

Aon Managed Pre-Retirement Bond

Defined contributions

Fund information

Issuing company	Aegon/Scottish Equitable plc
Inception date	15 Dec 2014
Benchmark	LGIM Future World Annuity Aware Benchmark(Close)
Entry Fees	No
Exit Fees	No
Performance Fee	No
Additional Expenses	0.00%
Fund size	£13.49m
Fund type	Pension
ISIN	GB00BRJMC55
SEDOL	BRJMC55
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

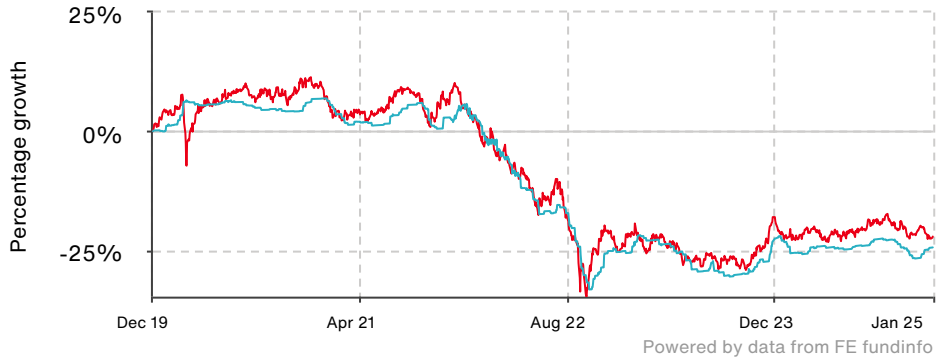


These risk ratings are only applicable to funds available via TargetPlan. Other risk ratings apply across the rest of our fund range and they, or ratings from other providers, are not comparable. Be aware that even lower risk investments can fall in value.

Fund objective

The Fund aims to perform in line with its benchmark by investing in a range of funds that provide exposure to Sterling assets that reflect the broad characteristics of investments underlying the pricing of a typical level annuity product.

Fund performance



	3 Months	YTD	1yr	3yrs	5yrs
Fund	-3.0%	-3.5%	-3.5%	-9.7%	-4.9%
Benchmark	-2.0%	-2.5%	-2.5%	-10.3%	-5.5%

	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	11.1%	-4.9%	-28.9%	7.3%	-3.5%
Benchmark	6.1%	-1.3%	-28.7%	3.8%	-2.5%

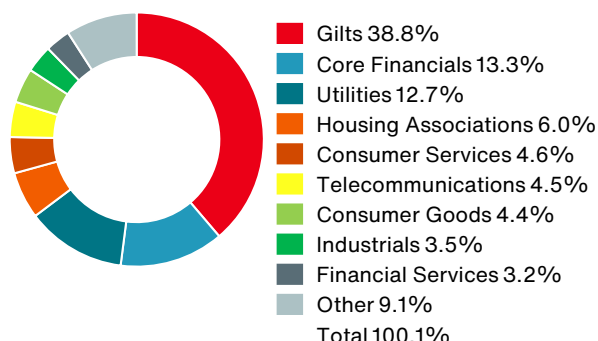
Composite Benchmark: 75% LGIM Future World Annuity Aware Benchmark(Close) / 25% Bank Of England Sterling Overnight Index Average

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 Pre-Retirement Bond

Sector allocation as at 31 Dec 2024



Credit breakdown as at 31 Dec 2024

AA	43.8%
A	33.5%
BBB	22.1%
AAA	0.5%
Total	99.9%

Fund Split as at 31 Dec 2024

TREAS 4.25 07/12/49 (S1 GB)	5.8%
TREAS 0.625 31/07/35	5.3%
TREAS 4 22/01/60 (S1 GB)	4.1%
TREAS 4.25 07/12/46 (S2 GB)	3.9%
TREAS 3.5 22/01/45	3.9%
TREAS 3.75 22/10/53	3.6%
TREAS 4.375 31/07/54	2.7%
TREAS 4.5 07/12/42	2.4%
TREAS 4 22/10/63	1.7%
ACCRUALS	1.5%
Total	34.9%

Source of fund breakdown and holdings: Fund mgmt group

Performance Commentary

Over the three-month period to 31 December 2024, the Fund returned -3.0% gross of fees against a backdrop of negative corporate bond and government 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 is invested in a mixture of government and corporate bonds, designed to move broadly in line with changes in the price of buying a level annuity. Over the quarter, the Fund's return reflected negative returns from government and corporate bonds, particularly longer maturity bonds.

Fund Commentary

The Aon Managed Pre-Retirement Bond Fund aims to perform in line with its benchmark by investing in suitable funds that provide exposure to sterling assets that reflect the broad characteristics of investments underlying the pricing of a typical level annuity product. The Fund is currently invested in a pre-retirement fund which holds several different fixed income instruments typically used by annuity providers when structuring products issued in the annuity market. Underlying instruments usually include fixed-interest government bonds as well as bonds issued by companies in sterling.

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 Pre-Retirement 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.

Aon Investments Limited (AIL) has been appointed as the investment manager of this fund. AIL is authorised and regulated by the Financial Conduct Authority. Aon Investments Limited, The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AN. Registered in England No: 5913159

Regulatory information - This document has been issued by Scottish Equitable plc. The Fund described in this document is available only to trustees and members of pension schemes registered under Part IV of the Finance Act 2004 via an insurance policy which would be issued either by Scottish Equitable plc, or by another insurer of such business. Aegon is a brand name of Scottish Equitable plc. Scottish Equitable plc, registered office: Edinburgh Park, Edinburgh EH12 9SE. Registered in Scotland (No. SC144517). Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 165548. © 2024 Aegon UK plc

Risk Warnings - The information contained herein has been taken from trade and other sources which we deem reliable. We do not represent that such information is accurate or complete and it should not be relied upon as such. Any opinions expressed herein reflect our current judgement and may be subject to change. This document is intended for information purposes only and does not constitute investment advice or a solicitation of an offer to buy a policy or to invest in the Fund described herein. Investment in the policy, or the Fund described in this document may not be suitable for all investors. It is recommended that you obtain independent advice prior to investing. Any objective or target will be treated as a target only and should not be considered as an assurance or guarantee of performance of the Fund or any part of it. The Fund objectives and policies include a guide to the main investments to which the Fund is likely to be exposed. The Fund is not necessarily restricted to holding these investments only. Subject to the Fund's objectives, the Fund may hold any investment and utilise any investment techniques, including the use of external insurance funds, securities lending and derivatives, permitted under the FCA's Conduct of Business Sourcebook. © Scottish Equitable plc. All rights reserved.

Source: Scottish Equitable plc.