developed markets. Emerging markets may not be as strictly regulated, and investments may be harder to buy and sell than in developed markets. Emerging markets may also be politically unstable which can make these funds riskier.
E - Fixed interest	Where a fund invests substantially in fixed-interest assets, such as corporate or government bonds, changes in interest rates or inflation can contribute to the value of the fund going up or down. For example, if interest rates rise, the fund's value is likely to fall. There is also a risk that a bond issuer might fail to pay interest or return the capital that was invested.
F - Derivatives	See risk A above. Some funds also invest in derivatives as part of their investment strategy, not just for managing the fund more efficiently. Under certain circumstances, derivatives can cause large movements up or down in the value of the fund, making it riskier compared with funds that only invest in, for example, company shares. There's also a risk that the company that issues the derivative may default on its commitments, which could lead to losses.

Risk warning	Risk warning description
H - Property Funds	When a fund invests substantially in direct property or property funds, you should bear in mind that: - Property isn't always easy to sell, so at times the fund may not be able to cash-in or switch part or all of its holdings. You may not be able to access your money during this time - Property valuations are made by independent valuers, but effectively they remain a matter of judgement and opinion - Property transaction costs are high due to legal costs, valuation costs and stamp duty, all of which affect the value of a fund
K - Alternative Investment Fund	The fund invests partly in one or more alternative investment funds, for example Long-Term Asset Funds (LTAFs) or Reserved Alternative Investment Funds (RAIFs). These investments give access to sectors such as infrastructure, venture capital, private equity and private debt investments and they add diversification to the fund, but it can take longer to move money out of them than from many other types of asset. This could mean that in exceptional circumstances cashing-in or switching your investment in the fund may need to be delayed. The values of some of the underlying holdings are a matter of judgement and opinion and transaction costs may be high due to legal costs, valuation costs and stamp duty, all of which affect the value of a fund. These types of funds may be more susceptible to adverse economic, political or regulatory changes, and business operations may be adversely affected by additional costs, competition, and regulatory implications. To reduce these risks, we set strict limits on how much of the fund can be invested in Alternative Investment Funds and monitor this closely.

Where can you find out more?

We hope this guide has helped you understand how our with-profit annuity products work.

This guide is only meant to be a summary. We also have a detailed document for each Sub-Fund, called the **Principles and Practices of Financial Management (PPFM)**, which are produced in line with guidance from our regulator, the Financial Conduct Authority. You can find these and more on our website: **aviva.co.uk/ppfm**

If there are any differences between the information in this guide and the relevant Principles and Practices of Financial Management, you should take the Principles and Practices of Financial Management as the final word.

You can see a summary of any changes to our PPFM on our website together with our yearly compliance statement.

You can also contact us for a copy of these guides or for more information by calling

0800 068 6800

Calls may be monitored and/or recorded.

Write to us at:
Aviva, PO Box 520
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NR1 3WG

You can use the link below to find out more about our Sub-Funds at:
aviva.co.uk/ppfm

If you have any questions about your investment you can talk to your financial adviser. They'll be able to consider your current circumstances and financial goals.

If you don't have a financial adviser, you can find one at **unbiased.co.uk**

Please note, your financial adviser may charge you for any advice provided.

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