

Aon Managed Passive Corporate Bond

Defined contributions

Fund information

Issuing company	Aegon/Scottish Equitable plc
Inception date	15 Dec 2014
Benchmark	Markit iBoxx GBP Non Gilts
Entry Fees	No
Exit Fees	No
Performance Fee	No
Additional Expenses	0.01%
Fund size	£252.71m
Fund type	Pension
ISIN	GB00BRJMC655
SEDOL	BRJMC65
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

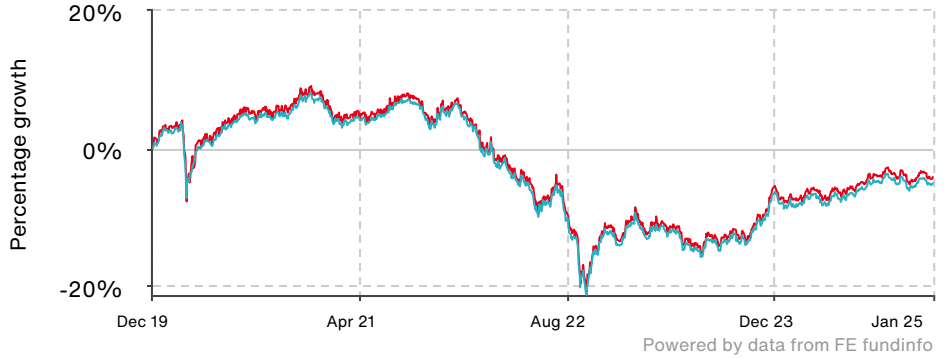


These risk ratings are only applicable to funds available via TargetPlan. Other risk ratings apply across the rest of our fund range and they, or ratings from other providers, are not comparable. Be aware that even lower risk investments can fall in value.

Fund objective

The Fund aims to perform in line with its benchmark by investing in a range of funds that provide exposure to corporate bonds.

Fund performance



■ Fund ■ Benchmark

	3 Months	YTD	1yr	3yrs	5yrs
Fund	-0.5%	1.8%	1.8%	-3.1%	-0.8%
Benchmark	-0.5%	1.7%	1.7%	-3.1%	-1.0%

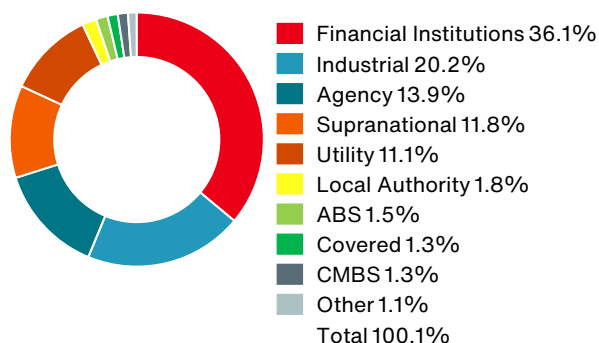
	Dec 19 to Dec 20	Dec 20 to Dec 21	Dec 21 to Dec 22	Dec 22 to Dec 23	Dec 23 to Dec 24
Fund	8.8%	-3.2%	-17.9%	8.8%	1.8%
Benchmark	7.8%	-3.1%	-17.7%	8.6%	1.7%

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 Passive Corporate Bond

Sector allocation as at 31 Dec 2024



Credit breakdown as at 31 Dec 2024

BBB	36.2%
A	31.6%
AAA	20.3%
AA	11.4%
BB	0.1%
Money Market	0.4%
Total	100.0%

Fund Split as at 31 Dec 2024

KFW BANKENGRUPPE MTN 6 12/07/2028	0.6%
EUROPEAN INVESTMENT BANK 5.625 06/07/2032	0.4%
EUROPEAN INVESTMENT BANK 6 12/07/2028	0.4%
KFW MTN RegS 4.125 02/18/2026	0.4%
KFW MTN RegS 3.75 07/30/2027	0.4%
EUROPEAN INVESTMENT BANK MTN RegS 1 09/21/2026	0.4%
KFW BANKENGRUPPE MTN 5.75 06/07/2032	0.3%
KFW MTN RegS 4.875 10/10/2028	0.3%
ONTARIO (PROVINCE OF) RegS 0.25 12/15/2026	0.3%
INTERNATIONAL BANK FOR RECONSTRUCT 3.875 10/02/2028	0.3%
Total	3.8%

Source of fund breakdown and holdings: Fund mgmt group

Performance Commentary

Over the three-month period to 31 December 2024, the Fund returned -0.5% gross of fees, against a backdrop of negative corporate bond returns.

Government bonds fell in value over the quarter due to rising yields, driven by a gradual increase in global inflation and the expectation of fewer interest rate cuts in 2025 across most major economies. The Bank of England cut interest rates by 0.25% to 4.75% p.a., while the Federal Reserve reduced its rate twice by 0.25%, bringing interest rates down to a range of 4.25% to 4.50% p.a. Meanwhile, the European Central Bank also cut its interest rate by 0.25%, to 3.50% p.a.

Investment-grade corporate bonds also fell in value over the quarter, as rising bond yields more than offset the benefits of falling credit spreads (the difference between government and corporate bond yields) and the income return.

The Fund's return reflected negative returns from corporate bonds over the quarter.

Fund Commentary

The Aon Managed Passive Corporate Bond Fund aims to perform in line with its benchmark by investing in funds that provide exposure to bonds issued in sterling by UK companies and other corporate entities. The Fund is currently invested in a corporate bond fund which invests in bonds with a range of credit ratings as determined by rating agencies, such as Standard & Poor's and Moody's. The bonds also have a broad range of maturities. This creates an investment portfolio that aims to perform broadly in line with the wider sterling corporate bond market.

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 Passive Corporate Bond

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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