

Fund Aim

The Fund aims to deliver long-term growth by investing in other funds. The Fund invests predominantly in equities including a small proportion in listed property securities, with some exposure to fixed interest securities, by investing predominately in passive* index tracking funds. A small proportion may be actively managed. The equity investments cover a mix of geographic regions and can include the UK, other developed markets and emerging markets. The fixed interest securities can be in sterling or other currencies, including emerging markets, and may be issued by governments or companies. The property securities can be in the UK and overseas. The Fund may also invest a small proportion in cash. Non-sterling investment may be hedged back to sterling. Hedging aims to reduce the effect of fluctuations in the exchange rates between the currency of the asset and the currency of the Fund. This Fund will be reviewed periodically by Scottish Widows. In future the Fund could be invested in different funds and additional asset types, though the Fund will continue to invest predominantly in equities.

*Passive management is where the fund manager aims to match a benchmark index and will buy, sell or hold investments depending on the components of that index. Active management is where the fund manager seeks to add value by making decisions on which investments to buy, sell or hold depending on, for example company, market or economic factors.

'ESG Metrics'

Asset Allocation (as at 31/03/2025)



The composition of asset mix and asset allocation may change at any time and exclude cash unless otherwise stated

This document is provided for the purpose of information only. This factsheet is intended for individuals who are familiar with investment terminology. Please contact your financial adviser if you need an explanation of the terms used. This material should not be relied upon as sufficient information to support an investment decision. The portfolio data on this factsheet is updated on a quarterly basis.

Information Statement

A portion of the equities allocation is invested in a climate transition fund to take account of environmental, social and governance (ESG) considerations. The allocation also includes Real Estate Investment Trusts to gain exposure to property. Funds with an allocation to global fixed interest now benefit from diversification through a small allocation to Emerging Market Government Debt. Scottish Widows produce Environmental, Social and Governance themed fund metrics. Selected data can be found using the ESG metric link.

Due to the update scheduling of the CPI benchmark, Monthly Factsheets will illustrate the latest CPI Performance as at the point of production (i.e. with a one month lag). Quarter End Factsheets however will be synchronised with the latest quarter end CPI Performance.

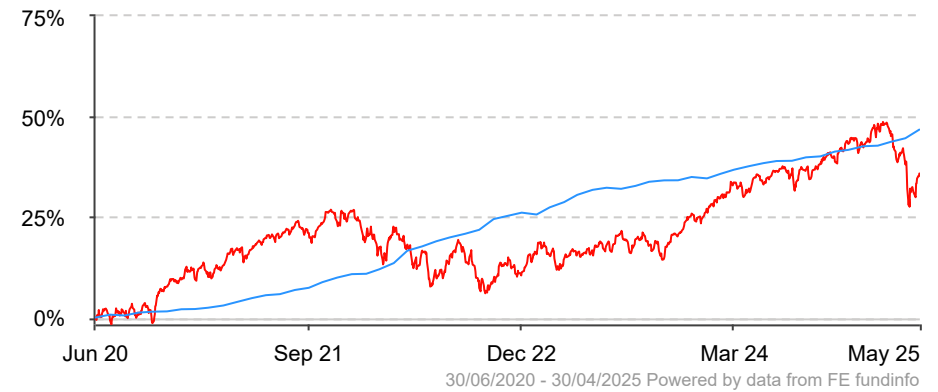
Basic Fund Information

Series 2 Unit Launch Date	06/02/2006
Fund Size	£39,620.8m
Benchmark	UK Consumer Price Index + 3% p.a.
ISIN	GB00B09CD637
MEX ID	SWSTY2
SEDOL	B09CD63
Manager Name	Philip Chandler
Manager Since	07/02/2020

Top Ten Holdings

(as at 31/03/2025)	
BLACKROCK ACS US EQTY TKR	27.5%
BLACKROCK ACS CLIMATE TRANSITION WORLD EQUITY FUND	15.6%
SSGA AUT EUROPE EX UK EQTY TKR	9.5%
BLACKROCK ACS UK EQUITY TKR	7.4%
SCOTTISH WIDOWS GLOBAL DEVELOPED ESG TILTED EQUITY FUND	5.6%
SSGA AUT EMRG MKT SCD IX EQ GBP	4.5%
ABDRN GLO CB SCREENED TRACKER FD ACC	4.4%
SSGA MPF EMERGING MARKETS INDEX	4.2%
BLACKROCK ACS JAPAN EQTY TKR	3.8%
SSGA AUT ASIA PACIFIC EX-JAPAN EQTY TKR	3.4%
TOTAL	85.9%

Past Performance



- Pension Portfolio Two Pension
- UK Consumer Price Index + 3% p.a.

The Performance of the Pension Portfolio Fund Two is shown relative to the UK Consumer Prices Index plus 3%. CPI is a standard measure of price inflation in the UK. This aims to help customers see how their pension pot is performing compared to changes in the cost of living over time. Past performance is not a guide to future performance. Investment value and income from it may fall as well as rise, as a result of market and currency movements. You may not get back the amount originally invested.

Discrete Performance

	31/03/2024 - 31/03/2025	31/03/2023 - 31/03/2024	31/03/2022 - 31/03/2023	31/03/2021 - 31/03/2022	31/03/2020 - 31/03/2021
Scottish Widows Pension Portfolio Two Pension (Series 2)	3.4%	16.6%	-6.4%	8.3%	30.5%
UK Consumer Price Index + 3% p.a.	5.7%	6.3%	13.4%	10.2%	3.8%

Information is shown as unavailable if prior to the launch of fund.

Cumulative Performance

	30/04/2025 - 31/05/2025	28/02/2025 - 31/05/2025	31/05/2024 - 31/05/2025	31/05/2022 - 31/05/2025	31/05/2020 - 31/05/2025
Scottish Widows Pension Portfolio Two Pension (Series 2)	4.4%	-2.3%	6.5%	21.6%	45.3%
UK Consumer Price Index + 3% p.a.	-	2.1%	6.0%	24.7%	47.3%

Source: FE fundinfo as at 31/05/2025

Performance figures are in £ Sterling on a single pricing basis, with income (where applicable) reinvested net of UK tax and net of total annual fund charges. These figures do not include any initial charge or other product charge(s) that may be applicable.

Fund Rating Information

Overall Morningstar Rating	-
Morningstar Medalist Rating	-
FE fundinfo Crown Rating	★★★★★

The FE fundinfo Crown Rating relates to this fund. However, the Morningstar ratings are based on the underlying fund. These are supplied by the respective independent ratings agencies and are the latest available at the time this factsheet was issued. Past performance is not a reliable indicator of future results.

Other Information

The views, opinions and forecasts expressed in this document are those of the fund manager. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statement of fact, nor should reliance be placed on these views when making investment decisions.

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Not all products have access to this fund, please refer to the relevant product literature. Full terms and conditions are available on request from us using the contact details provided. Charges, terms and the selection of funds we make available may change. Information on the general and specific risks associated with investing in this fund is available in the relevant fund guide, or KIID where applicable. All information is sourced from Scottish Widows or the relevant fund management group unless otherwise stated.

Quarterly Fund Manager Review

Global equity markets achieved a mixed performance in the first quarter. US stocks fell on tariffs worries while Europe outperformed as Germany announced spending plans. Gold soared amid the volatility elsewhere. In the US, the news that China's DeepSeek had developed an artificial intelligence (AI) model comparable to market leaders, but at a fraction of the cost, caused investors to reassess expectations around AI, US leadership in the field, and returns on investment. Eurozone shares gained sharply in Q1. In January, news about DeepSeek caused investors to reassess concentrated positioning in US large caps and rotate elsewhere. February brought the German elections and optimism that the new administration led by Friedrich Merz would pursue a pro-growth agenda. UK equities rose over the quarter, driven by a strong performance from larger companies, although sentiment towards UK small and mid-sized companies remained fragile. Large cap financials, energy and healthcare sectors benefited in line with European equities more broadly as global investors rotated away from richly valued US technology stocks. The Japanese equity market declined in Q1, ending the quarter with a negative return of -3.4% for the TOPIX Total Return index in yen terms. The Nikkei 225 underperformed the TOPIX due to weak performance in larger stocks, particularly in the technology and exporter sectors. The MSCI Emerging Markets (EM) index gained over Q1 2025, ahead of US indices although behind the MSCI Europe. In a quarter dominated by trade tariffs and US policy uncertainty, a falling US 10-year Treasury yield and a weaker dollar were supportive for EM overall. Asia ex Japan equities achieved modest gains in the first quarter. China, Singapore, and South Korea were the best-performing markets in the MSCI AC Asia ex Japan Index. Thailand, Taiwan, and Indonesia were the worst-performing markets in the quarter. Shares in China were sharply higher after government stimulus measures, such interest rate cuts, support for the country's troubled property sector, and liquidity injections, helped to stabilise the economy and restore investor confidence.

Philip Chandler 31/03/2025

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