



## Your investment options

Eaton UK Pension Plan



In this guide you'll find out about the investment options available to you through the Eaton UK Pension Plan (the 'Plan'). You'll also get some tips on what to think about and where you can go to get help with your decision.

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# Why your investment options matter

Any contributions you and your employer have made are invested in a fund or in multiple funds.

You can choose where to invest your pension contributions and change this at any time (also known as switching). Choosing the right funds to invest in is one of the most important decisions you'll make.

The amount you'll get from your Plan depends on a few things like:

- the contributions you and your employer made
- the length of time you invest for
- the performance of your funds.

So, it's important you choose the right fund(s) for you. And be sure to review them regularly, especially if things change.

Remember – the value of an investment can fall as well as rise and isn't guaranteed. The value of your retirement savings when you come to take benefits may be less than has been paid in.

## Choosing investments

The decision about which fund(s) to invest in will depend on lots of things, including:

- when you need to access your money – the earliest you can take your benefits is 55, changing to 57 on 6 April 2028.
- how much you need to live on in retirement
- other investments and sources of income you have
- your attitude to investment risk.

# Making your choice more manageable

Aegon have broken down your investment choice's to make it easier.



## Do it for me

If you don't choose a fund, you'll automatically be invested in the Plan's lifestyle investment option, although this isn't a recommendation this will be right for you.

If you're in any doubt about which fund(s) to choose, you may want to talk to a financial adviser. They may charge for this.



## Guide me

Your Plan also offers a core fund range – a shortlist of funds designed to make it easier for you to choose.





## Do it for me

If you don't choose your own investments, you'll automatically be invested in the Cash Targeted Lifestyle option, with a target retirement age of 65.

The Cash Targeted Lifestyle option assumes you'll cash in your savings at retirement. If this isn't what you want to do, you can switch out of the Plan's lifestyle investment option at any time.

To find out more about the lifestyle investment option, go to **How the Cash Targeted Lifestyle option works**.



## Guide me

To make it easier for you to choose, your Plan has a fund shortlist – your core fund range. This shortlist is designed to suit the risk preferences and retirement goals of most members. You'll find it at the end of this guide.

Bear in mind, not all funds will automatically change the investment mix as you get closer to retirement like the lifestyle investment option does. So, you'll have to keep an eye on things to check the funds you select are still suitable.

# How the Cash Targeted Lifestyle option works

The mix of investments held in the Cash Targeted Lifestyle option automatically changes, aiming to grow your savings in the early years then gradually moving into investments suited to the retirement outcome it's targeting.

## Good to know

You'll be put into the lifestyle investment option at a point which matches the retirement age you're targeting. It's important you tell Aegon if you want to change when you want to retire so they can move you into the appropriate version.

You can do this easily online at [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan)





## Early career

In the early years it's likely that your priority is to build your retirement savings as much as possible. The Cash Targeted Lifestyle option therefore invests all of your retirement savings in global equities (company shares) when you are furthest from retirement (16+ years) because historically they've had greater growth potential than other asset classes like bonds or cash, although there's no guarantee they will in the future.

Investing in equities means there's a higher risk that your investment may fall in value, but it takes this risk early on because your savings have more time to recover from any falls.



## Approaching retirement

During this stage, the Cash Targeted Lifestyle option will gradually change until it's 100% invested in cash-like investments by your target retirement age.

This mix is designed for those who intend to take their whole pension pot as a cash lump sum.

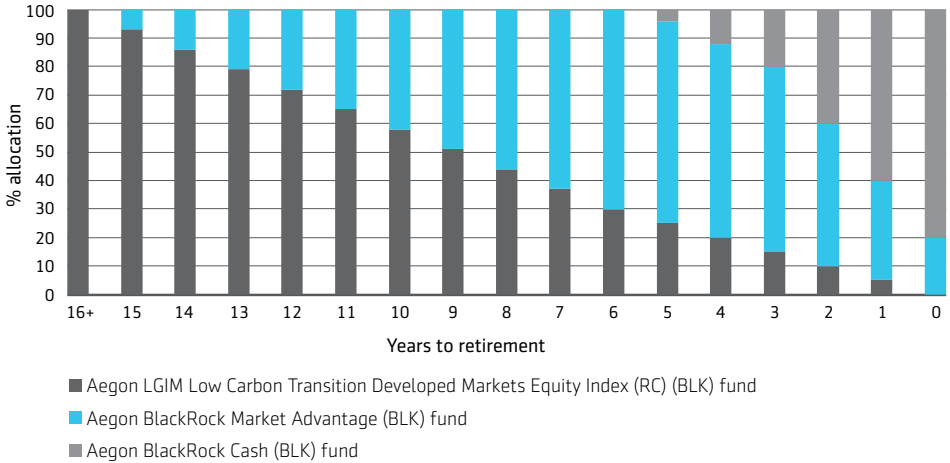
It isn't designed for long-term investing. The 'spending power' of your retirement savings may be eroded by inflation if you leave it there too long.

Moving into lower-risk investments could also mean you miss out on some growth if markets go up.

Aegon will write to you to remind you about where you're invested and what that means for your retirement options before you enter this stage.

## How the Cash Targeted Lifestyle option changes as you approach retirement

The diagram below shows how the Cash Targeted Lifestyle option automatically changes what you're invested in as you get closer to your target retirement age.



### Good to know

The lifestyle investment option is aimed at the average member of your Plan and may not be right for you. If you want a different retirement outcome or want to retire earlier or later than 65, you may want to choose a different option.

# Help choosing funds

There's lots of support in the **Help and support** section at [aegon.co.uk/targetplan](https://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

All TargetPlan schemes have an annual management charge (AMC) that covers the cost of managing the funds and administering your retirement savings. Some funds may also have additional expenses that are paid in addition to the AMC. You'll find these on your fund list online by going to **View and manage** from your dashboard and selecting **Fund information** under **More options**.

The fund charges are deducted daily, directly from the funds, so the value of your retirement savings you'll see online is after charges have been taken.

**Please note:** the fund factsheets only show the additional expenses, not the AMC as this is specific to your Plan. Expenses can include costs paid by Aegon to third parties. Aegon regularly review the fund charges and these may change. You can check online at [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan) to see Aegon's most up-to-date charges.

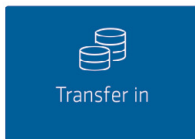
# Finding your investment information online

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 – this is 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 – select **Fund information** under **More options**
- switch investment funds – select the **Switch funds** button under your plan value or at the bottom of the page.



More options ^

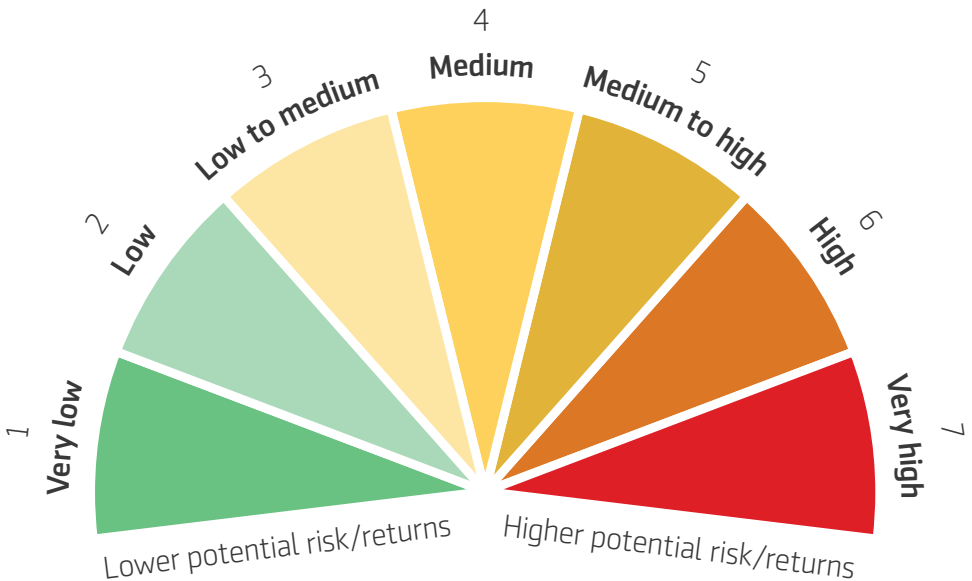
- Fund information
- Change retirement age
- Investment risk questionnaire



# 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 handy investment risk questionnaire available at [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan) – go to **View and manage** and select **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 fund choices.



### Other sources of help

You can get help on pensions and retirement at [moneyhelper.org.uk](https://moneyhelper.org.uk). They give free and impartial guidance to help make your money and pension choices clearer. If you need financial advice, you can find a financial adviser near you at [moneyhelper.org.uk/choosing-a-financial-adviser](https://moneyhelper.org.uk/choosing-a-financial-adviser). There will be a charge for advice

# Your core fund range

If you want to choose your own investment funds, your Plan has a core fund range designed to make it easier.

Select the fund names to view the fund factsheets for more details, including details of where it invests and it's relative risk profile.

## Core fund range

Fund name	AMC (% p.a.)	Additional expenses (% p.a.)
<a href="#">Aegon BlackRock Market Advantage (BLK)<sup>1</sup></a>	0.63	0.01
<a href="#">Aegon BlackRock MSCI World Index (BLK)</a>	0.38	0.01
<a href="#">Aegon BlackRock All Stocks UK Gilt Index (BLK)</a>	0.40	0.00
<a href="#">Aegon BlackRock Cash (BLK)<sup>1</sup></a>	0.35	0.00
<a href="#">Aegon LGIM Low Carbon Transition Developed Markets Equity Index (RC) (BLK)<sup>1</sup></a>	0.43	0.01
<a href="#">Aegon BlackRock UK Equity Index (BLK)</a>	0.35	0.01
<a href="#">Aegon BlackRock Corporate Bond All - Stocks Index (BLK)</a>	0.35	0.01

<sup>1</sup>This investment fund is used to create the lifestyle strategy.

Aegon review the additional expenses annually and these may change. Expenses can include costs paid by Aegon to third parties. Aegon also reserve the right to change the AMC, although they would write to you to inform you in advance.

This fund list was correct at the date this document was produced. You'll find the most up-to-date fund information online – [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan).

The value of an investment can fall as well as rise and isn't guaranteed. The final value of your retirement savings when you come to take your benefits may be less than has been paid in. Past performance isn't a reliable guide to future performance.







## Want to know more?

 0345 601 7720

 [my.pension@aegon.co.uk](mailto:my.pension@aegon.co.uk)

 [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan)

Call charges will vary.

Aegon's email system and the way they deal with data internally is secure. However, Aegon are unable to ensure the security of emails before they reach them. 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 Aegon's online services and complete your action securely.

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](https://aegon.co.uk/support/additional-support) or call 0345 601 7720 (call charges will vary).