



Family Investments Global ICVC  
Assessment of Value  
For the year ended  
30 April 2025



## 1. Introduction

This document sets out an assessment of the value provided to the investors in the Family Investments Global ICVC (the ICVC). The purpose of the assessment is to enable customers who are invested in the sub-funds of the ICVC to understand the range of services provided to them and to compare the value for money they receive from these sub-funds to the value provided by other similar funds.

This assessment has been produced by Family Investment Management Limited (FIML). FIML is the Authorised Corporate Director (ACD) of the Family Investments Global ICVC and is a wholly owned subsidiary of Family Assurance Friendly Society Limited (the Society), which is a mutual friendly society. The products invested in the ICVC are managed by Family Equity Plan Limited (FEPL) which is a wholly owned subsidiary of the Society. OneFamily is a trading name of the Society and its subsidiaries (also referred to as the Group). The assessment has been reviewed and approved by the FIML Board.

The Board of Directors of FIML are responsible under the Financial Conduct Authority's regulations to review and consider the outcome of the assessment and to ensure that it is communicated in a clear and fair way to customers.

The regulations under which this assessment of value is produced requires us to assess seven different elements which are detailed in Section 3. For each one we have set out what is being assessed, what we aim to deliver, the outcome of our assessment and how we think we can improve.

Following a comprehensive review of the Family Investments Global ICVC, the ACD has concluded it appropriate to propose to investors that the sub-funds be merged into funds operated by Family Assurance Friendly Society Limited (FAFSL), this will leave only direct investors in FIBI with a value of ca. £250k. At this point the sub-funds of the ICVC will become commercially unviable to run and the sub-fund will be closed and direct customers paid out. The merged funds will add a 1.0% death benefit to all policies and all customers will be on the same administration platform to improve customer experience. The ACD considers this to be in the best interests of investors. This transition will occur in phases, affecting OGEF and OGMI sub-funds in 2025, FIBI sub-fund in 2026 with the ICVC being terminated after this.

## 2. Family Investments Global ICVC Overview

The Family Investment Global ICVC is a non-UCITS umbrella scheme comprising of three separate sub-funds; the Family Balanced International Fund (FIBI), the OneFamily Global Equity Fund (OGEF) and the OneFamily Global Mixed Investment Fund (OGMI). All three sub-funds aim to achieve medium or long-term growth, but each has its own investment objective and is designed to meet the needs of different groups of customers. The investment objective of the three sub-funds are as follows:

FIBI aims to achieve growth over a ten-year period by investing in global shares, fixed interest securities (e.g. corporate and government bonds) and UK property. To achieve its objective FIBI invests in shares, fixed interest securities and property that make up the constituents of a variety of different global stock market indices. It will invest directly in global shares and indirectly in fixed interest securities and UK property through investment in collective investment schemes.

OGEF aims to provide growth over a ten-year period by investing in a portfolio of global shares selected from the MSCI World Index that supports a sustainable climate change strategy. The sustainable climate strategy aims to achieve climate improvements relative to the constituents of the MSCI World Index.

OGMI aims to provide growth over a five-year period. To achieve its objective the policy of OGMI is to invest at least 65% in fixed interest index tracking collective investment schemes and up to 35% in OneFamily Global Equity Fund.

Each sub-fund has multiple share classes which are used as investment vehicles for Individual Saving Accounts (ISAs), Junior Individual Saving Accounts (JISAs), Lifetime Individual Saving Accounts (LISAs) and direct investors. A significant portion of the sub-funds are also held by unit-linked life funds administered by

the Society - namely the Family Global Fund, Family Sovereign Fund, Family Freeway Pension Managed Fund and the OneFamily International Primary Fund.

**Table 1 - Investments allowed and Group cross holdings by share class**

Sub-Fund Share Class	Available Investments	Internal Cross Holdings
FIBI Share Class A	JISA	OneFamily International Primary Fund
FIBI Share Class B	ISA and direct investment	n/a
FIBI Share Class C	ISA and direct investment	Family Global Fund
FIBI Share Class D	ISA	n/a
FIBI Share Class E	ISA and direct investment	n/a
FIBI Share Class F	n/a	Family Sovereign Fund Family Freeway Pension Managed Fund
OGEF Share Class C	n/a	Family Sovereign Fund OneFamily Global Mixed Investment Fund
OGEF Share Class G	ISA and LISA	n/a
OGMI Share Class C	n/a	Family Sovereign Fund
OGMI Share Class G	ISA and LISA	n/a

For simplicity the share classes that are only used for internal cross holdings, FIBI share class F, OGEF share class C and OGMI share class C, are not included in the analysis in this document.

Each share class is subject to an annual management charge (AMC) which is taken from the sub-fund each day and based on the value of the share class the previous day. The charges vary depending on the sub-fund and share class as shown below. With the exception of FIBI Share Class A, OGEF G and OGMI G, each share class will pay costs relating to any underlying collective investment schemes held, this is considered in section 3.5.

**Table 2 - AMC by share class**

Sub-Fund Share Class	AMC (% of value of share class per year)
FIBI Share Class A	1.50%
FIBI Share Classes B & C	1.00%
FIBI Share Class D	0.95%
FIBI Share Class E	0.50%
OGEF Share Class G	1.10%
OGMI Share Class G	1.10%

Customers invested in the ICVC through an ISA, JISA or LISA wrapper become members of Family Assurance Friendly Society Limited, which is a mutual friendly society. This brings certain member benefits, including attendance at the Society's AGM, voting rights and the opportunity to apply for young person's educational grants (for the member themselves or on behalf of another person). As a member of the mutual, it also provides them with an interest in the event of the winding up of the Society.

## 3. Assessment of Value

The Assessment of Value has been broken down into the following categories. Each section explains what is being assessed, what we aim to achieve within the confines of that category and what the outcomes of our assessment has been in respect of our aims. Where applicable we have added comments identifying possible areas for improvement.

- 3.1 Range and Quality of Services Provided
- 3.2 Performance
- 3.3 Cost of Providing the Service
- 3.4 Economies of Scale
- 3.5 Comparable Market Rates
- 3.6 Comparable Services
- 3.7 Share Classes

### 3.1 Range and Quality of Services Provided

#### What is being assessed?

This section considers the range of services provided to customers and whether they are sufficient and appropriate to meet their needs. These include services provided in respect of the sub-funds or directly to customers, any services relating to product wrappers that invest into the sub-funds and the overall customer experience provided by OneFamily. We also considered the quality of the services provided and whether they meet our benchmark standards.

#### What we aim to deliver

We aim to ensure that the range and quality of the services provided is appropriate to meet our customers' needs.

#### The outcome of our assessment

Customers invested in the sub-funds can comprise both direct shareholders and investors who hold their shares within an ISA, JISA or LISA product wrapper. There are also some internal holdings in the sub-funds that are held by other Group entities.

#### Range of Services

The services provided to customers include:

1. Investment management services

Each sub-fund is provided with investment management services through the investment advisors to the ICVC, State Street Investment Managers (SSIM) (formerly known as State Street Global Advisors).

FIBI aims to achieve long-term growth by replicating, before charges, the performance of a combination of different global stock market indices. SSIM do not adopt an active management strategy in respect of the sub-fund, which has the characteristics of a passively managed tracker, with the investments being re-balanced on a quarterly basis.

OGEF's investment objective supports a sustainable climate change strategy by investing in a portfolio of equities selected from the MSCI World Index which meet the sustainable climate objectives.

SSIM have set clear climate sustainability targets for the portfolio relative to the MSCI index and also screen out certain companies that do not meet other ethical criteria. SSIM use a proprietary system

called the R-Factor™ which they use to assess the firms in which they choose to invest to help align investments to our sustainability objectives. We receive regular reports from SSIM on the investments and how these are tracking against our ambitious climate-related objectives. Over the year SSIM have either met these objectives or delivered outcomes that are close to them. Where, due to factors outside their control, SSIM have not been able to meet the climate-related objectives, they have communicated the reasons for this to FIMLs management team. Overall, we are satisfied that SSIM provide effective investment management in supporting these objectives.

OGMI invests up to 35% of its value into OGEF, with the remainder invested into fixed interest index tracking collectives. OGMI therefore has the characteristics of a passively managed tracker, with the investments being re-balanced on a quarterly basis.

In their role as investment manager, SSIM have a clearly defined stewardship programme. Stewardship relates to the responsible oversight of investments in order to create long term value. This is achieved by driving positive changes in environmental, social and governance matters through proxy voting, engagement and thought leadership.

## 2. Services relating to the management and operation of the sub-funds.

These include services provided by external third-party suppliers such as those provided by the depositary, custodians and external auditors. It also relates to internally provided services such as the maintenance of the accounting records, valuation and pricing of the sub-funds and the production of the ICVC Report and Accounts

## 3. Services provided directly to customers.

These services include the provision of fund literature such as the prospectus and fund factsheets. They also include provision of product literature such as the Terms and Conditions, customer statements and the provision of account services such as top-up payments and withdrawals. The services also include product specific services such as management of the subscription limits and transfers to other providers. Customers can communicate with us by post, online or by calling our UK-based call centre. Colleagues are trained to identify and support customer vulnerability. Every day we make adjustments to our processes and service to support vulnerable customers managing their accounts.

Common examples of this include:

- Adjusting telephone processes to assist customers who may have difficulty hearing
- Allowing Third Party help when authorised by the account holder
- Communications issued in braille/audio

## Quality of Services

The services we provide are subject to a range of controls and reviews to ensure that the quality of the services provided to customers is of a satisfactory standard. These include:

### 1. Governance framework

Use of a robust governance framework that encourages appropriate challenge and review of the services. This includes the use of different executive and board committees to review performance and the conduct of the business to help ensure that the services provided are of good quality, and to act if they do not meet the expected standards. This is underpinned by a system of policies, procedures and controls.

The governance framework also includes provision for independent reviews of business activities by the compliance and internal audit functions as well as scrutiny by external auditors and depositary.

## 2. Clear accountabilities

The Senior Managers and Certification Regime (SMCR) helps to ensure that it is clear who holds what responsibilities and accountabilities and that the individuals are fit and proper to hold these roles. This is supported by a training and competency regime that helps to ensure that individuals receive the appropriate training for their roles and maintain their training through continuing professional development.

## 3. Use of specific metrics and reviews to assess our performance

We maintain a clear customer focus by monitoring, measuring and reviewing key performance metrics. These include customer satisfaction scores, customer complaint volumes and response time, breach data and information in respect of service levels such as call response times, complaint handling or processing of gone away customers. We work hard to meet industry-standard service levels for transfers and aim to maintain high standards for answering customer telephone calls. Wherever possible, this information is benchmarked against external data, although where this isn't available it is measured against long-standing internal performance benchmarks.

We periodically review services provided by third parties such as the investment manager, auditors, depository and custodians. We undertake product reviews on a cyclical basis to help ensure our products remain fit for purpose and meet the needs of our customers.

Overall, the Board believes that the range and quality of services provided to customers is appropriate. There were no findings identified through the review that significantly impacted the overall quality of the service provided during this period.

### **How can we improve?**

While we believe the overall range and quality of our services to be good, we are continually looking at ways to improve and offer our customers a better experience.

## 3.2 Performance

### What is being assessed?

This considers the performance of the sub-funds compared to their stated investment objectives and any benchmark against which their performance can be measured. Investors in a passive fund, which aims to track an index, will usually expect to perform closely to that index before any fees are deducted. Consideration is also given to the volatility of the sub-funds and their stated risk profile.

### What we aim to deliver

We aim to provide customers with performance that is in line with their expectations as set out in the investment objectives.

### The outcome of our assessment

#### Family Balanced International Fund (FIBI)

The investment objective of FIBI is to achieve long-term growth over a ten-year period. It aims to achieve this by investing in shares, fixed interest securities and property that make up the constituents of a variety of global stock market indices.

FIBI's performance is shown below against a custom benchmark representing the combined performance of these global indices weighted according to the sub-fund's investment objective. The table shows performance of both FIBI - before and after the AMC has been taken - and the benchmark over the last one, three, five and 10-year periods ending 30 April 2025.

**Table 3 - Average annualised growth rate as at 30 April 2025**

	1 Year	3 Years	5 Years	10 Years
FIBI Share Class A (after AMC)	3.7%	2.2%	5.4%	3.4%
FIBI Share Class B (after AMC)	4.1%	2.6%	5.8%	3.8%
FIBI Share Class C (after AMC)*	4.1%	2.7%	5.7%	3.3%
FIBI Share Class D (after AMC)	4.2%	2.7%	5.9%	3.9%
FIBI Share Class E (after AMC)	4.6%	3.2%	6.3%	4.4%
FIBI all share classes (before AMC)	5.1%	3.7%	6.9%	4.9%
FIBI Custom Benchmark**	5.3%	4.4%	7.5%	5.5%

\* FIBI C AMC changed from 1.95% to 1.00% in January 2021

\*\* Benchmark data sourced from State Street Investment Management

The objective states that the investment should be considered as being for a minimum ten year-term investment. Over this period FIBI's performance shows an average annual return of between 3.3% and 4.4% after the AMC is taken and 4.9% before. The benchmark has an annualised return of 5.5% over the same period indicating FIBI's performance before the AMC is deducted is broadly in line with the benchmark (which is not affected by any charges).

FIBI has a published risk indicator of four (on a scale where one is the lowest risk and seven the highest). This reflects FIBI's overall volatility and the associated risk of losing money over any time-period.

**Table 4 - Discrete annual growth rate, highest and lowest prices between 2020 and 2025**

	April 20 to April 21	April 21 to April 22	April 22 to April 23	April 23 to April 24	April 24 to April 25
FIBI A Annual Performance (after AMC)	22.3%	(0.5%)	(2.9%)	6.2%	3.7%
FIBI A Highest Buying Price (p)	480.7	506.2	474.5	492.8	522.8
FIBI A Lowest Selling Price (p)	381.8	458.1	411.3	438.9	470.4

The table above shows that the sub-fund can be prone to swings in investment performance over any 12-month period. This suggests that the risk indicator of four is appropriate and reflects the level of risk and potential for growth.

Overall, the Board considers that the performance of FIBI is satisfactory relative to its investment objective, benchmark and risk rating.

### OneFamily Global Equity Fund (OGEF)

The investment objective of OGEF is to provide growth over a ten-year period by investing in a portfolio of global shares selected from the MSCI World Index (the Index) that supports a sustainable climate change strategy. No performance benchmark has been set but performance is expected to be generally in line with long term returns from the Index as shown below.

The table shows performance for both OGEF - before and after the AMC has been taken - and the Index over the last one, three, five-year periods ending 30 April 2025. OGEF was launched in January 2018, so data is not available over ten years.

**Table 5 - Average annualised growth rate as at 30 April 2025**

	1 Year	3 Years	5 Years	10 Years
OGEF Share Class G (after AMC)	3.5%	6.9%	9.8%	n/a
OGEF (before AMC)	4.7%	8.1%	11.0%	n/a
MSCI World Index*	5.1%	8.8%	11.7%	n/a

\*MSCI World Index data sourced from State Street Investment Management

Over the five-year period OGEF's performance shows an average annual return of 9.8% after the AMC is taken and 11.0% before. The Index has an average annual return of 11.7% over the same period.

OGEF has a published risk indicator of five (on a scale where one is the lowest risk and seven the highest). This reflects OGEF's overall volatility and the associated risk of losing money over any time-period.

**Table 6 - Discrete annual growth rate, highest and lowest prices between 2020 and 2025**

	April 20 to April 21	April 21 to April 22	April 22 to April 23	April 23 to April 24	April 24 to April 25
OGEF G Annual Performance (after AMC)	24.4%	5.2%	1.1%	16.8%	3.5%
OGEF G Highest Buying Price (p)	111.0	127.6	124.6	142.0	162.8
OGEF G Lowest Selling Price (p)	86.90	106.2	105.7	115.2	131.4

The table shows OGEF can be prone to swings in investment performance over any 12-month period suggesting that the risk indicator of five is appropriate and reflects the level of risk and potential growth.

In respect of OGEF's target of supporting a sustainable climate change strategy, the portfolio had achieved the following objectives relative to the MSCI index as a whole as at March 2025.

**Table 7 - OGEF climate change objectives and progress**

Objective	Target	Outcome
Lowering carbon emissions by 60-80%	60%	60%
Reducing fossil fuel reserves by 90%	90%	90%
Reducing brown revenues by 90%	90%	91%
Increasing green revenues by 300%	300%	282%
Reach an adaption z-score of 0.25	0.25	0.25

As shown above all targets were met with the exception of reducing green revenues by 300%. The way the markets have been moving and affecting the weights of individual securities in the index, particularly names like Tesla, it has become a mathematical impossibility to achieve 300% improvement in green revenues *relative* to the benchmark index. However, after discussions between FIML and SSIM, some minor adjustments have been made to SSIM's rules-based model which should allow this measure to be met going forward.

Overall, the Board considers that the performance of OGEF is satisfactory relative to its investment objective, benchmark and risk rating.

### OneFamily Global Mixed Investment Fund (OGMI)

The investment objective of OGMI is to provide growth over a five-year period. It aims to achieve this by investing in fixed interest index tracking collectives and up to 35% in the OneFamily Global Equity Fund. No performance benchmark has been set but the performance is expected to be generally in line with the proportions of OGMI held in the underlying investments.

The table shows performance for both OGMI - before and after the AMC has been taken - and a custom benchmark of OGMI's underlying investments over the last one, three, five-year periods ending 30 April 2025. OGEF was launched in January 2018, so data is not available over 10 years

**Table 8 - Average annual compound growth rate as at 30 April 2025**

	1 Year	3 Years	5 Years	10 Years
OGMI Share Class G (after AMC)	4.6%	2.4%	2.4%	n/a
OGMI (before AMC)	5.7%	3.6%	3.6%	n/a
OGMI Custom Benchmark*	6.1%	3.9%	3.8%	n/a

\*Benchmark data sourced from State Street Investment Management

The objective states that investment should be considered as being for a minimum five year-term. Over this period OGMI's performance shows an average annual return of 2.4% after the AMC is taken and 3.2% before. The benchmark has an annualised return of 3.8% over the same period indicating OGMI's performance before the AMC is deducted is broadly in line with the benchmark.

OGMI has a published risk indicator of four (on a scale where one is the lowest risk and seven the highest). This reflects OGMI's overall volatility and the associated risk of losing money over any time-period.

**Table 9 - Discrete annual growth rate, highest and lowest prices between 2020 and 2025**

	April 20 to April 21	April 21 to April 22	April 22 to April 23	April 23 to April 24	April 23 to April 24
OGMI G Annual Performance (after AMC)	9.7%	(4.5%)	(3.5%)	6.6%	4.6%
OGMI G Highest Buying Price (p)	117.9	123.7	113.3	117.5	125.0
OGMI G Lowest Selling Price (p)	106.1	112.7	100.3	105.3	114.8

The table shows OGMI can be prone to modest swings in investment performance over any 12-month period suggesting that the risk indicator of four is appropriate and reflects the level of risk and potential growth.

Overall, the Board considers that the performance of OGMI is satisfactory relative to its investment objective, benchmark and risk rating.

### **How can we improve?**

We will continue to monitor the investment performance of each of the ICVC's sub-funds and will compare the performance of each relative to its benchmark. We will engage with the investment manager in the event that the performance of the sub-funds moves out of line with their benchmark or OGEF performs below expectations in terms of its sustainable climate change strategy.

As mentioned above SSIM have made minor adjustments to their climate rules-based model which should increase the likelihood of all climate sustainability targets being met going forward.

## 3.3 Costs of Providing the Services

### What is being assessed?

This section considers the costs that are incurred by customers compared to the actual costs FIML incurs in providing the services.

### What we aim to deliver

We aim to provide services at a level of costs that provides customers with fair value for money while ensuring the sustainability of the business. The costs should be transparent and clearly communicated to our customers.

### The outcome of our assessment

The Board considered the costs associated with investing in the sub-funds of the ICVC, whether they provide value and their impact on customers within these sub-funds.

Customers invested in each sub-fund are charged an Annual Management Charge (AMC) which is calculated daily and taken directly from each share class. As two of the sub-funds hold collective investment schemes as well as equities, they may also be indirectly subject to the charges associated with those collectives.

We use a measurement called the Total Expense Ratio (TER) to indicate the overall effect of these charges on the share classes of each sub-fund. The TER is a measure of the total costs associated with managing the sub-funds, excluding any initial charge and transaction costs and is an internationally accepted standard for the comparison of costs for authorised funds.

The table below shows the AMC and TER for the share classes in each sub-fund in which customers can invest, along with the monthly impact of the TER on a typical account worth £1,000.

**Table 10 Impact of charges per share class**

	AMC	TER	Monthly impact of TER in an account worth £1,000
FIBI share class A	1.50%	1.50%	£1.25
FIBI share class B	1.00%	1.06%	£0.88
FIBI share class C	1.00%	1.07%	£0.89
FIBI share class D	0.95%	1.01%	£0.84
FIBI share class E	0.50%	0.57%	£0.48
OGEF share class G	1.10%	1.10%	£0.92
OGMI share class G	1.10%	1.10%	£0.92

The Board reviewed the underlying costs of the services being provided, both in terms of the external charges and internal costs and are satisfied that they are set at a reasonable and fair level.

### How can we improve?

While we consider the current charge to be appropriate, we will continue to monitor the level of AMC via our ongoing review process.

## 3.4. Economies of Scale

### What is being assessed?

This section considers whether the sub-funds of the ICVC have generated any economies of scale and whether these have been passed back to customers of the sub-funds. Economies of scale may arise when the growth of a fund results in the operational costs incurred in running the fund forming a smaller proportion of its total value.

### What we aim to deliver

We aim to maintain a downward pressure on costs and to provide the benefits of any savings to customers by investing in the business to ensure its sustainability and to provide capital to develop new products and services.

### The outcome of our assessment

While FIBI share classes A and C are increasing in size, the other share classes are reducing. Typically, as a share class gets larger the costs associated with it will decrease proportionately as it becomes more efficient to operate and vice versa. However, as all the costs incurred operating the sub-funds are paid by FIML this will have no impact on customers. Customers will continue to only be charged the AMC and its impact on the sub-funds will remain consistent.

Similarly, OGEF and OGMI are both increasing in size but again, the only charge taken from the either sub-fund is the AMC. Regardless of how either sub-fund grows the effect of the AMC will remain consistent.

### How can we improve?

While the Board has concluded that there are limited opportunities for future economies of scale, we will continue to focus on costs related to the ICVC and will exert downward pressure whenever we can to introduce savings for FIML that can be reinvested back into the Group. As noted above, economies of scale have no impact on the costs incurred by customers invested in the Trust.

## 3.5 Comparable Market Rates

### What is being assessed?

This section considers whether customers receive fair value for money when compared to the costs they might incur if they invested in comparable funds in the marketplace.

### What we aim to deliver

We aim to ensure that our customers incur costs that are transparent and easily understood and that represent fair value for money based on the quality of the service that we provide.

### The outcome of our assessment

We compared the cost of investing in the ICVC outside of a product wrapper with a selection of similar funds and found the ICVC to be above average in respect of its AMC. However, it was difficult to identify what services were included within the charges of the comparable funds and whether they would be subject to additional charges such as platform fees, making a direct comparison difficult. It should be noted these accounts are expensive to administer and we no longer market the ICVC on this basis.

The ICVC is primarily used as vehicle for investment within a product wrapper and the AMC is set at a level that allows us to provide administration and servicing in support of these products.

To compare the cost of investing within a product wrapper, all products administered by OneFamily are regularly compared to other similar products available in the marketplace. These reviews consider the costs charged by OneFamily compared to our competitors as well as an overview of the charging structures and fund choices available. The latest reviews concluded our ISA, JISA and LISA rates were broadly comparable to other providers.

### How can we improve?

Overall, we believe the sub-funds charges are comparable to the range of AMCs charged by similar ISA, JISA and LISA providers. While the cost may be above average for customers who invest directly in the ICVC there is little scope for the AMC to be reduced considering the costs incurred in administering this particular investment type.

Although we will continue to monitor similar funds it is not our intention to amend the charges this year. We will continue to look for opportunities to increase the value for money received by all customers by enhancing the quality and range of the services offered.

## 3.6 Comparable Services

### What is being assessed?

This considers whether the ACD provides comparable services to other customers at a different price and in particular whether institutional investors receive similar services at comparatively lower prices.

### What we aim to deliver

We aim to ensure that we treat different classes of customers fairly such that one set of customers does not pay more for the same services as another set of customers.

### The outcome of our assessment

As the ACD does not manage any funds with the same investment objectives as the sub-funds that make up the ICVC, we do not believe we offer any directly comparable services. However, we do manage other funds that allow investment through the same product wrappers and we have reviewed the fees charged to these customers to ensure no group were being disadvantaged.

We found the level of charge for customers who invest within a ISA, LISA or JISA wrapper to be consistent across the Group.

While the costs of investing in the ICVC were largely consistent, some historic accounts were identified with lower charges, due to their initial terms and conditions, prior to a rationalisation of funds in 2009.

### How can we improve?

We will remain alert to the different needs of the different customer groups invested in the ICVC and will continue to provide appropriate services to each while keeping the charges consistent between different customer groups.

## 3.7 Classes of Shares

### What is being assessed?

This section considers whether it is appropriate for one group of customers to hold a class of shares with higher charges than those applying to another class within the sub-funds with similar rights.

### What we aim to deliver

We aim to ensure that customers do not suffer higher charges on their investments simply by being in a different class of shares which have substantially similar rights.

### The outcome of our assessment

We considered the cost of investing in each share class in terms of which products were available for investment, the rights those products infer upon the customer and the cost of administering the underlying policies.

While the AMC varies between the different share classes in the ICVC, the charges are consistent for each product type. Any difference in AMC between share classes is due to the different features of the underlying products. The only exception is FIBI share class E which is charged a significantly smaller AMC than the other share classes due to the original terms and conditions of these accounts.

### How can we improve?

We believe the cost of investing in the ICVC is consistent across each share class and any difference in AMC is justified by the level of service being provided to the underlying policies.

## 4. Summary and Conclusions

Since the last review we have:

- Monitored the investment performance of the sub-funds and discussed their performance relative to their benchmark with the investment manager.
- Monitored the quality of the services provided to ensure these meet the needs of our customers.
- Continued work on upgrading our administration systems to ensure we can continue to provide customers with high quality customer service.

The Board of FIML considers that the assessment of value demonstrates that, overall, we are delivering fair value for the customers invested in the sub-funds.

In particular, the Board considers that:

- The range and quality of services provided to customers in each sub-fund is good and appropriate to the needs of customers. A significant proportion of the value delivered to customers is in the form of the product-related services they receive rather than just the services delivered in respect of each sub-fund.
- The performance of each sub-fund is in line with their stated investment objective, although it is noted that SSIM have been challenged, due to external factors, to meet all five climate objectives for the OGEF sub-fund.
- The costs associated with the provision of these services to customers are reasonable
- There are limited future opportunities for economies of scale as the customers are charged a fixed AMC
- Comparisons with other funds show our overall costs are generally in line with comparable alternative funds
- The charges applied to direct investors are inconsistent within the ICVC and across the Group overall. Charges also appear to be high compared to external funds, however these accounts are expensive to administer and we no longer market the ICVC on this basis.

Key areas that we will focus on as a result of undertaking this review include:

- Ongoing monitoring of the investment performance of each sub-funds with the investment manager.
- Ongoing monitoring of the quality of the services provided to ensure these meet the needs of our customers.
- Continuing investment in the modernisation of our administration platforms to maintain and enhance the level of service we can provide to our customers.

We will report on our progress against these in our next annual assessment of value.