

## Aon Managed Global Impact

### Defined contributions

#### Fund information

Issuing company	Aegon/Scottish Equitable plc
Inception date	28 Oct 2020
Benchmark	MSCI World GBP 2
Entry Fees	No
Exit Fees	No
Performance Fee	No
Additional Expenses	0.12%
Fund size	£146.76m
Fund type	Pension
ISIN	GB00BLDGRN34
SEDOL	BLDGRN3
Domicile	United Kingdom
Use of Income	Accumulation
Base Currency	GBP

An annual management charge will also be incurred in addition to the additional expenses shown.

#### Relative Risk Profile

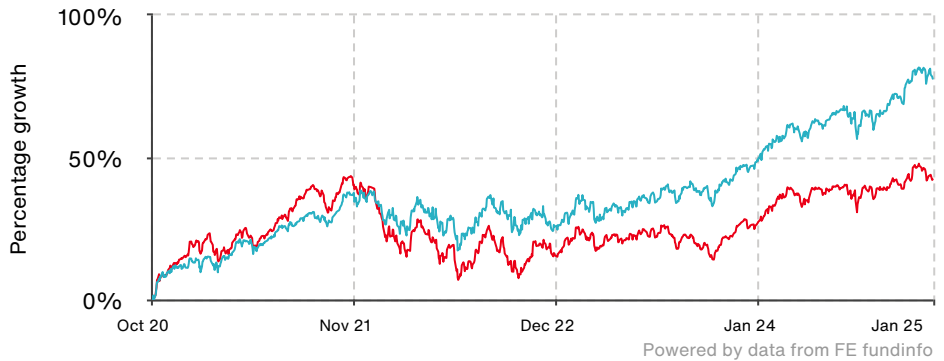


These risk ratings are only applicable to funds available via TargetPlan. Other risk ratings apply across the rest of our fund range and they, or ratings from other providers, are not comparable. Be aware that even lower risk investments can fall in value.

#### Fund objective

The Fund aims to outperform its benchmark, before the deduction of fees, over rolling five year periods. The Fund will invest either in funds where the fund manager invests in shares of companies whose products or services are expected to make a positive impact on society and/or the environment (in the opinion of the fund manager) or in funds where the fund manager takes an approach to actively engage with the companies regarding environmental, social or governance issues. The Fund may also invest in cash and money market funds.

#### Fund performance



	3 Months	YTD	1yr	3yrs	5yrs
Fund	2.6%	10.9%	10.9%	0.7%	-
Benchmark	6.9%	20.8%	20.8%	9.2%	-

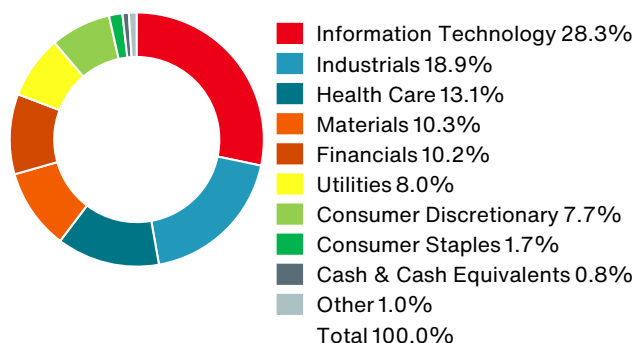
	Dec 19 to Dec 20	Dec 20 to Dec 21	Dec 21 to Dec 22	Dec 22 to Dec 23	Dec 23 to Dec 24
Fund	-	21.3%	-16.6%	10.4%	10.9%
Benchmark	-	22.9%	-7.8%	16.8%	20.8%

Past performance is not a reliable guide to future performance. The value of investments and the income from them can fluctuate and are not guaranteed. Investors may not get back the full amount invested.

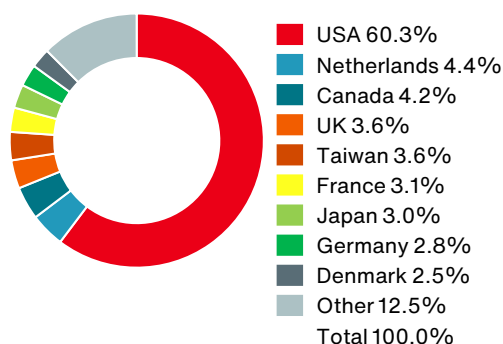
Source FE fundinfo. Performance shown is gross of the annual management charge but is net of additional expenses (if any) incurred within the fund. The annual management charge will reduce the performance figures shown. Performance for periods over a year is annualised (% per year).

## Aon Managed Global Impact

### Sector allocation as at 31 Dec 2024



### Geographic breakdown as at 31 Dec 2024



### Fund Split as at 31 Dec 2024

AE MIROVA GLOBAL SUST EQUITY N	42.2%
AE NORDEA GLOBAL CLIMATE ENV	37.9%
AEGON BG POSITIVE CHANGE O	19.9%
GBP CASH(Committed)	0.1%
<b>Total</b>	<b>100.1%</b>

Source of fund breakdown and holdings: Fund mgmt group

### Performance Commentary

Over the three-month period to 31 December 2024, the Fund returned 2.6% against a backdrop of positive equity market returns.

Global equity markets rose during the fourth quarter of 2024, largely driven by US equities, despite an increase in volatility following the US Federal Reserve's interest rate meeting in December. US equities benefited from better-than-expected economic growth and the depreciation of the pound against the US dollar, which resulted in higher returns in sterling terms. In contrast, returns were mixed in other markets; both UK and European equities fell, while Japanese equities performed well.

In the Labour Party's first Budget for 14 years, Chancellor Rachel Reeves announced several changes to the UK's tax system (including an increase in Employer's National Insurance Contribution), resulting in £40 billion in tax increases. Meanwhile, across the Atlantic, the Republican Party, led by Donald Trump, achieved a decisive victory, gaining a majority in the White House as well as the US Senate and House of Representatives, further benefiting equity markets due to expectations of pro-business policies which should lift growth, lower taxes and cut regulation.

The performance of the Fund's underlying holdings was positive over the quarter, reflecting positive equity market returns, but lagged its benchmark. The underweight to technology, particularly large-cap technology, detracted from performance as technology stocks performed strongly. Exposure to industrials, which performed poorly, also detracted from returns.

The Baillie Gifford Positive Change Fund was the best-performing strategy, returning 6.3%. Performance was driven by stock selection in the technology sector, although this was partially offset by an overweight to the healthcare sector and stock selection in financials. The Nordea Global Climate and Environmental Fund returned 2.6%, benefiting from an underweight to healthcare and stock selection in consumer staples, although this was offset by an overweight to material and utilities, which both fell over the quarter. The Mirova Global Sustainable Equity Fund returned 0.5% due to stock selection in consumer discretionary and industrial sectors detracting. Overweight allocations to the healthcare and material sectors also detracted, as these sectors underperformed the broader market.

### Fund Commentary

The Aon Managed Global Impact Fund aims to outperform its benchmark by investing in funds where the fund manager invests in shares of companies whose products or services are expected to make a positive impact on society and the environment, or in funds where the fund manager takes an approach to actively engage with the companies regarding environmental, social or governance issues. The Fund may also invest in cash and money market funds.

The Fund is invested in three actively managed global equity funds, that we consider to be best in class in how the managers incorporate environmental, social and governance considerations within their investment process. These managers have complementary investment styles which are intended to create an equity portfolio that is balanced and well-diversified. The Fund aims to outperform the benchmark by investing in a range of impact themes and underlying companies that contribute to a more sustainable economy.

It is possible that the managers used to implement the strategy, or the proportion of the Fund invested in each manager, may change from time to time. There were no changes to the structure of this Fund over the quarter.

## Aon Managed Global Impact

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Differences in performance reporting between fund and benchmark may arise due to the impact of timing, charges, cashflows, and the pricing basis of the underlying fund. Fund returns are calculated on a total return basis with dividends reinvested.

The value of your plan depends directly on a number of things, including the level of your pensions savings, charges, investment returns and the annuity rates available to buy your pension income when you decide to take your benefits. Levels and basis of, and reliefs from, taxation can also change. Any money that you invest in the plan is tied up until you take your retirement benefits. You cannot normally take the benefits until at least the age of 55.

The value of investments can fluctuate. Fluctuations may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Changes in exchange rates will affect the value of overseas investments. Emerging market investments are often associated with greater investment risk. Two main risks related to fixed income investing are interest rate risk and credit risk. Typically, when interest rates rise, there is a corresponding decline in the market value of bonds. Credit risk refers to the possibility that the issuer of the bond will not be able to repay the principal and make interest payments.

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