



For members

Your investment options

Aegon Master Trust Drawdown





Welcome – you've already taken a big step towards the retirement you want by opening an Aegon Master Trust Drawdown Account. Now it's time to choose where to invest your retirement savings. This guide aims to help you make an informed choice.

Contents

- 4 Why your investment options matter
- 5 Pros and cons of staying invested
- 6 What to think about when choosing investments
- 8 Making your choice more manageable
- 9 Aegon LifePath Flexi
- 10 Self-select range
- 11 Help choosing funds
- 12 Finding your investment information online
- 13 Working out your risk level
- 14 Other sources of help

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit [**aegon.co.uk/support/additional-support**](http://aegon.co.uk/support/additional-support) or call 0345 601 7721 (call charges will vary).

Important information

The trustees of the Aegon Master Trust have appointed us (Aegon) to administer the Scheme on their behalf. They've asked us to write and produce this communication. When we refer to we, us and our we're referring to Aegon.

Please read this in conjunction with your Aegon Master Trust member guide, which you'll find in your personal document store online when you sign into [**aegon.co.uk/targetplan**](http://aegon.co.uk/targetplan).

Why your investment options matter

Choosing where to invest your retirement savings is one of the most important decisions you'll make, especially as you get close to retirement.

You have three options available, on how you want to take retirement benefits. You can:

- Stay invested and maybe take an income from your savings
- Buy an annuity (which is a guaranteed income)
- Take a cash lump sum

Or you can do a combination of all three. All options are taxed as earned income, apart from any tax-free cash entitlement.

Whichever option you intend to choose, it's important that the investment funds you select are appropriate.

You should speak to a financial adviser in the first instance if you need advice about your investments. If you don't have a financial adviser, you can find one in your area by visiting [**moneyhelper.org.uk/choosing-a-financial-adviser**](http://moneyhelper.org.uk/choosing-a-financial-adviser), or find out more about advice services supported by Aegon by visiting [**aegon.co.uk/origen**](http://aegon.co.uk/origen).

Origen Financial Services Ltd, is wholly owned by Aegon UK plc but operates independently to us.

Important information

The value of an investment, and any income you take from it, can fall as well as rise and isn't guaranteed. You could get back less than has been paid in.

Pros and cons of staying invested



Pros

- ✓ More time for your money to potentially grow, so possibility of higher income in retirement
- ✓ Keep control of your money - you choose where to invest and how much income or cash to take
- ✓ Keep your options open - you're still free to buy an annuity or take cash
- ✓ Better manage your tax liability by taking more or less income or cash year to year



Cons

- ✗ Your savings could fall in value meaning you end up with less than you invested
- ✗ If you take too much income or cash, you could run out of money too soon, especially if your savings don't grow enough to sustain the level of income you've chosen
- ✗ Your income isn't guaranteed like an annuity
- ✗ It's harder work - you still have the responsibility to monitor your investments and manage your income and tax liability

The tax information is based on our understanding of current taxation law and HM Revenue & Customs (HMRC) practice, which may change.

What to think about when choosing investments



If you decide to stay invested, the decision about which fund or funds to invest in will depend on lots of things, including:

- The amount of income you need - you may want to pace yourself by not taking too much income early on
- How long you anticipate drawing income for - if you've retired relatively young, you may want to think about budgeting so that your money lasts longer
- Other investments and sources of income you have - if you have other sources of income, you may feel you can take a higher cash lump sum or income from your account, but if this is your main source of income, you may want to be more conservative with your withdrawals
- The cash lump sum you take - you can take some or all of your pension pot as cash, but remember you still need an income to live on
- You'll be taxed at your marginal rate on anything above the tax-free lump sum you take, which could be up to 25% of your pension pot. This is based on our understanding of current taxation law and HMRC practice, which may change
- Your attitude to risk - generally speaking, higher-risk investments have a greater potential for long-term growth than lower-risk investments, but also have a greater chance of falling in value and by greater amounts. Investing is about choosing a balance that works for you

- Where you invest your savings - at Aegon, we're committed to responsible investment and believe that the way we invest your savings can make a meaningful difference, both to your financial future and the world we live in. Investing in well-governed companies that monitor and manage their environmental and social impacts well, may help contribute to better long-term growth potential for your savings.
For more information go to our responsible investing hub at [**aegon.co.uk/investment-choices/responsible-investing**](http://aegon.co.uk/investment-choices/responsible-investing)



Making your choice more manageable

We've broken down your investment options to make it easier.



Aegon LifePath Flexi

If you find it difficult to choose, our core fund, the Aegon LifePath Flexi fund, is specifically designed for those who want to stay invested and take an income from their savings when they want it.

Self-select range

If you have the time and experience to build your own portfolio - either on your own or with a financial adviser - then you can choose from the self-select range of 28 funds.

Important information

The trustees of the Aegon Master Trust can't give advice or recommendations that the Aegon LifePath Flexi fund, or any other fund, is right for you. You should speak to a financial adviser in the first instance if you need advice about your investments. There's likely to be a charge for this. If you don't have a financial adviser, you can find one in your area by visiting [**moneyhelper.org.uk/choosing-a-financial-adviser**](http://moneyhelper.org.uk/choosing-a-financial-adviser), or find out more about advice services supported by Aegon by visiting [**aegon.co.uk/origen**](http://aegon.co.uk/origen).

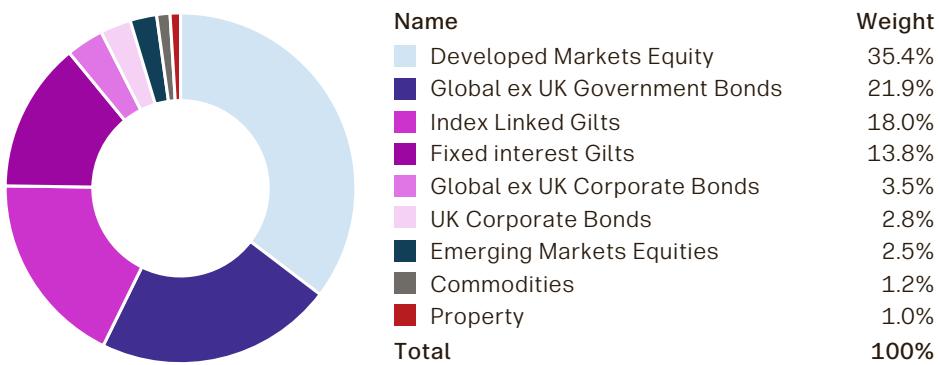
Origen Financial Services Ltd is wholly owned by Aegon UK plc but operates independently to us.

Aegon LifePath Flexi

The Aegon LifePath Flexi fund is designed for members who want to keep their savings invested in retirement and take an income flexibly. This is commonly referred to as income drawdown.

At your target retirement age, the fund will invest approximately 60% of your savings in bonds (loans to governments and companies) which are typically considered to be lower risk investments. The remaining 40% will be invested in global equities (company shares) which typically offer higher growth potential, though important to note that they are also more likely to experience sharper falls as well as rises in value in the short term. The fund will remain invested this way throughout the rest of your retirement.

The value of your savings and any income isn't guaranteed and may fall as well as rise in value. You could run out of money.



Information provided is correct as at 30 June 2025. Investment mix breakdown shown is for illustrative purposes and is subject to change. Please refer to the fund factsheet for the latest information including the fund objective, performance, asset allocation and risk profile.

Self-select range

If you're a confident investor or already have a financial adviser, you can sign in to your online pension account at aegon.co.uk/targetplan to see the full self-select range.

This range is chosen by the trustees in conjunction with investment experts, Isio. It includes funds investing in different types of investment (asset classes) - equities, bonds, cash and commercial property - from all over the world. Or you may find it easier to invest in one of our multi-asset funds - they invest in a ready-made mix of asset classes.

You also have a choice of funds with a responsible and sustainable focus as well as a Shariah fund, allowing you to build a portfolio that fits with your investment goals and your values. To find out more about what responsible investing means and how you can invest for a sustainable future, go to our responsible investing hub at [**aegon.co.uk/investment-choices/responsible-investing**](http://aegon.co.uk/investment-choices/responsible-investing)

Be sure to read the fund factsheet for details of where each fund invests and its risk profile before deciding.

Help choosing funds

There's lots of support in the Help and Support section at aegon.co.uk/targetplan. This includes helpful tips on what to think about when choosing investment funds, information about the trade-off between investment risk and growth potential, and things you might want to consider if you're approaching retirement.

Charges

Each fund has an annual management charge (AMC), that covers the cost of managing the investments of the fund, managing the funds and administering your retirement savings. It's a fixed percentage based on the fund value. Some funds may also have additional expenses that are paid in addition to the AMC. These include things like fees paid to the trustee/depository, custodian, auditors and registrar and are reviewed yearly and may change. The total fund charge is the sum of the AMC and any additional expenses that apply.

You'll find the charges on your fund list online by going to **View and manage** from your dashboard and selecting **Fund information** under **More options**.

Charges are deducted from the investments directly so the latest valuation for your total investments on your dashboard is the figure after they've been deducted.

We may vary these charges. If we do, we'll let you know.

Finding your investment information online

Your online services allow you to:

- ✓ See what you're currently invested in
- ✓ Find out more about the investment funds available to you
- ✓ Change your investment fund (known as switching)

Sign in to your TargetPlan account and from your dashboard select **View and manage** – this will take you to your pension summary page so you can:

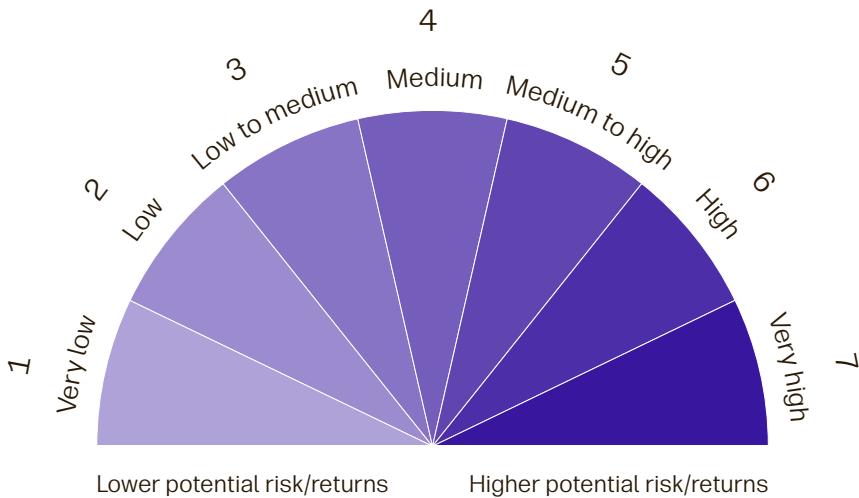
- See your current investments - these are towards the bottom of the page in the section titled **Your investment allocation**
- Find fund information - including details of charges and links to fund factsheets
- Switch investment funds - select the **Switch funds** button under your plan value or at the bottom of the page.



Working out your risk level

It's important you're comfortable with the level of risk you're taking. Generally, the more risk a fund takes, the greater its potential for growth over the long term, but the greater the chance it will fall in value, and by greater amounts. Less risky funds tend to have lower growth potential, but also tend to fluctuate less in value – although they can still fall in value.

To help you, all your funds have been given a relative risk profile which you'll find on the fund factsheets. These range from 1 – Very low to 7 – Very high, as shown below:



These risk profiles only apply to investment funds available via TargetPlan. Other risk ratings – from Aegon or other providers – aren't comparable. Ratings are reviewed regularly and can change.

Risk questionnaire

To help you decide your risk level, you can use the investment risk questionnaire available at aegon.co.uk/targetplan by going to **View and manage** and selecting **More options**.

But other things like how long you're investing for, how much you need to live on in retirement, and other investments you have, will also affect your investment fund choices.

Remember to review your choices regularly as your attitude to risk or personal circumstances may change.

Other sources of help

Picking a suitable investment fund depends on your own circumstances, so if you're in any doubt, you can get help online at MoneyHelper. Money Helper offers general, impartial and free information and guidance on pensions and retirement.

Or you can speak to a financial adviser. If you don't have a financial adviser, you can find one in your area by visiting moneyhelper.org.uk/choosing-a-financial-adviser, or find out more about advice services supported by Aegon by visiting aegon.co.uk/origen.

Origen Financial Services Ltd, is wholly owned by Aegon UK plc but operates independently to us.



Want to know more?

 0345 601 7721

 my.pension@aegon.co.uk

 lwp.aegon.co.uk/targetplan

Call charges will vary.

Our email system and the way we deal with data internally is secure. However, we're unable to ensure the security of emails before they reach us.

Please consider this and do not include any personally sensitive, financial or banking information that has not been appropriately secured. You may be able to sign in to our online services and complete your action securely.

aegon.co.uk  @aegonuk  Aegon UK

Aegon is a brand name of Scottish Equitable plc, authorised to carry out contracts of insurance used by the Aegon Master Trust. Scottish Equitable plc is also the appointed administrator of the Aegon Master Trust by its trustees. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 165548. Registered office: Edinburgh Park, Edinburgh, EH12 9SE Registered in Scotland (No. SC144517). © 2025 Aegon UK plc.

The Aegon Master Trust is authorised and regulated by The Pensions Regulator.

WP381631 07/25

