As at 31 December 2024

Aegon Mercer Balanced Investment Approach (ARC)

Fund information

Fund provider	Aegon/Scottish Equitable plc
Fund launch date	18 Aug 2016
Benchmark	Composite Index
Fund charge*	0.16%
Aegon fund size	£285.00m
ABI sector	ABI Unclassified
Fund type	Pension
ISIN	GB00BYYV1W53
SEDOL	BYYV1W5
Aegon mnemonic	Z57
CitiCode	N7CX

*This is on top of any product or adviser charge you pay and includes a fixed management fee plus expenses that vary with the day to day costs of running the fund. Expenses can include costs paid by Aegon to third parties. The fund charges may differ for Retiready (RR) or Aegon One Retirement (AOR).

About fund performance

Investors should always consider performance in relation to the objective of the fund and over periods of at least five years. If a fund has risen in value, it doesn't mean it is meeting its objective – especially if the fund is aiming to outperform a particular benchmark or meet a risk target. The same applies if the fund has fallen in value.

Our risk rating

Above-average risk

Above average risk funds typically invest in one single investment type or geographical region, for example regional equities (shares) or global bonds. This means that investors are completely exposed to the performance of that single investment type or region. These funds could experience lengthy periods where their value goes down depending on market conditions. However, these funds can also rise in value quite significantly and have historically provided good long-term growth. Because of their narrow investment focus, they're better suited to investors with at least five years to invest and to use in combination with other funds as part of a diversified portfolio.

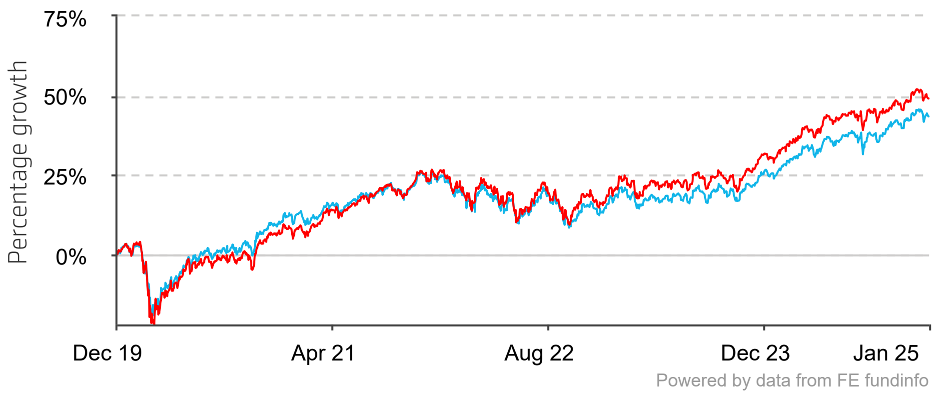
Fund objective

The fund aims to adapt to the changing needs of retirement savers. The first phase, the growth phase, lasts until 15 years before your target retirement date and will mainly invest in global equities (company shares) with the aim of growing assets significantly in excess of inflation. The second phase, the consolidation phase, starts 15 years before your target retirement date and seeks to achieve growth in excess of inflation but with less risk than during the growth phase. During this phase the weighting to global equities will gradually decline whilst the weighting to government and corporate bonds increases. In the third phase, the retirement phase, the fund seeks limited growth in a lower risk portfolio. In each phase, the fund aims to track the markets it invests in, so performance should be similar to those markets. Mercer Ltd designed the strategy and will change it with the aim of ensuring it continues to suit investors' needs. For this it receives a fee, paid from the fund's annual management charge.

Fund performance

The following graph and tables show the performance of the fund over various time periods compared to the fund's benchmark (if there is one). All performance information is as at 31 Dec 2024 unless otherwise stated.

In the graph, performance is shown since launch if the fund is less than five years old.



Aegon Mercer Balanced Investment Approach (ARC)
Composite Index N7CX

	1yr	3yrs	5yrs	10yrs
Fund	13.3%	4.8%	7.5%	-
Benchmark	13.3%	5.8%	8.3%	-

	Dec 23 to Dec 24	Dec 22 to Dec 23	Dec 21 to Dec 22	Dec 20 to Dec 21	Dec 19 to Dec 20
Fund	13.3%	11.1%	-8.7%	13.8%	9.6%
Benchmark	13.3%	13.4%	-7.8%	18.3%	6.3%

Composite Index: 29.5% FTSE North America / 26.7% FTSE All Share / 14.9% FTSE World Europe ex UK / 13.9% FTSE World ex UK / 10% Markit iBoxx £ Non Gilts / 3% FTSE Actuaries UK Index-Linked Gilts Over 5 Years / 2% SONIA Overnight

Source: FE fundinfo. The performance information has been calculated in pounds on a bid-to-bid basis and is net of charges with gross income reinvested. Performance for periods over a year is annualised (% per year). Past performance is not a reliable guide to future performance. The value of an investment can fall as well as rise and is not guaranteed. Investors could get back less than they invested.

Aegon Mercer Balanced Investment Approach (ARC)

Underlying fund

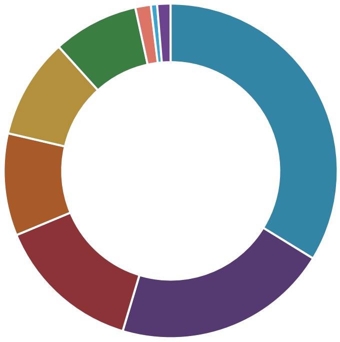
Fund mgmt group

Aegon/Scottish Equitable plc

Fund manager information

This fund is an Aegon Solution. This means it is a pre-built fund Aegon have created to offer whole investment strategies in a single fund with the aim of making investing easier. We reserve the right to add, remove and replace the underlying funds within this solution with the aim of making sure the fund continues to meet its aims and objectives. Sometimes we work with external fund managers and they select and manage the underlying funds on our behalf. The additional charges/expenses may change when underlying funds are replaced, added or removed from the portfolio or when weightings between the underlying funds are changed. Please note, there's no guarantee the fund will meet its objective.

Asset allocation as at 31 Dec 2024



North America Equity	33.8%
Asia Pacific including Japan Equity	20.9%
UK Equity	14.1%
Global Bonds	9.9%
UK Bonds	9.7%
Europe ex UK Equity	8.3%
Global Emerging Market Equities	1.5%
Cash	0.6%
Other	1.3%
Total	100.1%

Top holdings as at 31 Dec 2024

Holding	%
North American Equity Tracker	33.8%
Corporate Bond Tracker	17.1%
UK Index Tracker	14.1%
Emerging Markets Equity Tracker	14.1%
Continental European Equity Tracker	8.0%
Japan Equity Tracker	6.9%
Pacific Ex-Japan Equity Tracker	3.2%
UK Gilts All-Stocks Tracker	2.0%
Cash	0.5%
Index-Linked Gilt Tracker	0.5%
Total	100.2%

Source of fund breakdown and holdings: Fund mgmt group

Aegon Mercer Balanced Investment Approach (ARC)

Risks specific to this fund

There is no guarantee the fund will meet its objective. The value of an investment can fall as well as rise and investors could get back less than they originally invested. All funds carry a level of risk and the information below outlines the key risks for this fund.

Currency risk - this fund invests overseas so its value will go up and down in line with changes in currency exchange rates. This could be good for the fund or bad, particularly if exchange rates are volatile.

Flexible target risk - this strategy aims to reduce the risk your fund is exposed to as you near retirement by moving into lower risk investments. By de-risking, there's a chance you may end up worse off than if you'd stayed in the growth fund.

Post retirement risk (Flexible target) - although this fund aims to reduce risk as you approach retirement, it will still have a significant proportion invested in riskier investments like equities on your selected retirement date, so there's still a risk it may fall in value.

Third party risk - in the event that the underlying investments which the fund invests in suspend trading, Aegon may defer trading and/or payment to investors. The value ultimately payable will depend on the amount Aegon receives or expects to receive from the underlying investments.

Credit risk - this fund invests in bonds or other types of debt. Bonds are essentially loans to companies, governments or local authorities so there's a risk that these companies or government bodies may default on the loan. Bonds are rated in terms of quality, usually from AAA down to B and below. AAA is the highest quality and therefore the least likely to default and B or lower the most likely to default. Where we have it we show the credit quality of the loans held by this fund.

Interest rate risk - interest rate changes could affect the value of bond investments. Where long term interest rates rise, the value of bonds is likely to fall, and vice versa.

Lifestyle performance information - this factsheet contains information and performance for the 'Growth stage' of the lifestyle fund. The information and performance for your fund will be different if you're within the 'Retirement target / lifestyle stage', which normally starts seven years before your selected retirement date.

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