



For adviser and employer use only

# Workplace Target fund range performance report

**Covering quarter three 2025**

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**This communication is for financial advisers, scheme trustees and employers only. It mustn't be distributed to, or relied on, 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 unless otherwise stated.



# Fund news

## Changes to Universal Balanced Collection (UBC)

At the start of November 2024, we made some changes to the UBC. The changes will happen in two stages. During stage one, in line with the fund objective, we removed some funds from the UBC and changed some of the other funds that the UBC invests in. We expect stage two to happen around the second half of 2025 and we'll be communicating this nearer the time.

### Why we're making these changes

We're making these changes to help the UBC meet its objectives and target improved outcomes for our customers. The changes aim to improve returns, increase diversification, enhance how Environmental, Social and Governance (ESG) considerations are used, and provide access to investment opportunities such as private markets. However, there's no guarantee the funds will meet their objectives. The value of an investment can fall as well as rise and isn't guaranteed.

[You can read more information about this on our fund updates page.](#)

Source: Aegon UK

## Changes to Aegon's MI Workplace Savings fund range

On 5 November 2024, we made some changes to Aegon's MI Workplace Savings fund range. The underlying fund manager BlackRock closed the underlying investments the fund range uses. As a result, the fund range is no longer included in this report.

[Read more information about this on our fund updates page.](#)

Source: Aegon UK

# 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 2024, we reduced our workplace default funds' carbon footprint by 40% for scope 1 and 2 emissions\* for listed equity and corporate fixed income.\*\*

Our short-term targets include:

- Reducing our default funds' footprint by 14% between 2023 and 2026.
- Reducing our default funds' footprint by another 14% between 2027-2030.
- 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 2024. 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 operational net-zero commitment covers our scope 1 and 2 emissions.

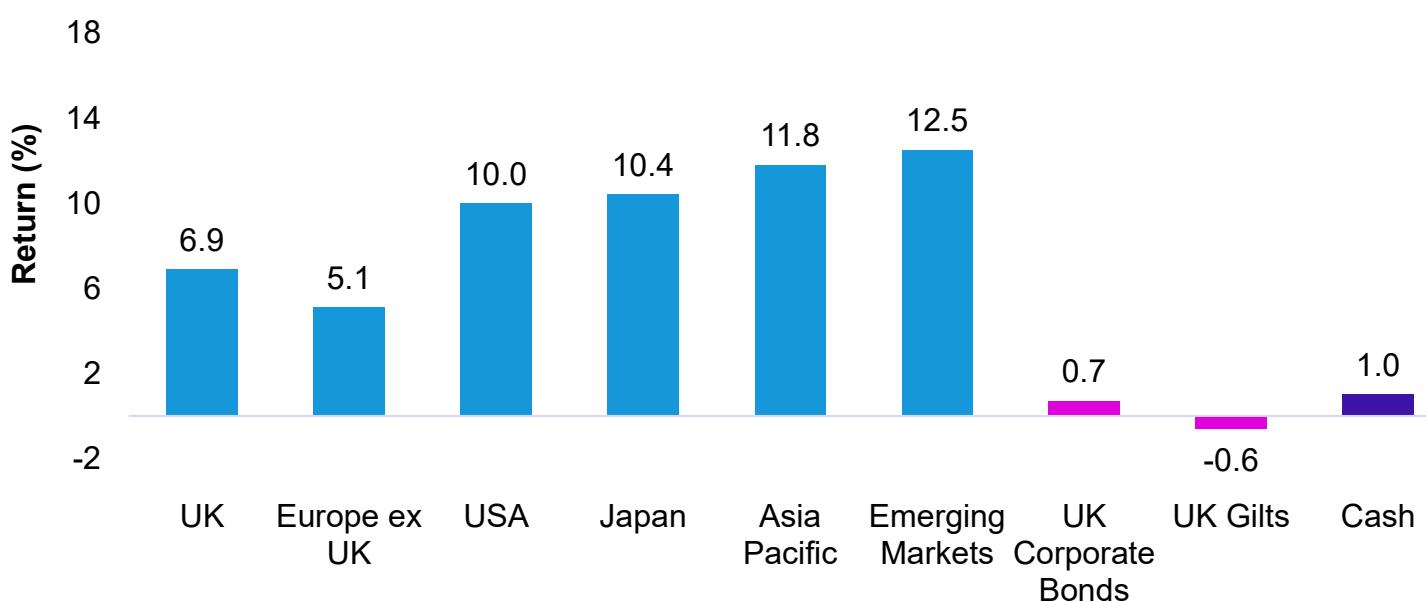
\*\*Our target setting and methodologies are guided by the Paris Aligned Investment Initiative Net Zero Investment Framework 1.0. We monitor them annually and review them at least every two years. The targets might change as new data and information become available. Short- and medium-term emissions 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 three 2025

Most global equity markets rose during the third quarter of 2025, buoyed by signs of US policy support as US President Donald Trump's tax-cutting 'One Big Beautiful Bill Act' was signed into law early in the period. **Emerging Markets** equities were positive over Q3, closely followed by **Asia Pacific** equities as the Chinese market outperformed, supported by an extended trade truce with the US. **Japanese** equities were also positive despite the resignation of Prime Minister Shigeru Ishiba. Ongoing optimism around Artificial Intelligence (AI) boosted the US market with **US** equities positive over the period. **UK** and **European** equities were positive but hampered slightly by more negative earnings forecasts and signs of renewed political risks in France and the UK.

**Fixed Income** was muted over the quarter. **UK corporate bonds** were positive, but **UK government bonds** (gilts) were negative over the period as although the Bank of England (BoE) cut interest rates in August, they were unwilling to commit to cut interest rates further amid signs of rising inflation. **Cash** returns were positive.



## Investment Index

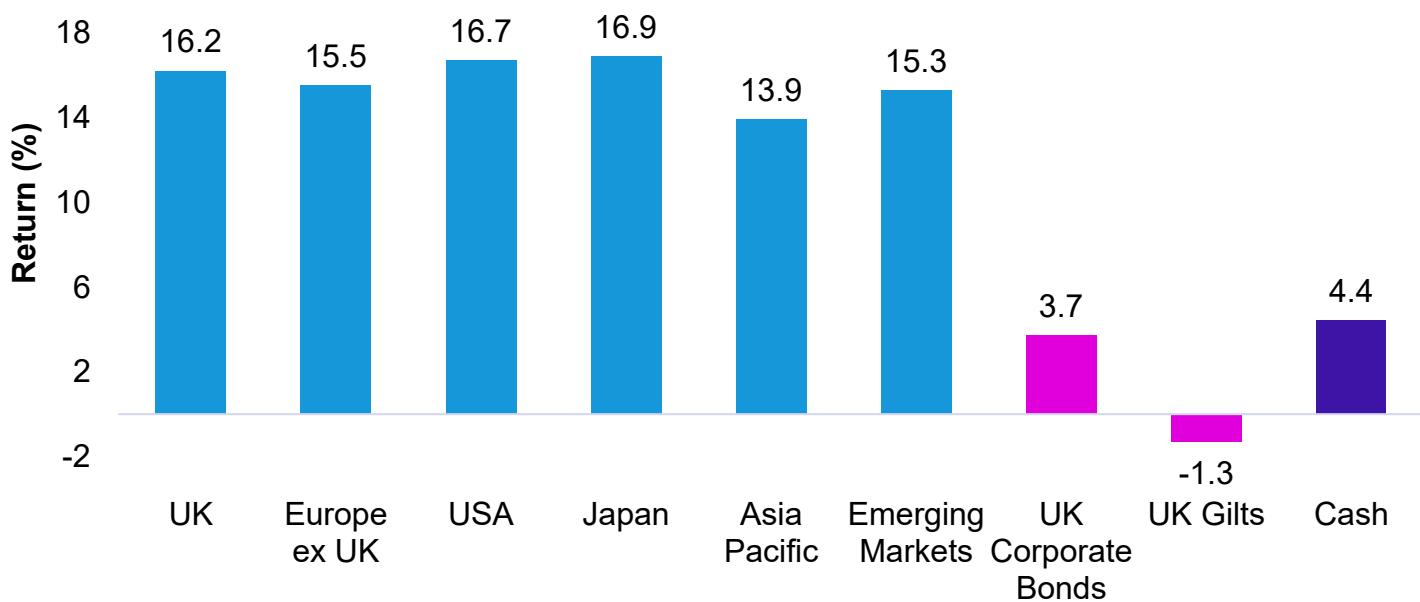
- UK equities - FTSE All Share TR in GBP
- Europe ex UK equities - FTSE World Europe ex UK GTR in GBP
- US equities - S&P 500 TR in GBP
- Japanese equities - TSE TOPIX TR in GBP
- Asia Pacific equities - FTSE Asia Pacific ex Japan GTR in GBP
- Emerging Markets equities - FTSE Emerging GTR in GBP
- UK Corporate Bonds equities - IBOXX UK Sterling Non-Gilts All Maturities TR in GBP
- UK Gilts - FTSE Actuaries UK Conventional Gilts All Stocks TR in GBP
- Cash - SONIA

Source: FE fundinfo, produced by Aegon. Charts compiled using total return indices to 30 September 2025. Figures in sterling so include the effect of currency fluctuations. Past performance isn't a reliable guide to future performance.

## Major market performance over 12 months

All major equity regions posted strong returns over the year in sterling terms, despite market turmoil following the US tariff announcements in April 2025. AI optimism boosted all markets, most notably China, where companies benefiting from AI performed strongly. **Japan** led performance despite the uncertainty following US tariff announcements, closely followed by **US** equities which benefitted from a strong end to 2024, supported by President Donald Trump's re-election in November. **UK** equities performed well, as did **European** equities where a consensus emerged in the region to stimulate the economy by increasing investment in infrastructure and defence. Equities across **Emerging Markets** and **Asia Pacific** regions performed positively despite anxiety surrounding US trade policy since April.

**Fixed Income** saw mixed returns over the period, with **UK corporate bonds** performing positively. Government bonds globally delivered lower returns as increasing debt in both North America and Europe saw yields remain high; performance for **UK government bonds** (gilts) was negative. When bond yields rise, prices tend to fall and vice versa. **Cash** performed positively over the period.



### Investment Index

- UK equities - FTSE All Share TR in GBP
- Europe ex UK equities - FTSE World Europe ex UK GTR in GBP
- US equities - S&P 500 TR in GBP
- Japanese equities - TSE TOPIX TR in GBP
- Asia Pacific equities - FTSE Asia Pacific ex Japan GTR in GBP
- Emerging Markets equities - FTSE Emerging GTR in GBP
- UK Corporate Bonds equities - IBOXX UK Sterling Non-Gilts All Maturities TR in GBP
- UK Gilts - FTSE Actuaries UK Conventional Gilts All Stocks TR in GBP
- Cash - SONIA

Source: FE fundinfo, produced by Aegon. Charts compiled using total return indices to 30 September 2025. Figures in sterling so include the effect of currency fluctuations. Past performance isn't a reliable guide to future performance.

## Key events in the major markets over quarter three



In the **UK**, data released over the quarter showed UK economic growth had slowed to 0.3% over Q2 2025, with forecasts of slower growth in the second half of the year. Consumer price inflation (CPI) rose by 3.8% in the 12 months to August, unchanged since July but still above the 2% target set by the BoE. The unemployment rate increased to 4.7%, hitting a four-year high. In a split decision, the BoE reduced interest rates to 4% from 4.25% in its August meeting and held at that rate in September.



In the **US**, data released over Q2 2025 showed that the economy had grown at an annual rate of 3.8% over the period, the strongest performance for the region since Q3 2023. The preferred measure of inflation for the Federal Reserve (the central bank), the Personal Consumption Expenditures (PCE) Index, increased to 2.9% in July and remained at this rate in August. The Federal Reserve cut interest rates from 4.25% - 4.50% to 4.0% - 4.25% in September. Following a 90-day pause, tariffs were reinstated globally in July. The end of the quarter was overshadowed by fears of a potential US government shutdown, which would be the first in seven years.



In **Europe**, data released over the period showed the economy had grown by 0.1% during Q2 2025, a slowdown from the first quarter. Inflation in the Euro area remained at 2% in August, in line with the central bank's target. Europe's largest economy, Germany, shrank by 0.3% in Q2 2025 on the back of US tariffs slowing exports, with increases in infrastructure and defence spending taking time to materialise. France experienced continued political and economic turmoil following the resignation of Prime Minister François Bayrou, who stepped down after failing to pass a budget aimed at reducing the country's deficit.



In **Japan**, the release of Q2 2025 data showed growth had increased to an annualised rate of 2.2%. The Bank of Japan opted to hold interest rates at a multi-year high of 0.5% and inflation eased to 2.7% for the 12 months to August. Prime Minister Shigeru Ishiba resigned in September following elections which saw the governing LDP-Komeito coalition lose its majority.



The **Asia Pacific** region had a positive quarter with China as the strongest performing market, led by the global AI boom and government announcements of further stimulus to support consumers. AI also had a positive impact on the technology driven Taiwanese market. South Korea had a strong quarter on the back of renewed optimism about corporate reforms, the scrapping of a proposed change to capital gains tax and exposure to the global technology rally.



**Emerging Markets** had a strong quarter, with the South African market performing well due to the physical gold rally and hopes of interest rate cuts in the US supporting businesses. Brazil also had positive market performance supported by domestically focused stocks, despite the US levying a 50% tariff on the country. In contrast, the Indian market suffered losses following the imposition of high US tariffs.



In **Fixed Income**, government bond yields varied in the UK and the US, with UK yields more volatile over Q3 but ending higher, as inflation increased and concerns mounted ahead of the autumn budget. In contrast, US yields ended just below where they started as more interest rate cuts were expected by markets. UK government bonds (gilts) therefore provided a negative return while high-yield corporate bonds outperformed investment-grade bonds in line with a stronger performance in riskier assets.

# 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% mainly long gilts and other types of fixed interest, 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
<b>Balanced Tracker (0.05%)</b>	✓	✓	
<b>Growth Tracker (0.06%)</b>	✓	✓	✓
<b>Adventurous Tracker (0.05%)</b>	✓	✓	
<b>Universal Balanced Collection (0.11%)</b>	✓	✓	
<b>Ethical Managed (0.39%)</b>	✓		

Fund charge as at 30 September 2025, a platform charge will also apply.

The strategies are primarily designed for those workplace investors who don't make an active investment choice or receive advice. Schemes can also use our in-house default fund (see page 12).

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

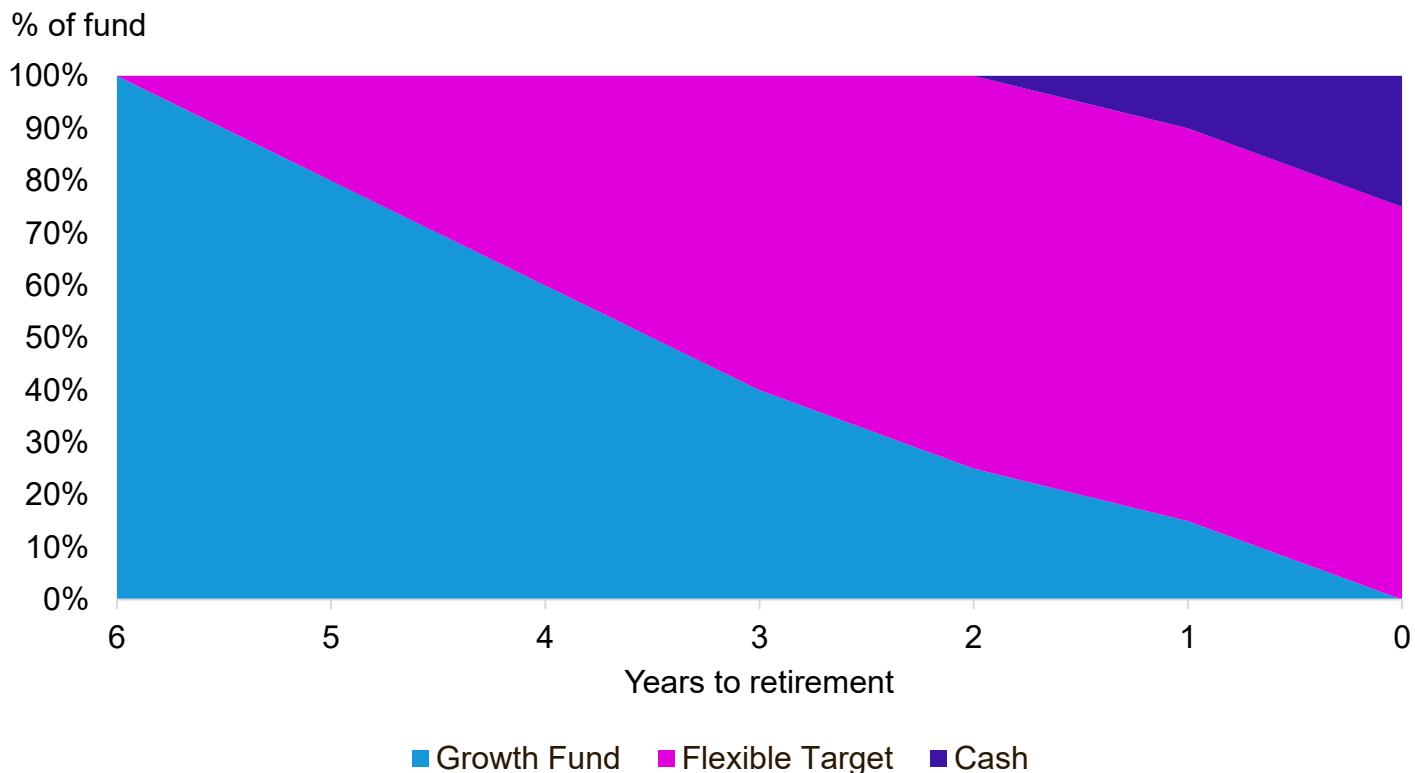
For more information, please see our website at [aegon.co.uk/employer](http://aegon.co.uk/employer)

# 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

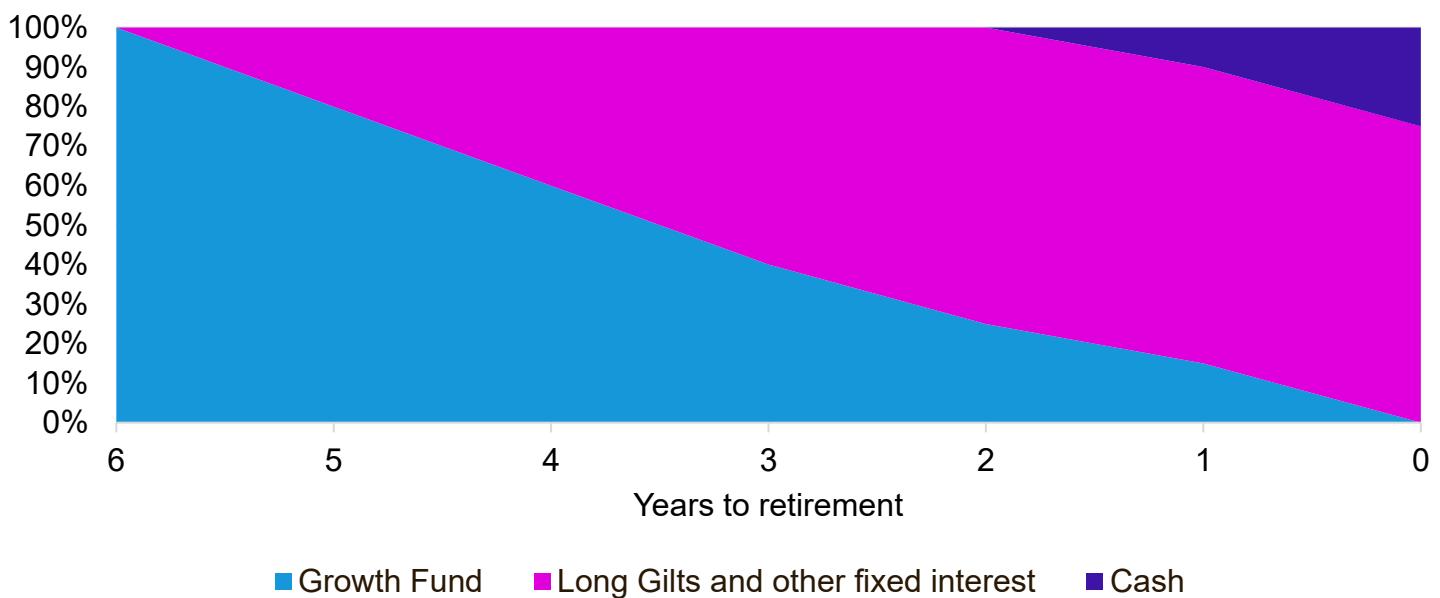
In the six years before the investor's target retirement year (the Flexible Target stage), we'll progressively move them into less risky investments. We'll also move part of their investment into a cash fund in the final two years to cater for their maximum tax-free cash entitlement, currently 25% of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

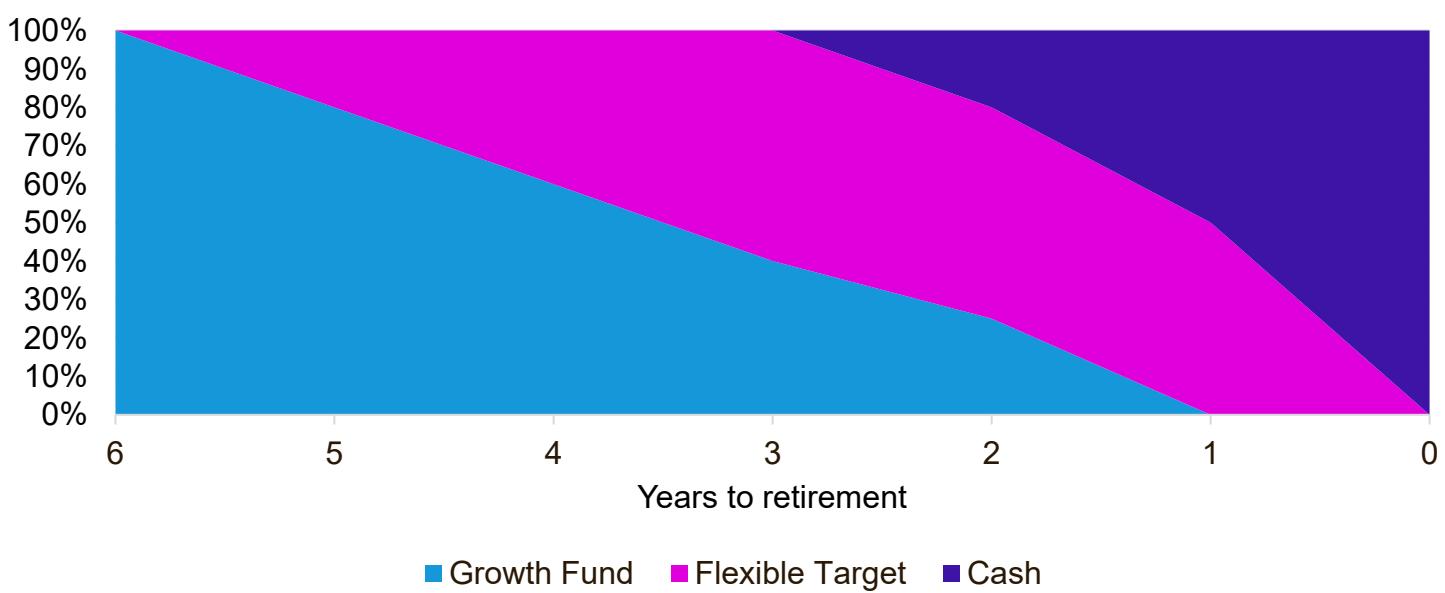
% of fund



## 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.

% of fund



# In-house default fund

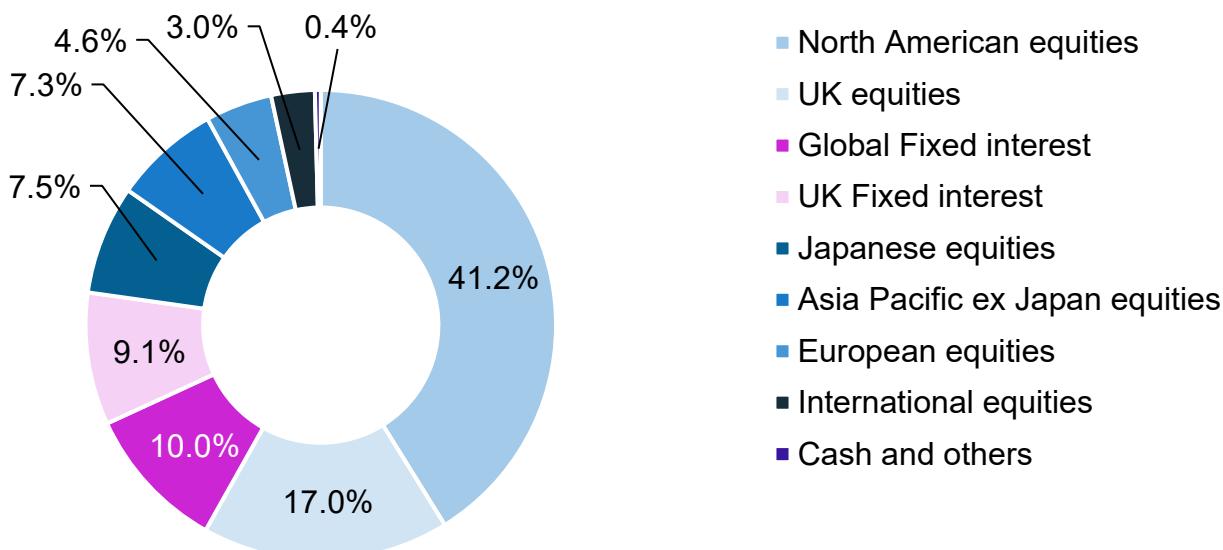
## Aegon Workplace Default (ARC)

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 30 September 2025.



- North American equities
- UK equities
- Global Fixed interest
- UK Fixed interest
- Japanese equities
- Asia Pacific ex Japan equities
- European equities
- International equities
- Cash and others

Source: FE fundinfo produced by Aegon

The 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)	6.4	11.2	10.7	8.3

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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.

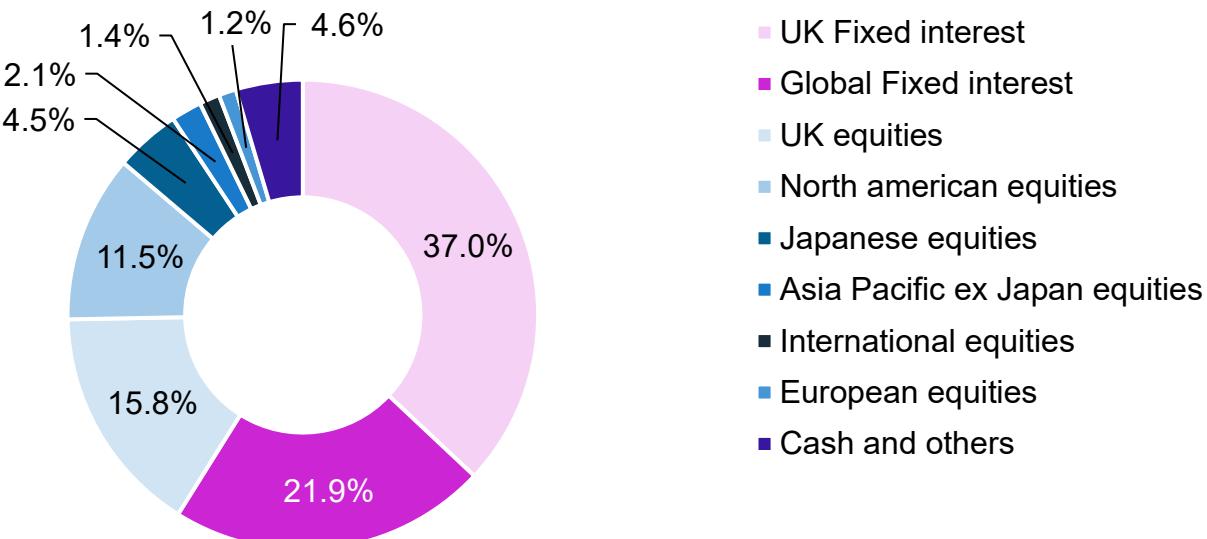
## Aegon Workplace Default Retirement (ARC)

This fund is designed for those invested in the Aegon Workplace Default fund who have reached their target retirement year and intend 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 30 September 2025.



Source: FE fundinfo produced by Aegon

The 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)	2.6	5.4	6.3	2.4

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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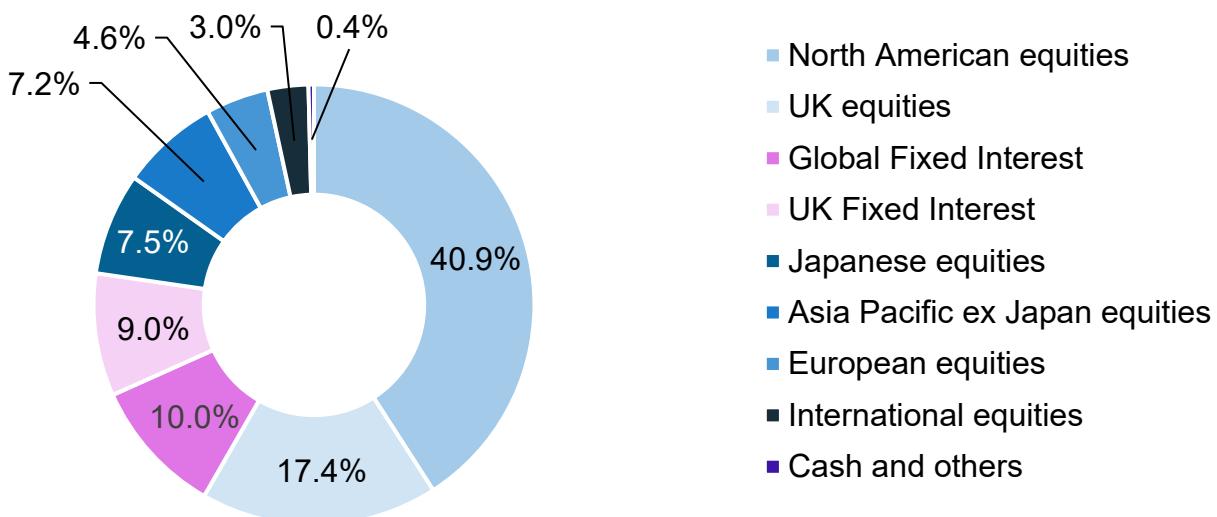
## Aegon Default Equity & Bond Lifestyle (ARC)

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 Annuity Target (previously 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 30 September 2025.



- North American equities
- UK equities
- Global Fixed Interest
- UK Fixed Interest
- Japanese equities
- Asia Pacific ex Japan equities
- European equities
- International equities
- Cash and others

Source: FE fundinfo produced by Aegon  
The 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)	6.6	11.4	10.7	8.3

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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# Flexible Target Range

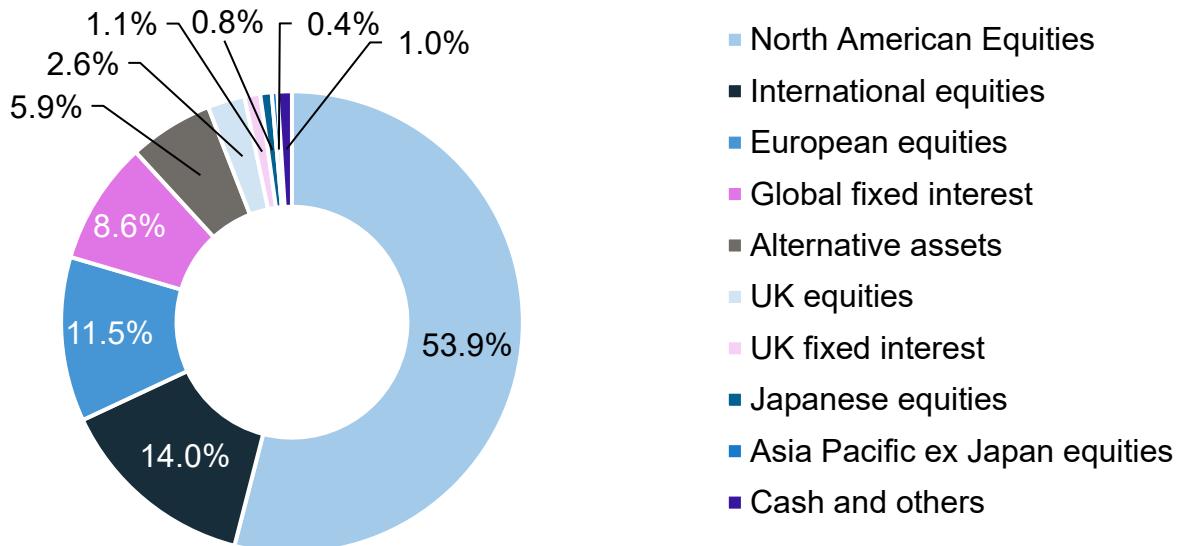
## Universal Balanced Collection (Flexible Target) fund

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 30 September 2025.



- North American Equities
- International equities
- European equities
- Global fixed interest
- Alternative assets
- UK equities
- UK fixed interest
- Japanese equities
- Asia Pacific ex Japan equities
- Cash and others

Source: FE fundinfo, produced by Aegon.

The figures above 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)	8.5	14.8	13.4	8.9
Benchmark	5.2	9.3	9.1	6.2

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. This fund is currently measured against the ABI Mixed Investment 40-85% Shares pension sector.

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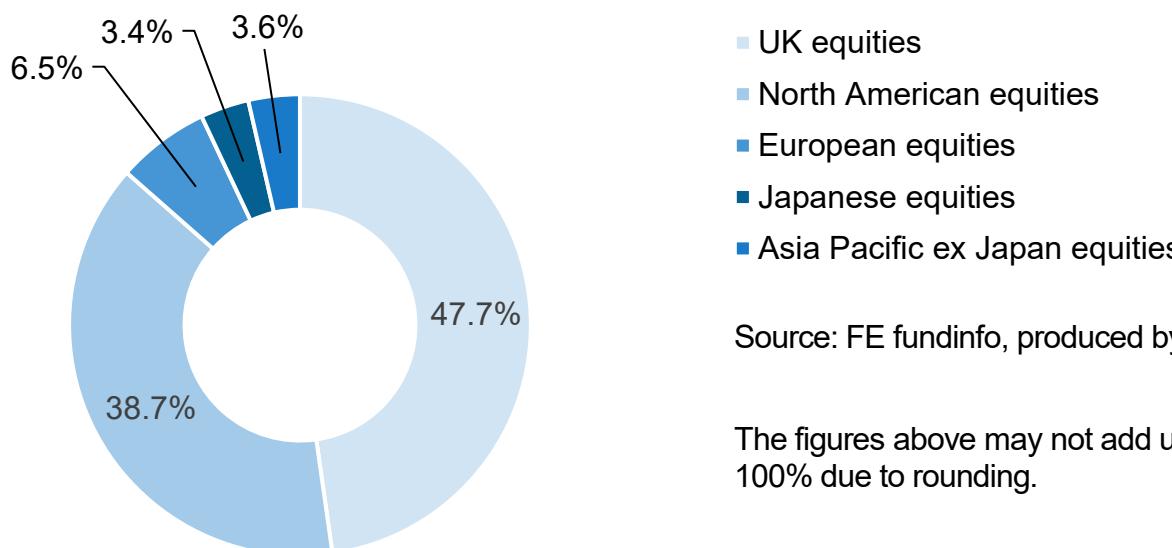
## Aegon Adventurous Tracker (Flexible Target) fund

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 30 September 2025.



The figures above 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)	7.1	15.1	14.8	12.9
Benchmark	8.3	17.1	15.8	13.5

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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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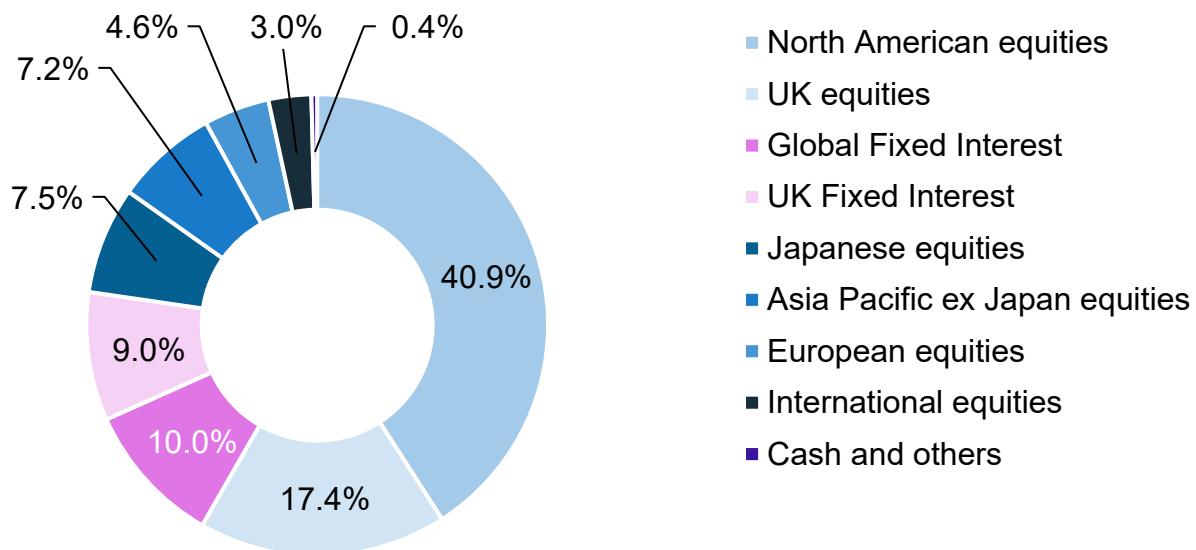
## Aegon Growth Tracker (Flexible Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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 Growth Tracker (Flexible Target) (ARC)	6.6	11.4	10.7	8.3
Benchmark	6.7	12.5	12.0	8.5

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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.

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.

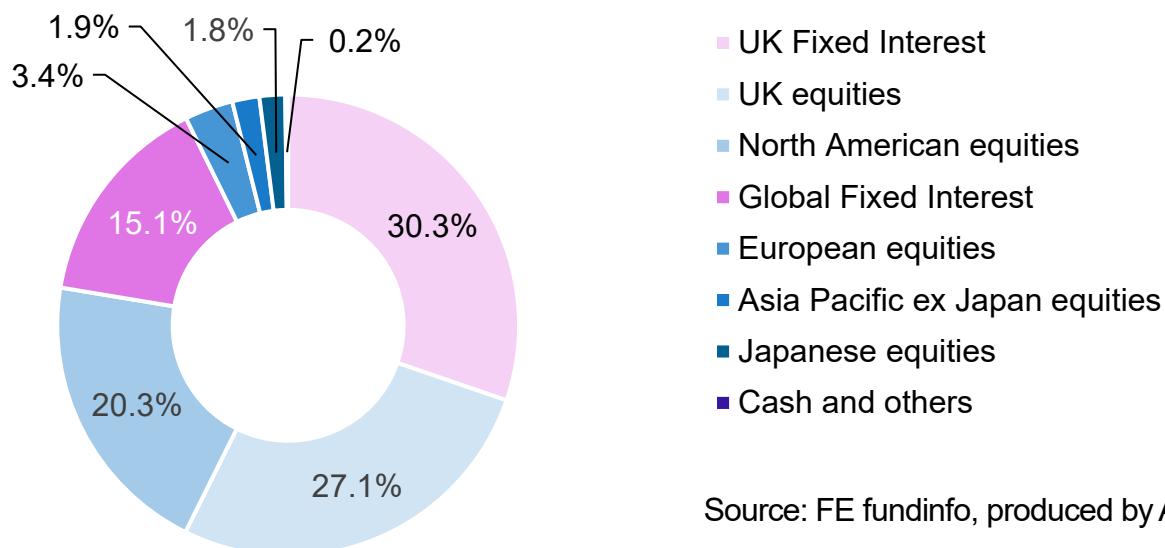
## Aegon Balanced Tracker (Flexible Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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)	3.8	8.1	9.4	4.6
Benchmark	4.1	8.5	9.4	4.6

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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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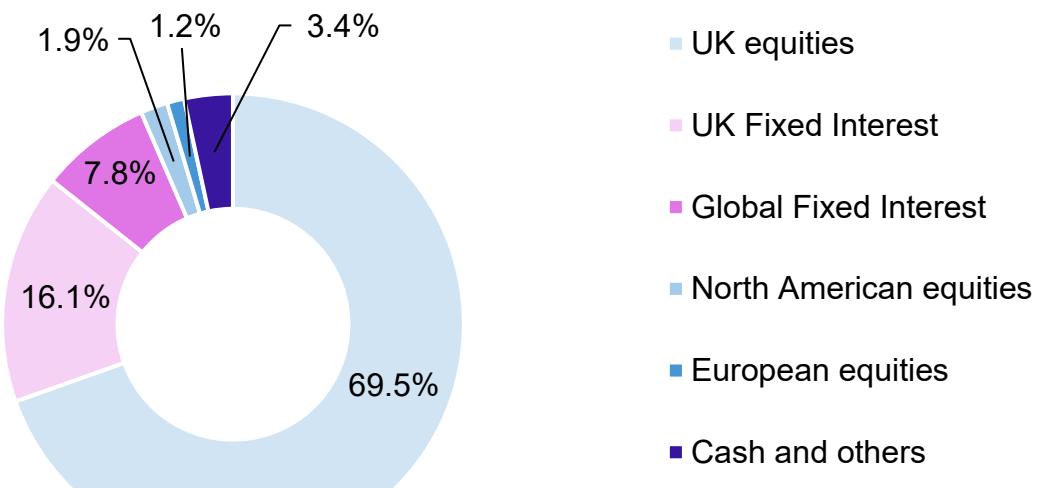
## Ethical Managed (Flexible Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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)	-0.5	0.8	10.3	4.2
Benchmark	5.2	11.3	11.0	8.4

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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.

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# Annuity Target Range

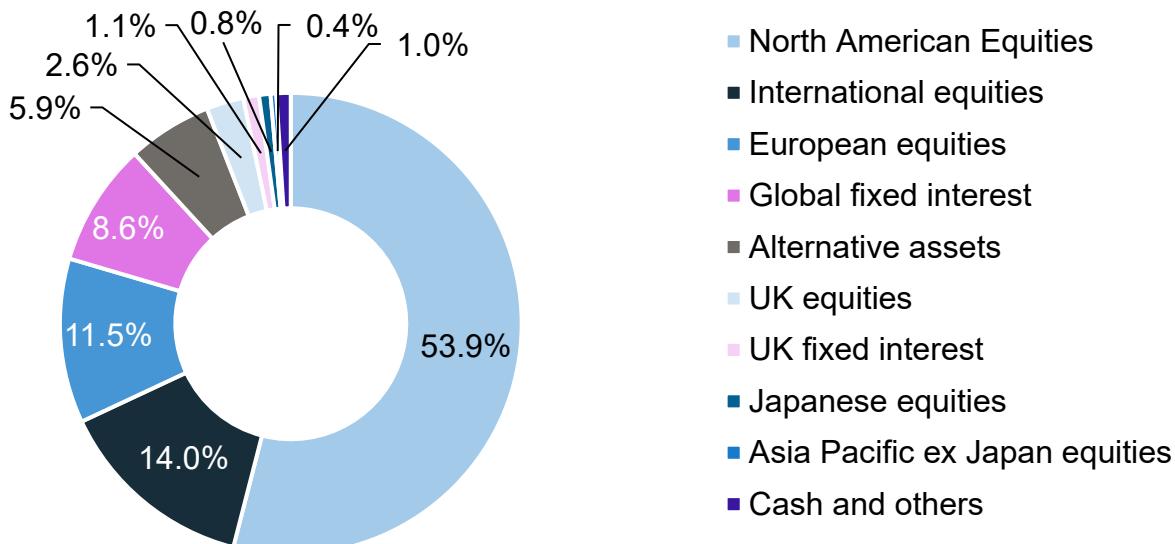
## Universal Balanced Collection (Annuity Target) fund

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 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. 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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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)	8.5	14.8	13.4	8.9
Benchmark	5.2	9.3	9.1	6.2

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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.

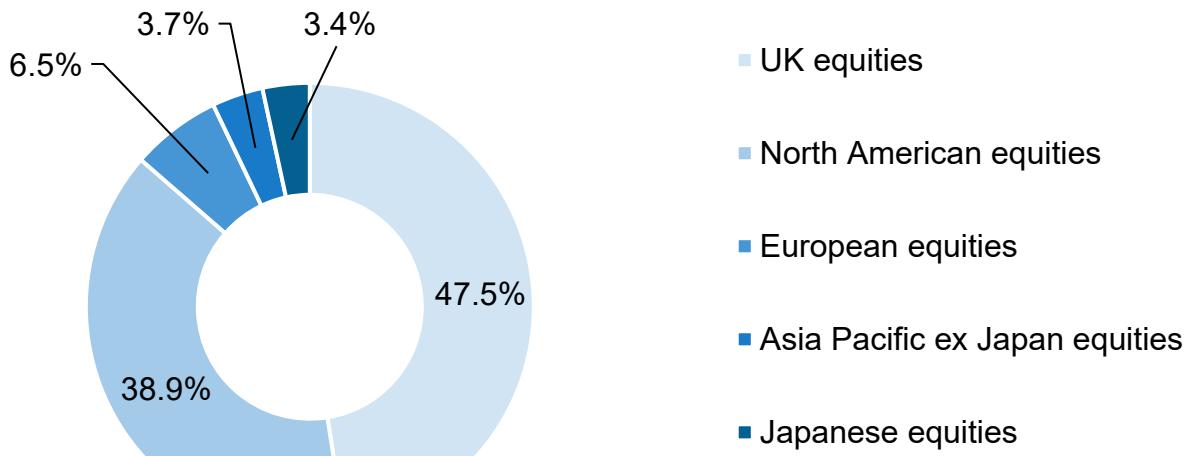
## Aegon Adventurous Tracker (Annuity Target) fund

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 to those markets. In the six years before your target retirement year (the annuity target stage), we'll

progressively move you into investments (currently mainly long gilts, other types of fixed interest 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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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 Tracker) (ARC)	7.1	15.1	14.8	12.9
Benchmark	8.3	17.1	15.8	13.5

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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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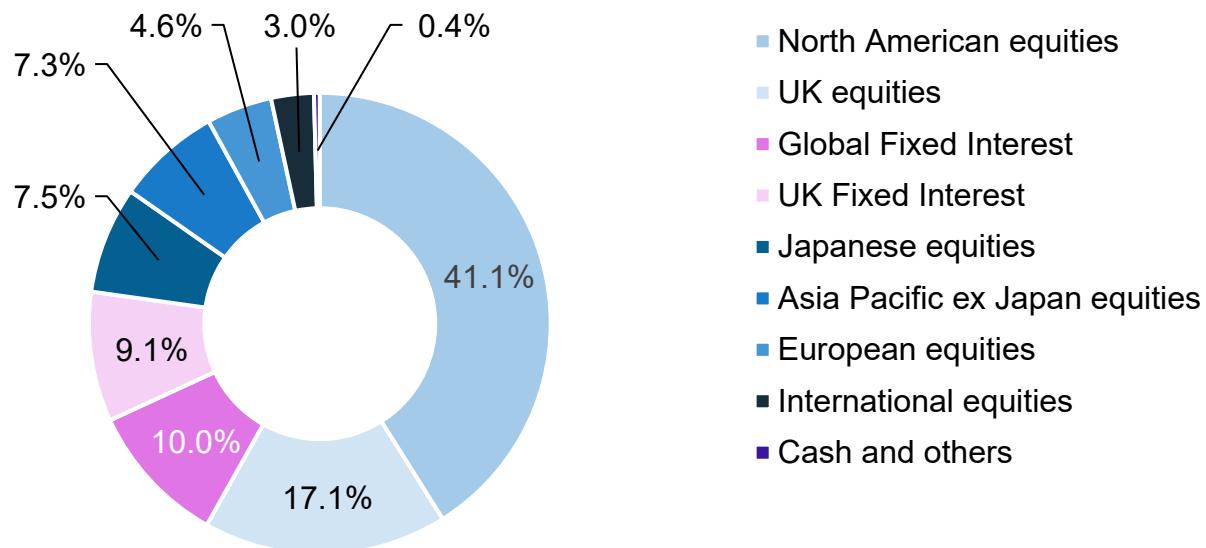
## Aegon Growth Tracker (Annuity Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

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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 Tracker) (ARC)	6.4	11.0	10.6	8.3
Benchmark	6.7	12.5	12.0	8.5

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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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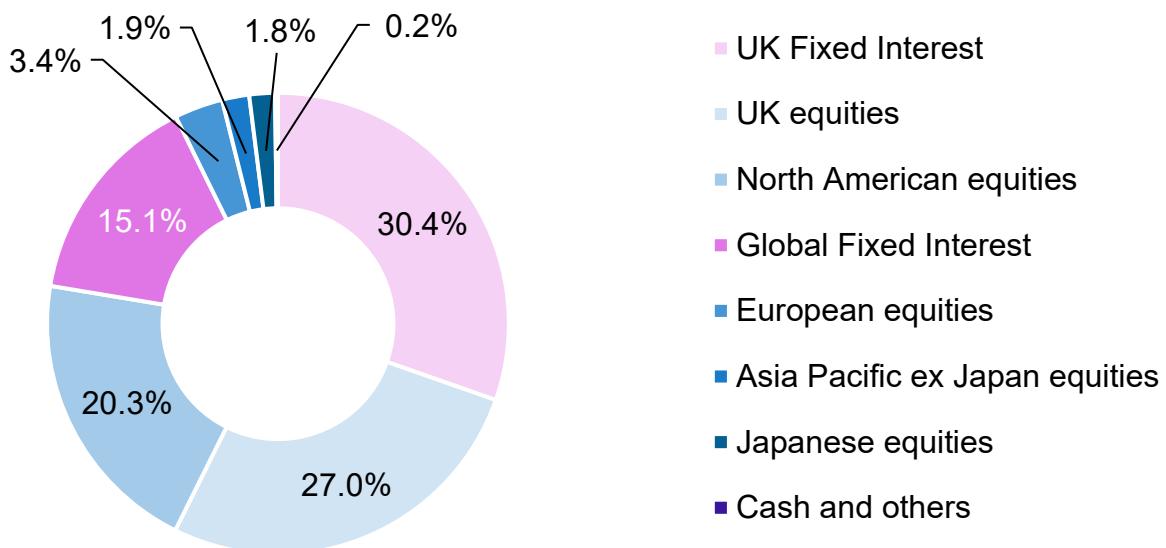
## Aegon Balanced Tracker (Annuity Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

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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 (Annuity Tracker) (ARC)	3.8	8.0	9.4	4.6
Benchmark	4.1	8.5	9.4	4.6

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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 Gilt All Stocks GBP TR / 18% FTSE Gilts All Stocks GBP / 5.5% FTSE Index-linked Over 5 Years.

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# Cash Target

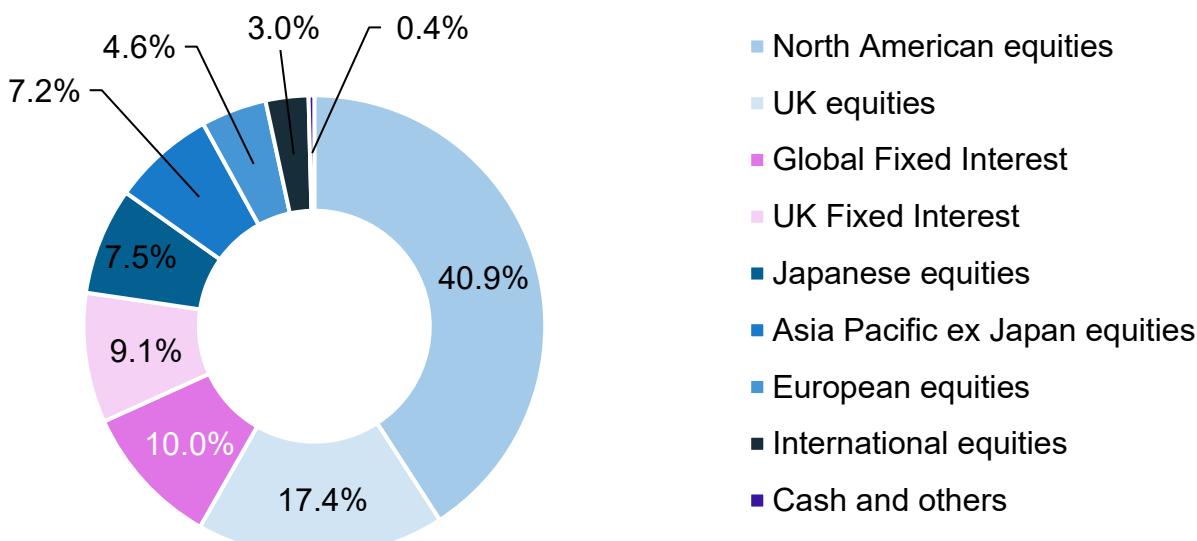
## Aegon Growth Tracker (Cash Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

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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 Growth Tracker (Cash Target) (ARC)	6.6	11.4	10.7	8.3
Benchmark	6.7	12.5	12.0	8.5

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025. 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

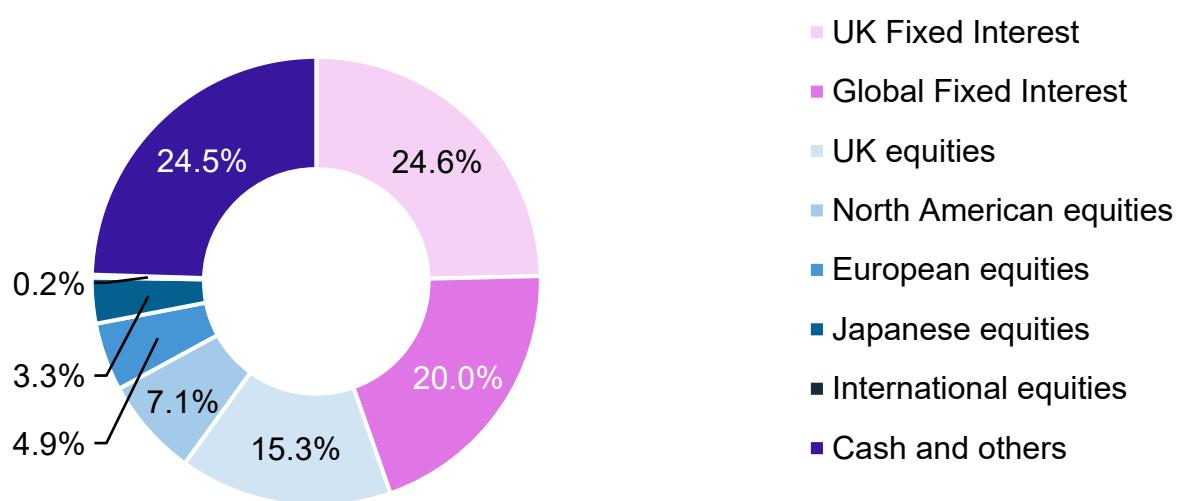
## Aegon Interim Retirement (Flexible Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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 Interim Retirement (Flexible Target) (ARC)	2.3	5.2	6.2	2.3

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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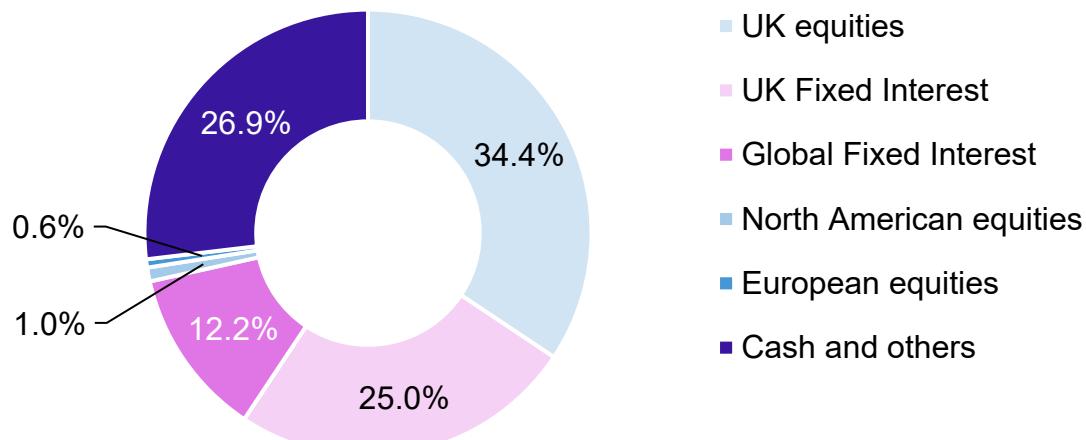
## Aegon Interim Retirement (Ethical Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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)	0.3	2.7	8.2	2.9

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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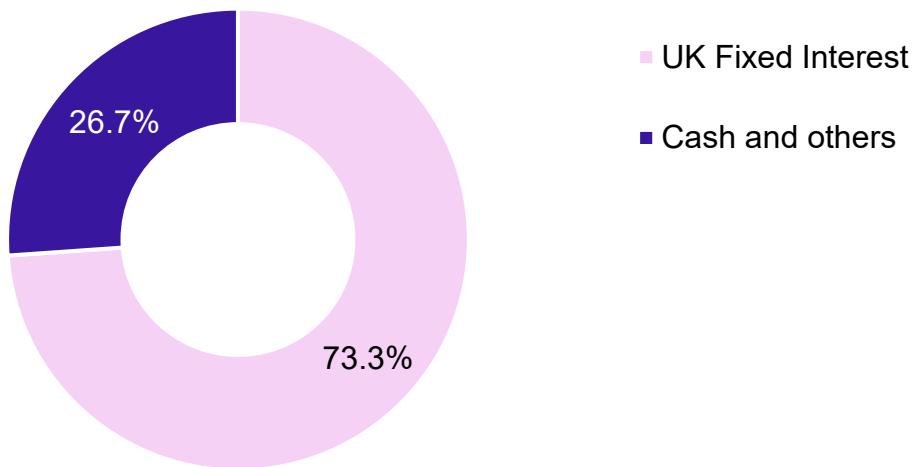
## Aegon Interim Retirement (Annuity Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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)	-2.0	-5.7	-1.8	-9.1

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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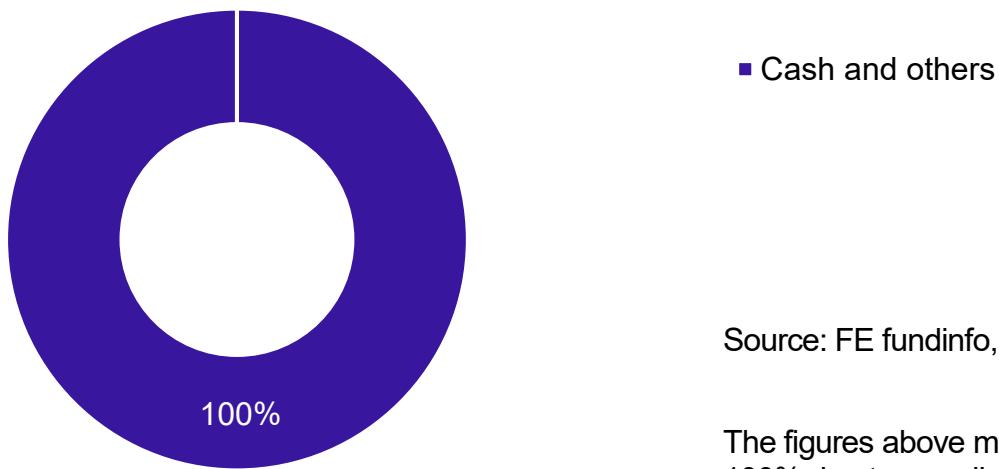
## Aegon Interim Retirement (Cash Target) fund

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 30 September 2025.



Source: FE fundinfo, produced by Aegon.

The figures above 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)	1.1	4.7	4.7	3.0

Source: FE fundinfo, produced by Aegon. Figures in £s on a bid-to-bid basis, net of charges with gross income reinvested to 30 September 2025.

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# Workplace Target funds

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's 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.
- 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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