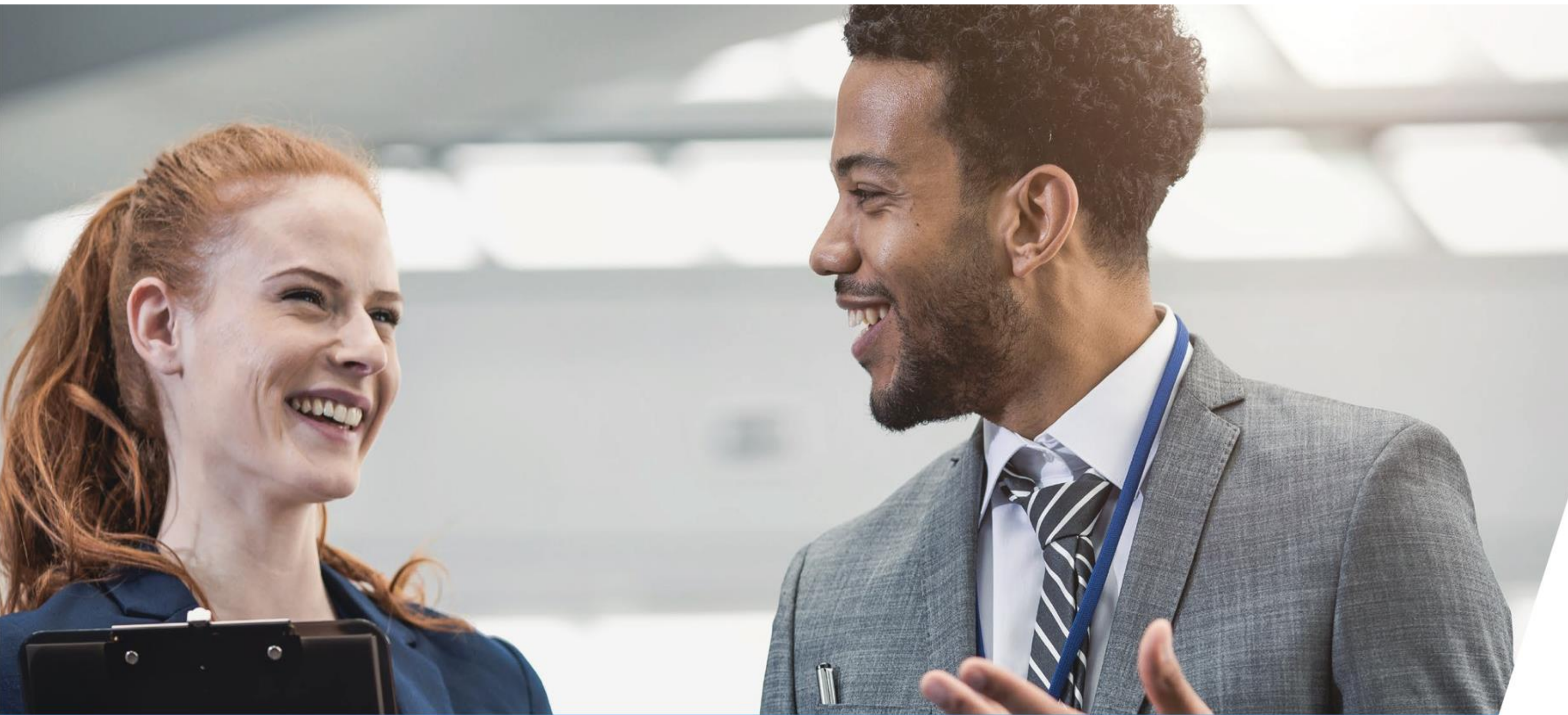
For adviser and employer use only

Workplace Target fund range performance report

Covering quarter one 2024

Contents



This communication is for financial advisers, scheme trustees and employers only and shouldn't be distributed to, or relied upon by customers or any other persons.

Introduction

This document details the key drivers of world markets in the most recent quarter and goes on to report on our Workplace Target fund range available via Aegon Retirement Choices (ARC).

Markets and funds change constantly, so the information it contains may have changed by the time you read this. The value of the funds in this report may go down as well as up for a number of reasons, for example market and currency movements and are not guaranteed. Investors could get back less than they invest.

This information is for financial advisers, scheme trustees and employers only and shouldn’t be distributed to, or relied upon, by customers or any other persons.

The information in this document is a factual review of performance only and shouldn't be taken as a recommendation or advice. The information in this report is correct to the best of our knowledge at the time of writing.

Please note: all performance data shown in this report is sourced from FE fundinfo.

Our climate roadmap

We have committed to transitioning our workplace default fund range to net-zero greenhouse gas (GHG) emissions by 2050. Our climate roadmap provides an overview of our decarbonisation progress so far and our future milestones to reach net zero. Between 2020 and 2023, we reduced our workplace default funds' carbon footprint by 28.6% for scope 1 and 2 emissions* for listed equity and corporate fixed income.**

Our short-term targets now include:

- Reducing our default funds' footprint by another 14% between 2023 and 2026.
- Engaging via our asset managers with companies representing at least 70% of our financed emissions (scope 1, 2 and 3) through direct or collective engagement by 2025.
- Investing £500 million in climate solutions by 2026.

You can find out more about our climate roadmap, accompanying videos and other information on our approach to responsible investment on our website.

*Climate data is supplied by MSCI and based on available funds and available scope 1 and scope 2 emissions reported, verified or estimated, for June 2023. It is likely to change notably in the coming years. Scope 1 emissions are direct GHG emissions that occur from sources owned or controlled by the reporting company. Scope 2 emissions are indirect GHG emissions from the generation of purchased or acquired electricity, steam heating or cooling consumed by the reporting company. Aegon UK's net-zero commitment covers our scope 1 and 2 emissions.

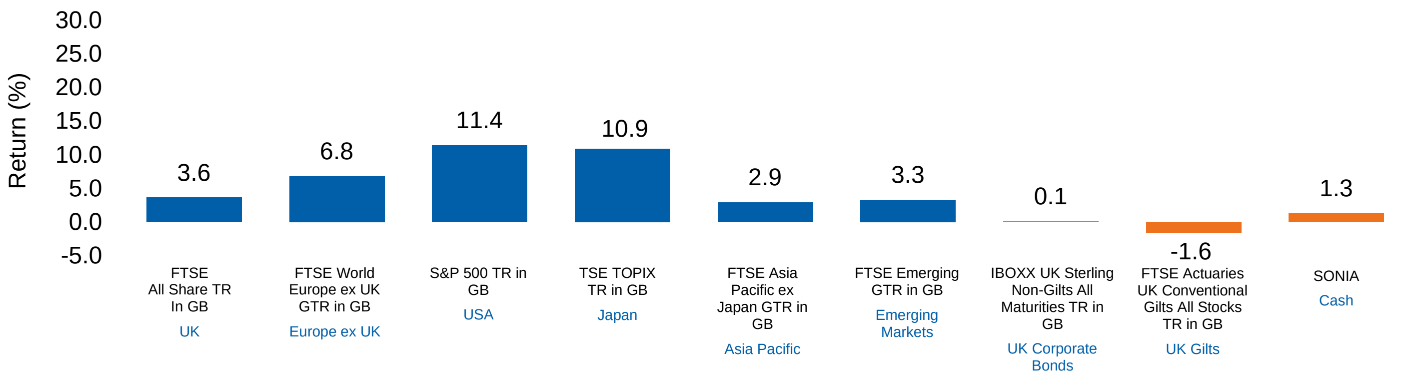
**Our target setting and methodologies are guided by the Paris Aligned Investment Initiative Net Zero Investment Framework 1.0. We monitor them annually and review them at least every two years. The targets might change as new data and information become available. Short- and medium-term emissions targets use a 2020 baseline and cover listed equity and corporate fixed income, representing 84% of our default funds, excluding cash.

Source: Aegon UK

Market Review – quarter one 2024

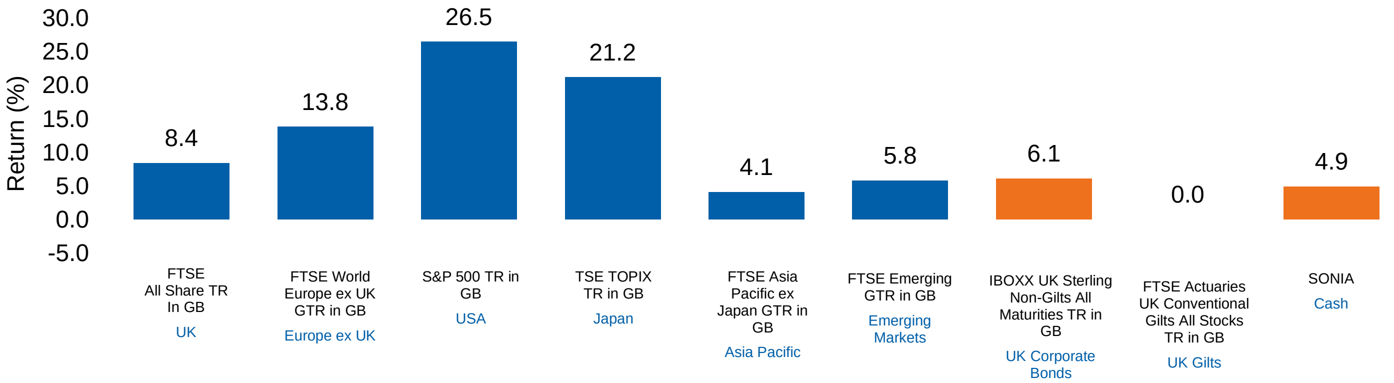
In the first quarter of 2024, most developed equity markets benefited from signs of an upturn in the global economy, with some markets experiencing double-digit growth in sterling terms. **US** equities led performance, helped by the combination of the strong economic backdrop and strong results from some large companies in the technology sector. **Japanese** equities followed closely behind, with the stock market outperforming despite the first interest rate rise in 17 years. **European** equities were also positive as economic activity in the region improved. **UK** equities were positive but underperformed with the UK economy facing significant challenges, including confirmation it slipped into recession in the second half of 2023. **Emerging Markets** equities and **Asia Pacific** equities underperformed, although both saw positive returns over the period.

Meanwhile, in **Fixed Income**, **UK corporate bonds** performance was broadly flat and **UK government bonds** (gilts) were negative over the period which was in line with global government bond markets. **Cash** was positive over the quarter.



Major market performance over 12 months

Global equities rose over the 12-month period with double-digit returns in sterling terms for European, US and Japanese equities. This was led by **US** equities as inflation continued to fall and the technology sector outperformed, amidst a backdrop of economic growth in the region. **Japanese** equities also saw double-digit gains as the Japanese economy expanded towards the end of 2023. **European** equities were also positive as inflation continues to fall. **UK** equities rose over the period although the economy dipped into recession in the second half of 2023. **Emerging Markets** and **Asia Pacific** equities were positive but muted in part due to China's waning economic recovery which weighed on investor sentiment. In **Fixed Income**, returns struggled in the first six months as inflation remained stubborn and rising interest rates fuelled rises in yields (bond prices fall as yields rise). However, as inflation started to fall, yields subsequently fell (with bond prices rising). **UK government bonds** (gilts) were flat over the entire period while **UK corporate bonds** experienced gains. **Cash** posted positive returns over the period.



Source: FE fundinfo, produced by Aegon. Charts compiled using total return indices to 31 March 2024. Figures in sterling so include the effect of currency fluctuations. Past performance is not a reliable guide to future performance.

Key events in the major markets over quarter one

In the **UK**, data released over the period showed the economy contracted for two quarters in a row and entered a recession, declining by 0.2% on an annualised basis in the fourth quarter of 2023. Inflation fell to 3.4% in February, down from 4% in January and slightly below the market expectation of 3.5%. The Bank of England (BoE) voted to keep interest rates on hold at 5.25% in March, by an 8-1 majority in favour. The unemployment rate rose to 3.9% in the three months leading up to January 2024.

In the **US**, data released over the period showed the US economy continued to grow, expanding by 3.4% on an annualised basis in the fourth quarter of 2023. The Federal Reserve, the country's central bank, kept interest rates at their 23-year high of 5.25-5.5% in March. The Core Personal Consumption Expenditures (PCE) index (one of the main measures of inflation), fell to 2.8% in February. President Biden signed a $1.2 trillion government funding bill, funding the government until September 2024 helping to avoid a US government shutdown.

In **Europe**, data released over the period showed the economy stagnated in the fourth quarter of 2023, with a growth rate of 0.0%, following a contraction of 0.1% in the third quarter. The European Central Bank (ECB) held interest rates at a 22-year high of 4.5% throughout the period, in a continued effort to combat high inflation. Annual inflation did fall more than expected to 2.4% in March however it remained above the ECB’s target of 2%.

In **Japan**, data released over the period showed the Japanese economy expanded by 1.2% year on year in the fourth quarter of 2023. In March, changes were made to Japan’s monetary policy, with the short-term interest rate increased to 0.1%, the first increase to the rate in 17 years. Inflation rose from 2.2% in January to 2.8% in February, marking it the first acceleration of inflation in the country in four months, its highest level since November 2023.

In **Asia Pacific** regions, with the exception of China, most main markets saw positive returns helped by the continued global rally in technology stocks. Taiwan performed strongly over the quarter, as the economy expanded driven by an increased interest in Artificial Intelligence (AI). The country has multiple semiconductor and server manufacturers embedded in the AI supply chain. In China, the economy felt the effects of the collapse of property company Evergrande at the end of 2023 along with continued concerns about growth prospects. However, improving economic data and stimulus measures from the central bank saw a rebound earlier in the quarter.

In **Emerging Markets** equity gains were supported by a strong performance from Turkey, in part due to an economic overhaul which started last year. The Indian market hit an all-time high over the period as investor appetite continued to build for this fast-growing region. The worst performing markets were Thailand, after lower-than-expected economic growth, and Brazil with declining commodity prices especially in lithium and other Electric Vehicle (EV) battery materials.

In **Fixed Income**, major central banks including the Bank of England, the European Central Bank and the US Federal Reserve all chose to leave interest rates unchanged over the quarter despite inflation falling. With inflation still above target in many countries and economies showing resilience, investors adjusted their rate expectations higher. Government bonds were repriced to reflect this, and prices fell. Corporate bonds outperformed government bonds as concerns over the global economy started to fall.

Source: Aegon UK Portfolio Management team, April 2024

Workplace Target range – overview

Three ways to prepare savings for retirement

All the Workplace Target funds use a two-stage investment strategy that aims to grow savings in the early years (the growth stage), then prepare savings for retirement in the final six years (the retirement target stage). The range offers three retirement target approaches – Flexible Target, Annuity Target, and Cash Target – which reflect the mix of retirement income options open to savers in the wake of pension freedoms.

The Flexible Target approach moves assets into a cautious multi-asset mix as investors approach retirement, with approximately 26% equity, 49% fixed interest, and 25% cash on retirement. We've designed this approach for investors and schemes seeking to take advantage of the greater flexibility offered by the pension freedoms. It's designed to offer a balance between risk and returns to suit those approaching retirement.

The Annuity Target strategy is designed for schemes who believe most employees will buy an annuity on retirement. These funds move savers into 75% long gilts and 25% cash on retirement.

Finally, the Cash Target strategy is designed for savers who plan to cash-in their savings on retirement. This is aimed at schemes where most members have very small pots or are likely to use other sources to create their retirement income (for example those who also have defined benefit pension income). It moves savers fully into cash on retirement.

What's in the Workplace Target range?

The Workplace Target fund range broadens choice for employers and scheme members and each fund type offers one or more glidepath option, targeting flexibility, annuity, or cash on retirement.

Fund (Fund charge)	Flexible Target	Annuity Target	Cash Target
Balanced Tracker (0.05%)	✓	✓	-
Growth Tracker (0.06%)	✓	✓	✓
Adventurous Tracker (0.05%)	✓	✓	-
Universal Balanced Collection (0.11%)	✓	✓	-
Ethical Managed (0.39%)	✓	-	-

Fund charge as at 31 March 2024, a platform charge will also apply.

The strategies are primarily designed for those workplace investors who do not make an active investment choice or receive advice. Schemes can also use our in-house default fund (see page 10).

We'll continue to offer our existing range of lifestyle funds for workplace investors.

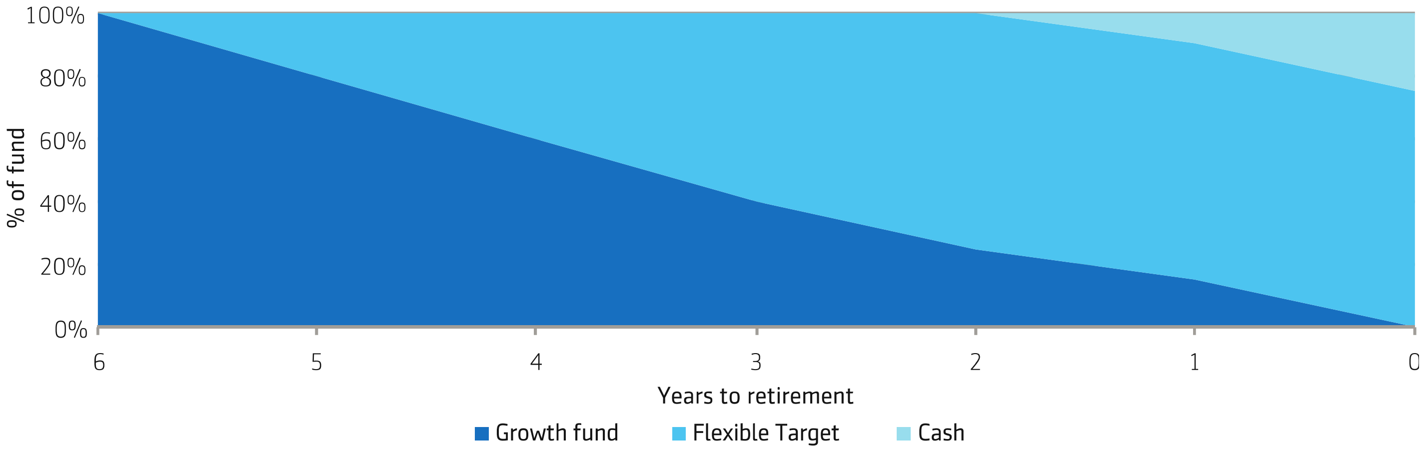
For more information, please see our website at aegon.co.uk/employer

Our retirement target approaches

Our Workplace Target funds are designed for use as scheme default funds. The information below details how each of our retirement target approaches changes as investors near retirement. We review our Workplace Target funds regularly and may change them if we believe it's in the best interest of investors. There's no guarantee the funds will achieve their objectives. Investors may get back less than they invest.

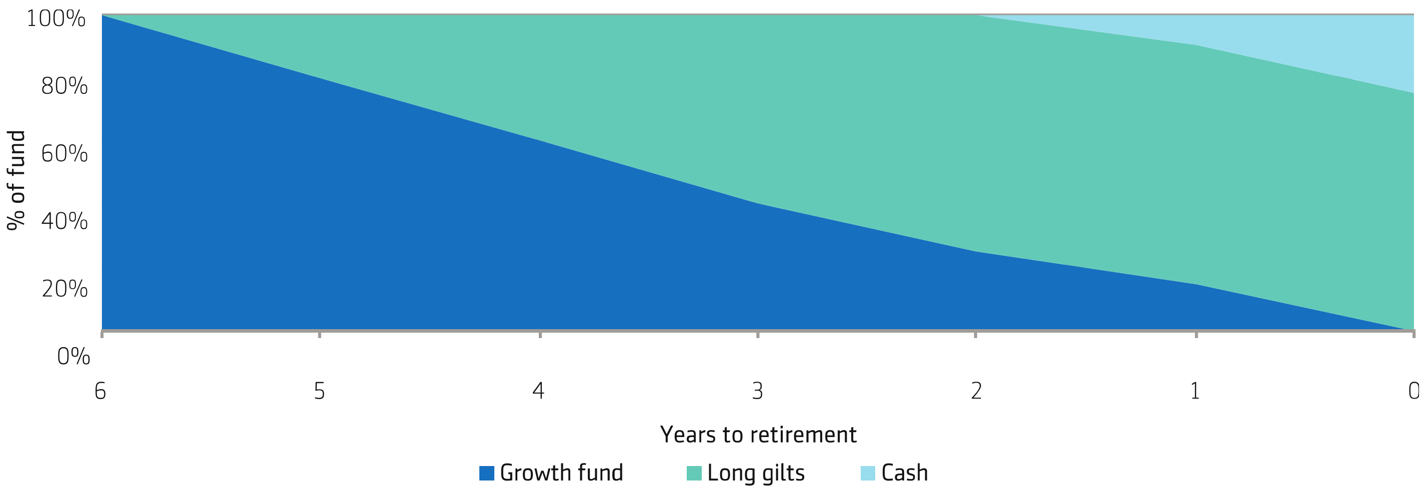
The Flexible Target stage

In the six years before the investor's target retirement year (the Flexible Target stage), we'll progressively move them into less risky investments. We'll also move part of their investment into a cash fund in the final two years to cater for their maximum tax-free cash entitlement, currently 25% of their pension pot.



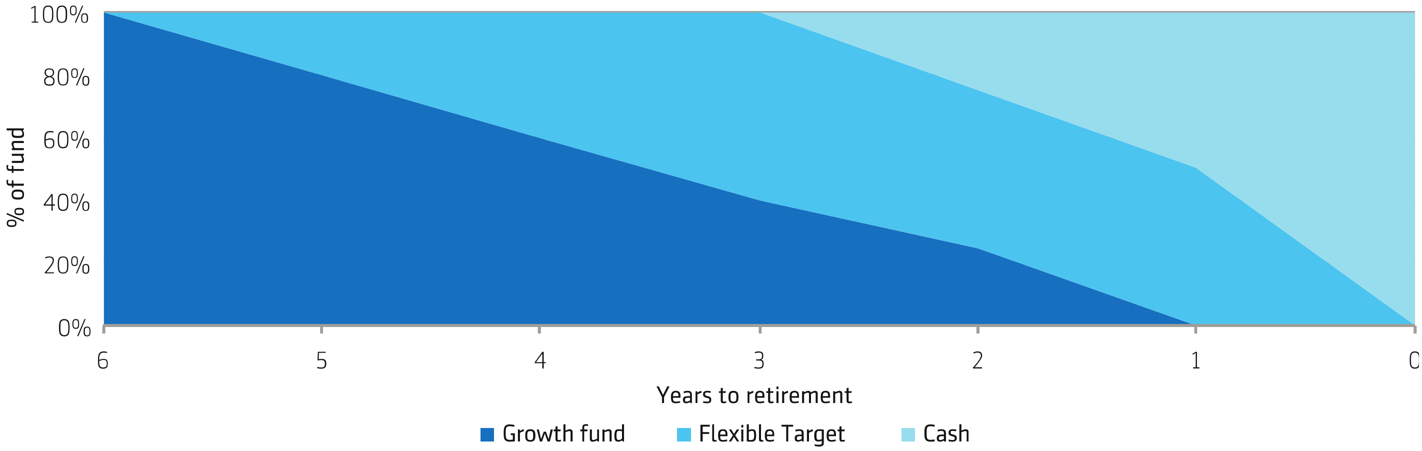
The Annuity Target stage

In the six years before an investor's target retirement year (the Annuity Target stage), we'll progressively move their investments into long gilts and cash with the aim of giving them more certainty about the size of annuity (pension) they'll be able to buy when they retire and to cater for their maximum tax-free cash entitlement, currently 25% of their pension pot.



The Cash Target stage

In the six years before an investor's target retirement year (the Cash Target stage), we'll progressively move them into less risky investments and then into cash. On their selected retirement date, the fund will be 100% invested in cash.



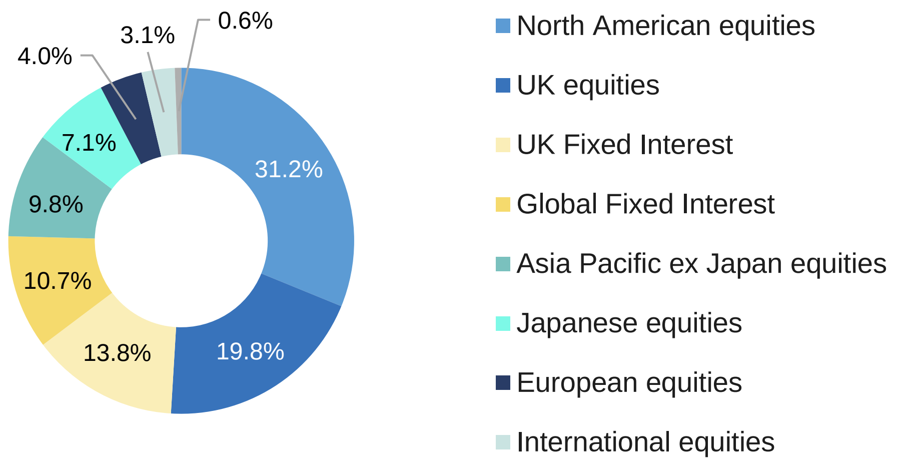
In-house default fund

Aegon Workplace Default (ARC)

This is Aegon's default fund. It is a single solution that adapts to meet employees' changing needs throughout their working life - right up to retirement and beyond. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing mainly (generally at least 65%) in global equities (company shares) with the remainder in bonds (corporate and/or government bonds) and/or cash. In the six years before your target retirement year, we'll progressively move you into less risky investments. This process assumes that you'll remain invested at retirement, potentially withdraw some of your fund and keep your options about taking an income open. As this is Aegon's default fund, we reserve the right to make changes to make sure it continues to remain appropriate for use as a scheme default.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

We've committed to transitioning our default fund range to net-zero greenhouse gas emissions by 2050. Individual funds don't have net-zero targets. This fund will exclude or include investments based on responsible investment criteria. As investors move towards their target retirement date, the amount invested in these types of holdings will change as a part of that process. You can read more about this in the fund factsheet.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Workplace Default (ARC)	4.4	12.4	5.6	6.6

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

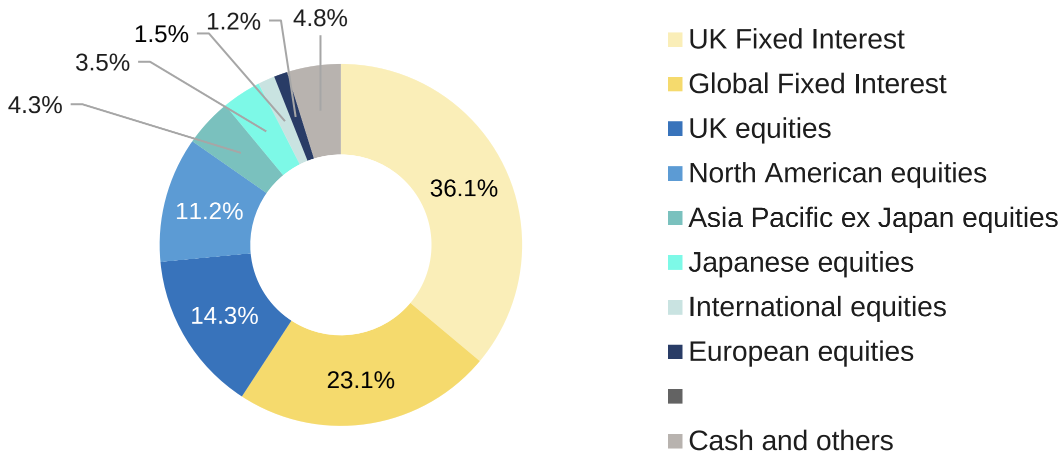
Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up and isn't guaranteed. Investors could get back less than they invest.

Aegon Workplace Default Retirement fund (ARC)

This fund is designed for those invested in the Aegon Workplace Default fund who have reached their target retirement year and intent to remain invested at retirement to keep their options about taking an income open. They'll automatically be transferred into this fund in their selected retirement year. It aims to keep risk lower than the growth stage and make sure they're not reliant on the success of just one investment type. It does this by investing in a mix of underlying investments (company shares, bonds and cash) and countries. It's designed to track the markets it invests in, so performance should be similar to those markets. This fund is designed as a short-to-medium term investment.

Where the fund invests

The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

We've committed to transitioning our default fund range to net-zero greenhouse gas emissions by 2050. Individual funds don't have net-zero targets. This fund will exclude or include investments based on responsible investment criteria. As investors move towards their target retirement date, the amount invested in these types of holdings will change as a part of that process. You can read more about this in the fund factsheet.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Workplace Default Retirement (ARC)	1.2	6.4	0.6	2.2

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

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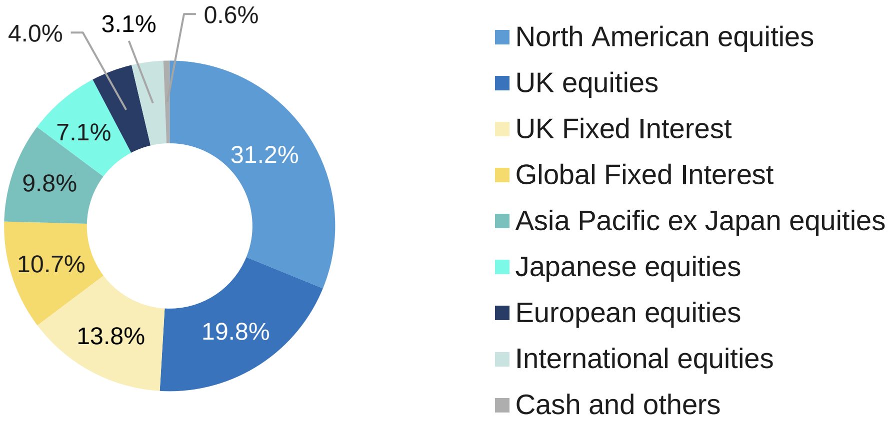
Aegon Default Equity & Bond Lifestyle (ARC)

This fund uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing mainly (generally at least 65%) in global equities (company shares) with the remainder in bonds (corporate and/or government bonds) and/or cash. It's designed to track the markets it invests in, so performance should be similar to those markets. Then, six years before your nominated retirement year, it automatically starts moving into investments better suited to preserving the size of annuity you can buy (the lifestyle stage). It does this by investing increasing amounts into the Long Gilt fund. This process assumes you'll buy an annuity when you retire. In the final two years, we'll also move some of your investment into our Cash fund, to cater for your tax-free cash entitlement. Up until May 2018, this was Aegon's default fund, which meant it was designed for use by company pension schemes. We reserve the right to make changes to make sure this fund continues to remain appropriate for use as a scheme default.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Default Equity & Bond Lifestyle (ARC)	4.4	12.4	5.6	6.5

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

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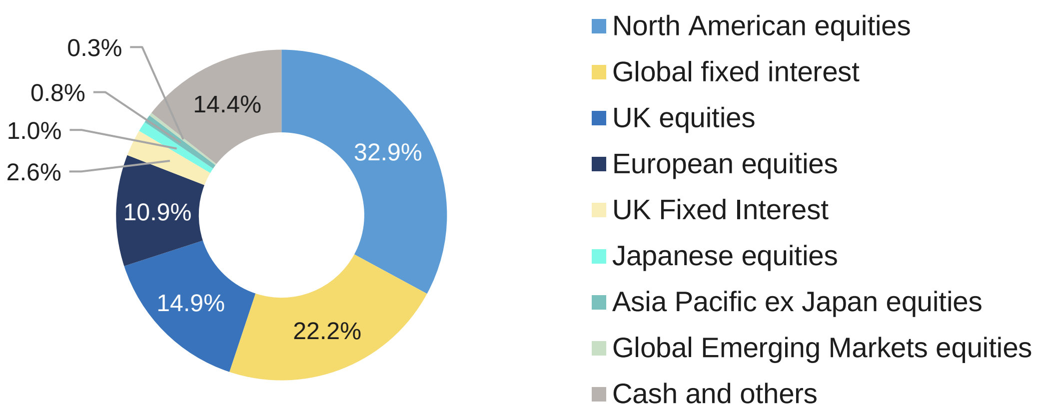
Flexible Target range

Universal Balanced Collection (Flexible Target) fund

This fund is aimed at those who want to keep their options open at retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing mainly in a well-diversified mix of international equities with the remainder in bonds and cash. It invests in a mix of different funds, from different fund managers, offering a mix of active and passive fund management, which means it doesn't rely on the performance of one manager or management style alone. In the six years before your target retirement year (the flexible target stage), we'll progressively move you into less risky investments. We'll also move part of your investment into cash in the final two years to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Universal Balanced Collection (Flexible Target) (ARC)	5.4	14.0	5.1	7.3
Benchmark	4.0	9.7	3.2	4.9

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currenly measured against the ABI Mixed Investment 40-85% Shares pension sector.

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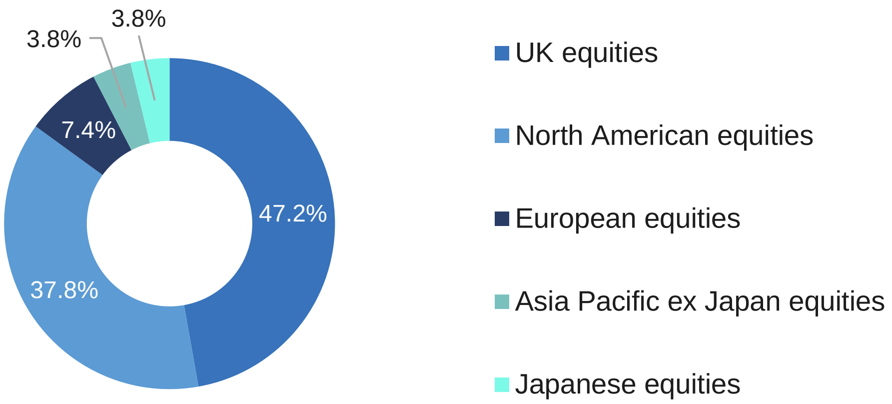
Aegon Adventurous Tracker (Flexible Target) fund

This fund is aimed at those who want to keep their options open at retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing in an equal mix of UK and international equities (company shares). It's designed to track the markets it invests in, so performance should be similar to those markets. In the six years before your target retirement year (the flexible target stage), we'll progressively move you into less risky investments. We'll also move part of your investment into cash in the final two years to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

We've committed to transitioning our default fund range to net-zero greenhouse gas emissions by 2050. Individual funds don't have net-zero targets. This fund will exclude or include investments based on responsible investment criteria. As investors move towards their target retirement date, the amount invested in these types of holdings will change as a part of that process. [You can read more about this in the fund factsheet.]

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Adventurous Tracker (Flexible Target) (ARC)	6.4	16.5	9.8	9.5
Benchmark	6.7	15.6	10.1	9.4

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark made up of 50% FTSE All-Share TR / 50% FTSE World ex UK TR.

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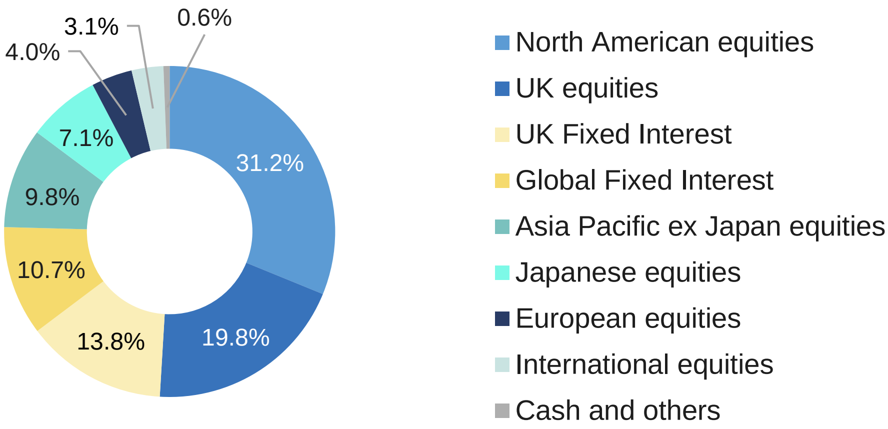
Aegon Growth Tracker (Flexible Target) fund

This fund is aimed at those who want to keep their options open at retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing mainly (generally at least 65%) in global equities (company shares) with the remainder in bonds (corporate and/or government bonds) and/or cash. It's designed to track the markets it invests in, so performance should be similar to those markets. In the six years before your target retirement year (the flexible target stage), we'll progressively move you into less risky investments. We'll also move part of your investment into cash in the final two years to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

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How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Growth Tracker (Flexible Target) (ARC)	4.4	12.4	5.6	6.5
Benchmark	5.6	13.4	5.9	7.1

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark of the following indices and weights: 20% MSCI UK All Cap / 55% MSCI ACWI ex UK / 8% BBgBarc Sterling Gilts / 2% BBgBarc UK Govt Infl Lkd Bond Float adjusted / 10% BBgBarc Sterling NonGilts / 5% JPM GBI ex UK.

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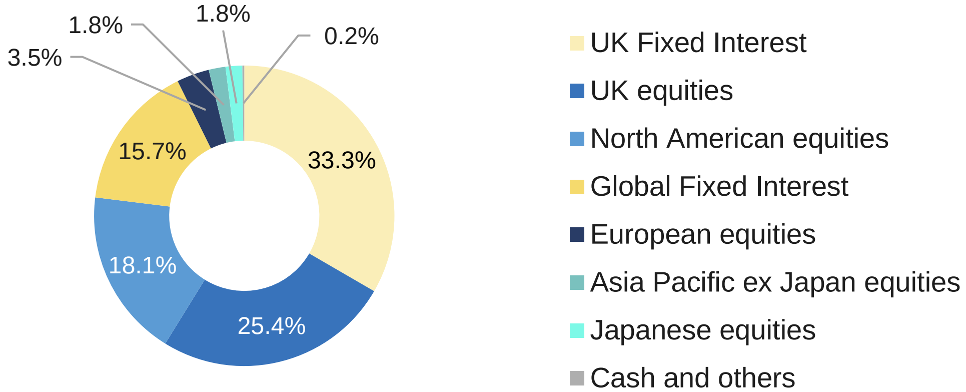
Aegon Balanced Tracker (Flexible Target) fund

This fund is aimed at those who want to keep their options open at retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing in an equal mix of global equities (company shares) and UK bonds (a blend of UK corporate, UK index-linked and conventional government bonds). It's designed to track the markets it invests in, so performance should be similar to those markets. In the six years before your target retirement year (the flexible target stage), we'll progressively move you into less risky investments. We'll also move part of your investment into cash in the final two years to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

We've committed to transitioning our default fund range to net-zero greenhouse gas emissions by 2050. Individual funds don't have net-zero targets. This fund will exclude or include investments based on responsible investment criteria. As investors move towards their target retirement date, the amount invested in these types of holdings will change as a part of that process. [You can read more about this in the fund factsheet.]

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Balanced Tracker (Flexible Target) (ARC)	2.8	9.7	2.0	3.9
Benchmark	2.9	8.9	2.0	3.6

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark of the following indices and weights: 25% FTSE All Share TR / 25% FTSE World ex UK TR / 26.5% Markit iBoxx Non Gilts All Stocks GBP TR / 18% FTSE Gilts All Stocks GBP TR / 5.5% FTSE Index-linked Over 5 Years TR.

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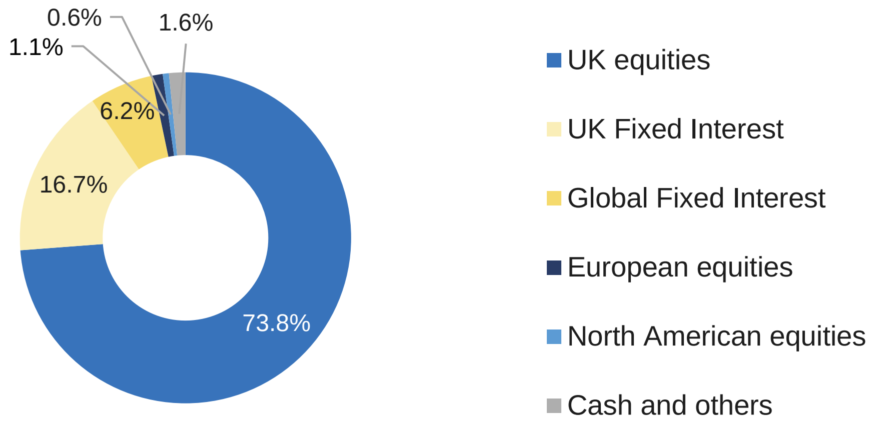
Ethical Managed (Flexible Target) fund

This fund is aimed at those who want to keep their options open at retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing in a diversified portfolio of UK equities (shares of companies), fixed interest securities (bonds), and cash, which meet the fund's predefined ethical criteria. Its ethical criteria means the fund may have a bias towards small and medium sized companies. In the six years before your target retirement year (the flexible target stage), we'll progressively move you into less risky investments. We'll also move part of your investment into cash in the final two years to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

We've committed to transitioning our default fund range to net-zero greenhouse gas emissions by 2050. Individual funds don't have net-zero targets. This fund will exclude or include investments based on responsible investment criteria. As investors move towards their target retirement date, the amount invested in these types of holdings will change as a part of that process. You can read more about this in the fund factsheet.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Ethical Managed (Flexible Target) (ARC)	1.5	12.8	0.1	4.1
Benchmark	2.7	7.5	4.5	4.0

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark made up of 50% FTSE All Share TR / 50% ABI Mixed Investment 20%-60% Shares sector average.

Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up and isn't guaranteed. Investors could get back less than they invest.

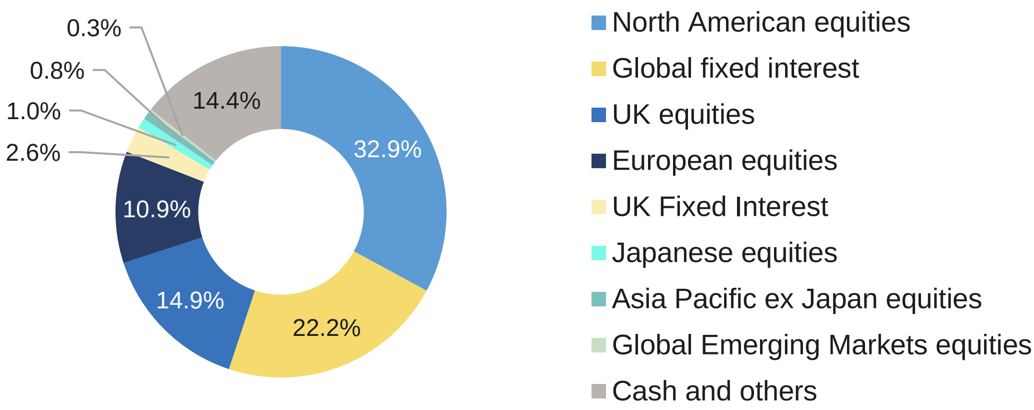
Annuity Target range

Universal Balanced Collection (Annuity Target) fund

This fund is aimed at those who intend to buy an annuity (a type of guaranteed pension) on retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing mainly in a well-diversified mix of international equities with the remainder in bonds and cash. It invests in a mix of different funds, from different fund managers, offering a mix of active and passive fund management, which means it doesn't rely on the performance of one manager or management style alone. In the six years before your target retirement year (the flexible target stage), we'll progressively move you into less risky investments. We'll also move part of your investment into cash in the final two years to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Universal Balanced Collection (Annuity Target) (ARC)	5.4	14.0	5.1	7.3
Benchmark	4.0	9.7	3.2	4.9

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against the ABI Mixed Investment 40%-85% Shares pension sector.

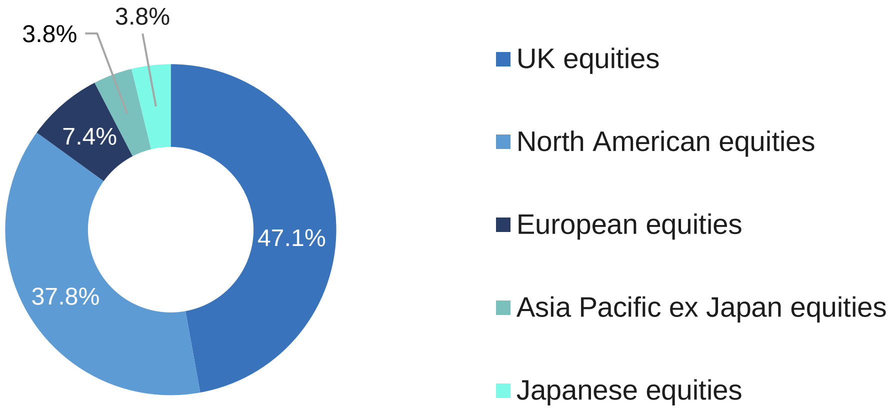
Past performance is not a reliable indicator of future performance. The value of an investment can go down as well as up and isn't guaranteed. Investors could get back less than they invest.

Aegon Adventurous Tracker (Annuity Target) fund

This fund is aimed at those who intend to buy an annuity (a type of guaranteed pension) on retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing in an equal mix of UK and international equities (company shares). It's designed to track the markets it invests in, so performance should be similar those markets. In the six years before your target retirement year (the annuity target stage), we'll progressively move you into investments (currently long gilts and cash) with the aim of giving you more certainty about the size of annuity (pension) you'll be able to buy when you retire and to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

We've committed to transitioning our default fund range to net-zero greenhouse gas emissions by 2050. Individual funds don't have net-zero targets. This fund will exclude or include investments based on responsible investment criteria. As investors move towards their target retirement date, the amount invested in these types of holdings will change as a part of that process. You can read more about this in the fund factsheet.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Adventurous Tracker (Annuity Target) (ARC)	6.4	16.5	9.8	9.5
Benchmark	6.7	15.6	10.1	9.4

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark made up of 50% FTSE All Share TR / 50% FTSE World ex UK TR.

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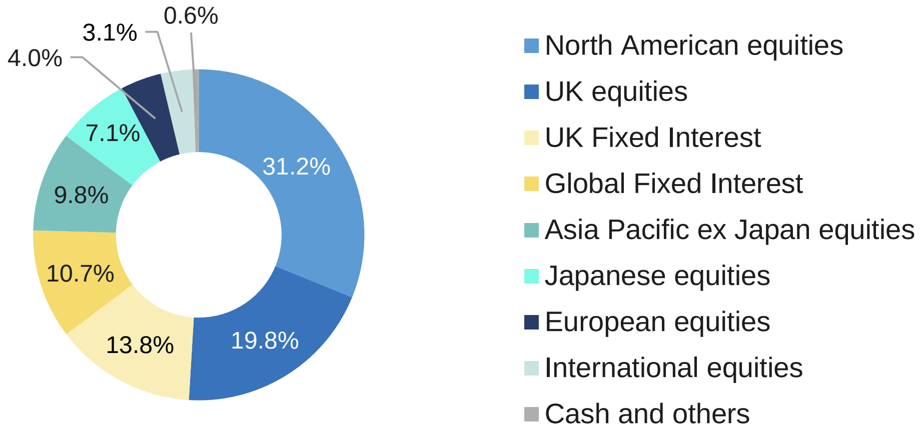
Aegon Growth Tracker (Annuity Target) fund

This fund is aimed at those who intend to buy an annuity (a type of guaranteed pension) on retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing mainly (generally at least 65%) in global equities (company shares) with the remainder in bonds (corporate and/or government bonds) and/or cash. It's designed to track the markets it invests in, so performance should be similar to those markets. In the six years before your target retirement year (the annuity target stage), we'll progressively move you into investments (currently long gilts and cash) with the aim of giving you more certainty about the size of annuity you'll be able to buy when you retire and to cater for your maximum tax-free cash entitlement, currently 25%. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

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How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Growth Tracker (Annuity Target) (ARC)	4.4	12.4	5.6	6.6
Benchmark	5.6	13.4	5.9	7.1

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark of the following indices and weights: 20% MSCI UK All Cap / 55% MSCI ACWI ex UK / 8% BBgBarc Sterling Gilts / 2% BBgBarc UK Govt Infl Lkd Bond Float adjusted / 10% BBgBarc Sterling NonGilts / 5% JPM GBI ex UK.

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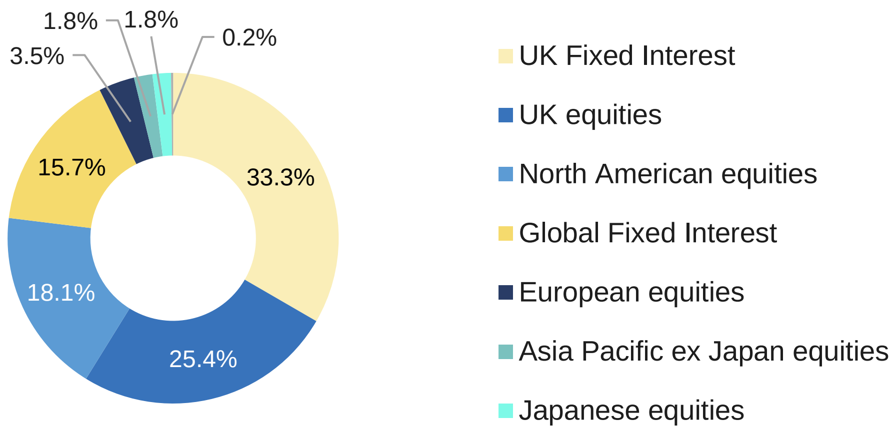
Aegon Balanced Tracker (Annuity Target) fund

This fund is aimed at those who intend to buy an annuity (a type of guaranteed pension) on retirement. It uses a two-stage investment process. In the early years (the growth stage) it aims to grow savings over the long term by investing in an equal mix of global equities (company shares) and UK bonds (a blend of UK corporate, UK index-linked and conventional government bonds). It's designed to track the markets it invests in, so performance should be similar to those markets. In the six years before your target retirement year (the annuity target stage), we'll progressively move you into investments (currently long gilts and cash) with the aim of giving you more certainty about the size of annuity (pension) you can buy when you retire and to cater for your maximum tax-free cash entitlement, currently 25% of your pension pot. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

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How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Balanced Tracker (Annuity Target) (ARC)	2.9	9.8	2.1	3.9
Benchmark	2.9	8.9	2.0	3.6

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark of the following indices and weights: 25% FTSE All Share TR / 25% FTSE World ex UK TR / 26.5% Markit iBoxx Non Gilts All Stocks GBP TR / 18% FTSE Gilts All Stocks GBP / 5.5% FTSE Index-linked Over 5 Years.

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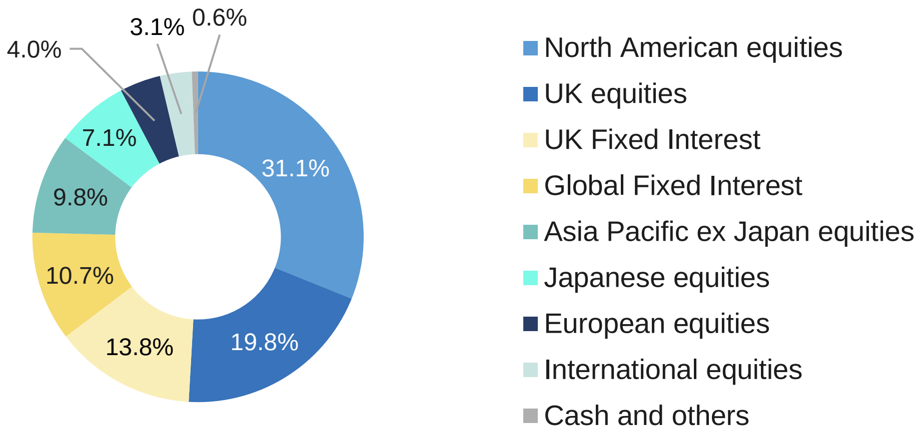
Cash Target

Aegon Growth Tracker (Cash Target) fund

This fund is aimed at those who plan to cash in their savings at retirement. It uses a two-stage investment process. In the early years (the growth stage), it aims to grow long-term savings by investing mainly (generally at least 65%) in global equities (company shares) with the remainder in bonds (corporate and/or government bonds) and/or cash. It's designed to track the markets it invests in, so performance should be similar to those markets. In the six years before your target retirement year (the cash target stage), we'll progressively move you into less risky investments and then into cash. On your selected retirement date, your fund will be 100% invested in cash. We review our workplace target funds regularly and may change them if we believe it's in the best interests of investors.

Where the fund invests

In the growth stage, the fund invests in a mix of investments designed to grow an investor's pension. The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

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How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Growth Tracker (Cash Target) (ARC)	4.4	12.4	5.6	6.5
Benchmark	5.6	13.4	5.9	7.1

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024. This fund is currently measured against a composite benchmark of the following indices and weights: 20% MSCI UK All Cap / 55% MSCI ACWI ex UK / 8% BBgBarc Sterling Gilts / 2% BBgBarc UK Govt Infl Lkd Bond Float adjusted / 10% BBgBarc Sterling NonGilts / 5% JPM GBI ex UK.

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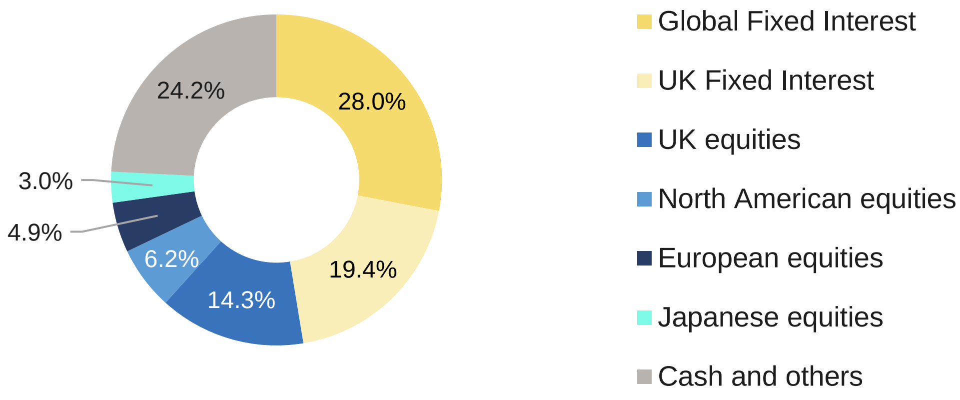
Interim Retirement Target range

Aegon Interim Retirement (Flexible Target) fund

This fund is designed for those invested in a Flexible Target fund who have reached their target retirement year but haven't yet taken their pension benefits. In their target retirement year, they will automatically be transferred into this fund. While investors decide how they want to take a retirement income, it aims to keep risk low and make sure they're not reliant on the success of just one investment type. It does this by investing in a mix of investments (company shares, bonds and cash) and countries. It's designed to track the markets it invests in, so performance should be similar to those markets. This fund is designed as a short-to-medium term investment.

Where the fund invests

The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

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How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Interim Retirement (Flexible Target) (ARC)	1.6	6.0	0.8	2.1

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

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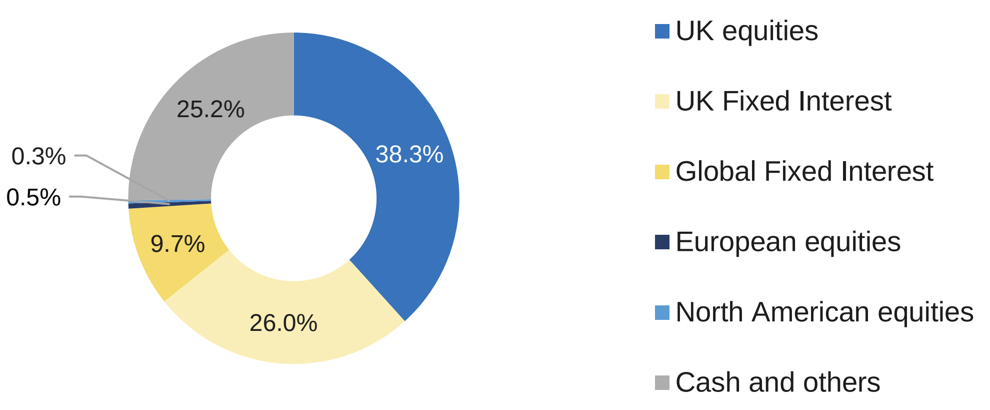
Aegon Interim Retirement (Ethical Target) fund

This fund is designed for investors in the Ethical Managed (Flexible Target) fund who have reached their target retirement year but haven't yet taken their benefits as planned. In their target retirement year investors are automatically transferred into this interim fund. While investors decide how they want to take a retirement income, it aims to keep risk low and make sure they're not reliant on the success of just one investment type. It does this by investing in a mix of investments (company shares, bonds and cash) that meet the fund's pre-defined ethical criteria. Its ethical criteria means the fund may have a bias towards small-and medium-sized companies. This fund is designed as a short-to-medium term investment.

Where the fund invests

The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Interim Retirement (Ethical Target) (ARC)	1.1	9.5	0.0	2.8

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

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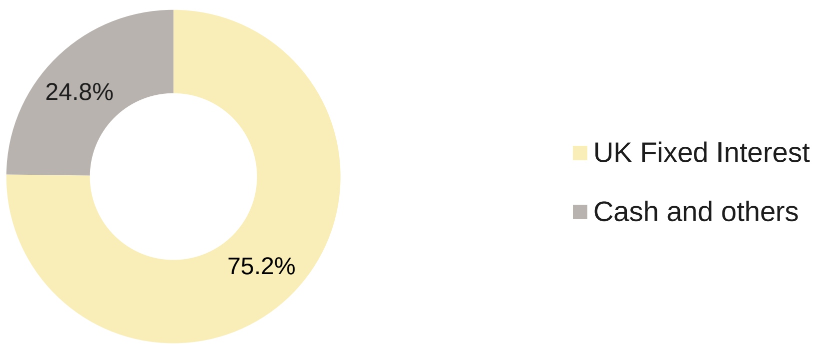
Aegon Interim Retirement (Annuity Target) fund

This fund is designed for those invested in an Annuity Target fund who have reached their target retirement year but have not yet bought an annuity (pension) as planned. In their target retirement year, they will automatically be transferred into this fund. It aims to help preserve the size of pension investors can buy through an annuity by investing 75% of the fund in long-dated UK government bonds (gilts). The remaining 25% of the fund is invested in cash, so investors can take the maximum tax-free cash lump sum they're entitled to when they retire, based on current legislation. This fund is designed as a short-to-medium term investment.

Where the fund invests

The chart below shows where the fund invested on 31 March 2024.



Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Interim Retirement (Annuity Target) (ARC)	-2.6	-2.2	-10.6	-5.5

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

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Aegon Interim Retirement (Cash Target) fund

This fund is designed for those invested in a Cash Target fund who have reached their target retirement year but have not yet cashed in their pension savings as planned. In their target retirement year, they will automatically be transferred into this fund. The fund aims to provide a return in line with money market interest rates, before charges, by investing in short-term, sterling denominated money market instruments such as bank deposits, certificates of deposit and short-term fixed interest securities. Like other funds in the ABI Deposit and Treasury sector, the fund can only invest in very short-term investments so the rates of return may be lower than for cash funds able to invest in riskier, longer-term cash securities. This fund is designed as a short-term investment.

Where the fund invests

The chart below shows where the fund invested on 31 March 2024.

Source: Aegon UK. These figures may not add up to exactly 100% due to rounding.

How has the fund performed?

Fund	3 months (%)	1 year (% a year)	3 years (% a year)	5 years (% a year)
Aegon Interim Retirement (Cash Target) (ARC)	1.2	5.1	2.5	1.7

Source: FE fundinfo. Produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 31 March 2024.

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Fund Governance

Our mission is to provide a lifetime of financial security for our customers. A big part of that is aiming to ensure that our funds meet your expectations. That's why fund governance is one of the most important things we do on behalf of investors. It is underpinned by our Funds Promise:

- We aim to offer high quality funds which meet their objectives.
- We monitor funds to check if they perform as expected.

Funds Promise

- We take action if funds don't meet expectations.
- We give you the facts you need to make decisions.
- Find out more about our fund governance process on our website.

For risks associated with each fund, please view the fund fact sheet via the 'Fund prices and information' page on our website and selecting 'Aegon Retirement Choices (ARC)'.

Our Funds Promise applies to insured funds available to UK investors. These funds typically have a name starting with 'Aegon' or 'Scottish Equitable'. This includes all the funds in the Workplace Target range.

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