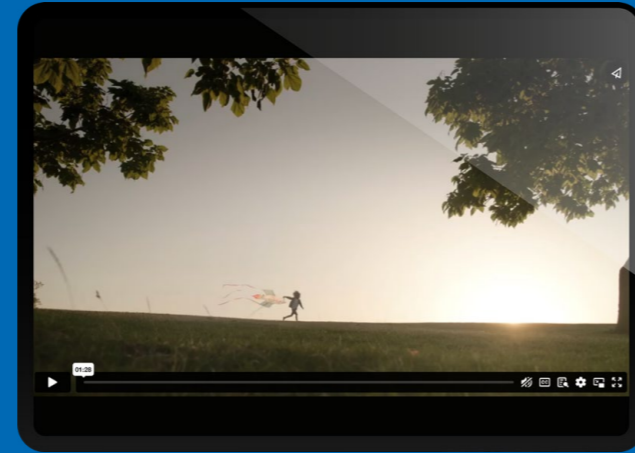



A photograph of a middle-aged man with a grey beard and a woman in business attire. The man is on the left, wearing a dark suit and a patterned tie, looking towards the woman. The woman is on the right, wearing a light-colored blazer, smiling and looking at a tablet computer she is holding. The background is a bright, out-of-focus office setting.

The Aegon Master Trust

This communication is for employers
and trustees only.

The **Aegon Master Trust** combines independent governance with a flexible investment capability, robust administration and tailored communications that aim to help members live their best lives.



 Watch our video about Our purpose

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. We'll refer to the board of trustees as the trustees, and to 'you' as the employer.

The Aegon Master Trust (AMT) is a full-service defined-contribution solution. It offers simplicity and convenience with all the governance advantages of a trust-based pension scheme.

The AMT lets you hand over pension governance to a trustee board that has both professional trustees and experienced retirement savings professionals. Scheme members are supported by the pension and investment oversight of these trustees who have a legal obligation to work in their members' best interests.

We aim to provide you with the broadest possible range of workplace options in one place. The AMT can be flexed to suit particular business needs, with Aegon helping to deliver this.

Aegon is one of the UK's largest providers of workplace solutions, supporting over **9,000** employer schemes¹.

From contract-based to trust-based DC schemes, investment-only services to master trust arrangements, employers, trustees and their advisers can access the service that best suits their business and the needs of their members.



Looking after people's retirement needs since 1831

We're part of the Aegon N.V group, an integrated, diversified financial services group that offers innovative and effective investment and retirement solutions to over 29 million customers. It manages €747.4 billion in assets on behalf of savers and investors worldwide⁴.

¹ as at December 2022 ³ as at December 2022

² as at December 2022 ⁴ as at December 2022

Over £186 billion under administration²

4 million+ customers³



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The Aegon Master Trust solution

Dynamic governance

It's very important to the trustees that members receive good value for the charges and transactions costs they pay, compared to other options available in the market.

The trustees undertake regular reviews, including those scrutinising:

- Levels of charges.
- The available investment funds and how they're performing.
- How the scheme is managed and administered.
- The support available for members including information and tools and its impact on members' actions.

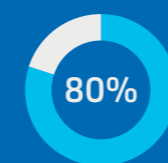
We provide comprehensive reports to inform the trustees' thinking, and with an insight-driven approach, collaborate through robust discussions to provide a continuous improvement programme.

Our Client Directors will support you to align your understanding of governance with your scheme aspirations.

Based on the trustees assessment of the key areas throughout the scheme year, they consider the Aegon Master Trust is offering good value for members and this view is supported by Isio's independent assessment. Read the full report in the [Chairman's statement](#).

Investments

Our first priority is to provide a robust and sustainable default strategy, recognising that over 95%¹ of those in DC schemes will remain in this. The in-house default for the AMT, LifePath, is a unique target-dated strategy that benefits from three layers of expert oversight, from BlackRock, Aegon and the Investment sub-committee of the trustee board, supported by independent investments advisers, Isio. This ensures it remains appropriate for today's members. BlackRock's expertise in managing default investment strategies was recognised by the Professional Pensions UK Pensions Awards 2022, where it won DC Investment Manager of the Year.



For growth stage investors, LifePath now has close to 80% invested in strategies that have various responsible and sustainability investment goals². The trustees believe that active consideration of ESG factors will lead to improved outcomes for members and better management of risk, and they place particular emphasis on managing climate-related risk. We're committed to achieving net zero carbon emissions across our default range by 2050, and to halving emissions by 2030. We've already transitioned over £21 billion of default assets into ESG focussed strategies³.



Beyond the default, we offer a curated choice of passive and active funds that allow motivated members to choose from a range that includes ready-made, multi-asset solutions and single asset funds that allow them to build bespoke portfolios while also recognising the increasing desire for greener, more sustainable choices.

¹ The Pensions Regulator. DC trust: scheme return data 2022 – 2023

² As at March 2023

³ As at March 2023

Personalisation

The AMT is strongly committed to a member-first approach and believes every member should have a personalised journey. We believe our role is to empower members through education and simple online tools. Giving members the confidence to take control of their pension and future financial security.

Service excellence

We aspire to achieve a relevant and timely one stop resolution. Delivering a level of service to help make day-to-day operations smoother and easier.

Branded helplines, integrated FlexPlans and Aegon Assist, help us to deliver a service that's effective and flexible at meeting the requirements for you and your members.

Our net promoter system provides a consistent way to focus the entire business around earning members' loyalty. The actionable insight helps us continuously to improve our processes and service based directly on member feedback.

We've got experts across a range of topics and business areas as dedicated points of contact. Our relationship team, communication team, technical support and contact centre are all on hand to help. They pride themselves on being a centre of excellence providing you with dedicated support when you need it.

Strength of governance and support

Trustee board

The AMT trustee board provides governance and investment oversight completely independently of Aegon – enabling further external oversight and expertise for the benefit of you and the scheme members.



Ian Pittaway

Ian is Chairman of the AMT board and has extensive experience of the challenges faced by trustee boards.

Ian is also the Chairman of Independent Trustee Limited, chairman of trustees and independent trustee of a number of pension schemes. Ian also acts for a number of pension schemes as legal advisor and has gained extensive pensions law experience on a wide range of issues.

He's also a former Chairman of the Association of Professional Pension Trustees, writes for the pensions and national press, and lectures widely.



Alison Bostock

Alison has an in-depth knowledge of the legal framework and regulatory requirements for defined contribution schemes.

Alison is an actuary with over 30 years' experience in pensions. Advising trustees and sponsors of defined benefit and defined contribution schemes for 25 years before becoming a full-time trustee as a director of PTL Governance Limited.



Helen Parker

Helen brings experience in engagement to support our communications team. Her focus is on helping you engage and support scheme members to make the right choices to maximise their retirement income.

Helen has 30 years' experience as a consumer champion and has had a number of roles in consumer engagement and protection. These include Deputy Chief Executive of Which?, and a non-executive Director of the Financial Services Compensation Scheme.



Graeme Griffiths

Graeme brings extensive investment experience, centred around the ESG considerations in workplace pensions.

With more than 30 years' experience in asset management and corporate finance, Graeme is currently Chief Operating Officer for the Principles for Responsible Investment. He's previously held senior investment positions with AB Bernstein and Vontobel Asset Management and with J.P. Morgan and KPMG.

The trustees have all been carefully selected for their deep understanding and diverse level of experience across

 workplace pensions

 governance

 trusteeship

 customer insight

 investment and ESG

 legal

Representing core interests of you and the scheme members helps to deliver exceptional member outcomes.

Feedback is important to our trustees

The trustees are always keen to hear your feedback and views and we encourage you to get in touch with them directly. [Email the trustees of the Aegon Master Trust](#)

Ongoing support

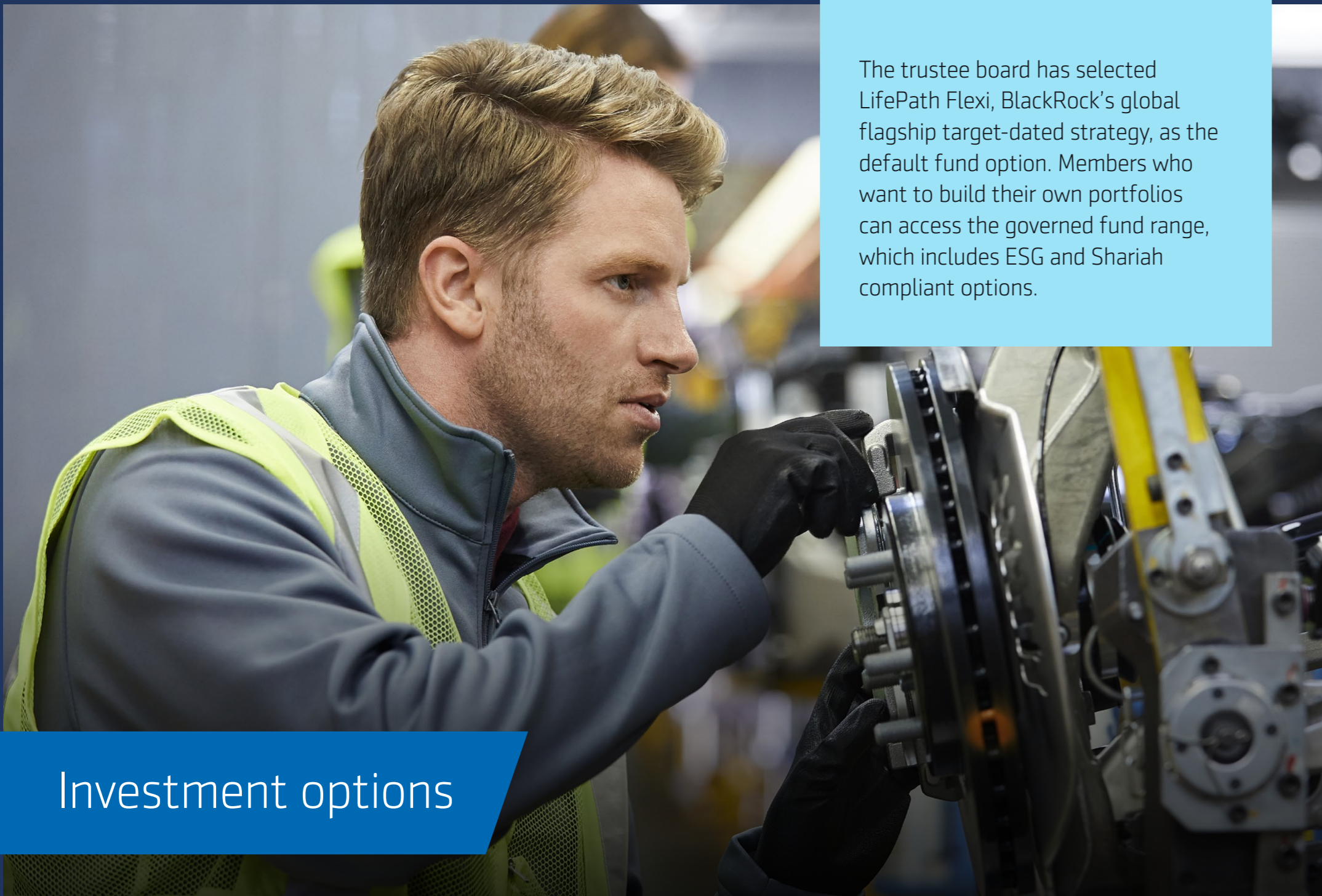
As a participating employer, you'll have a dedicated Client Manager to proactively support you – bringing ideas and knowledge and championing great service for you.

To help make scheme governance even more effective, a trustee can attend governance meetings. Trustees can help with decision making, improving scheme efficiency – all to help lead to better member outcomes.

The trustees hold a master trust forum as an opportunity to network and share learnings across the industries. Matters can include the trustees' role, the investment default fund strategy and communication plans. There's the option to break out into smaller discussion groups with the trustees for a deep dive into topics such as member communications, ESG and the default investment fund.

You receive a dedicated master trust quarterly newsletter which is used to make announcements from the trustee board, along with other engaging, insightful and helpful articles about topics such as long-term savings, retirement and investments for you to read and share with members.





The trustee board has selected LifePath Flexi, BlackRock's global flagship target-dated strategy, as the default fund option. Members who want to build their own portfolios can access the governed fund range, which includes ESG and Shariah compliant options.

Investment options

Why BlackRock for default funds?

BlackRock launched the world's first target-dated fund in the US in 1993, introducing it in the UK in 1997. It now looks after over £343 billion in target-dated funds on behalf of clients worldwide¹. The LifePath strategies have also grown to be one of the largest default strategies in the UK, with over £10.2 billion invested across a diverse mix of UK DC schemes².

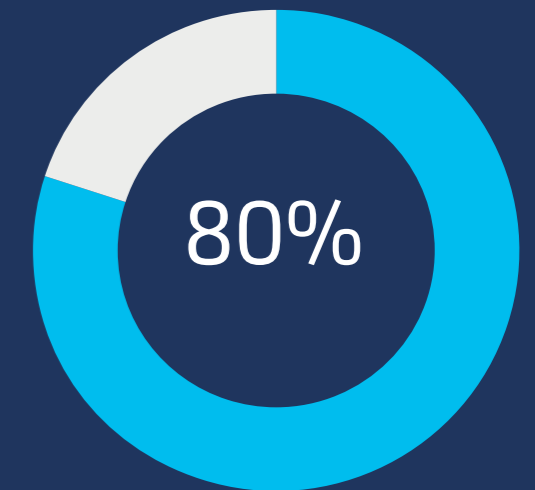
The UK LifePath Investment Committee draws on expertise from over 1,600 investment specialists worldwide³, including its 70-strong BlackRock Investment Stewardship team, which actively engages with companies on environmental, social and governance (ESG) issues. In 2022, it voted on 173,000 management and shareholder proposals, voting against 231 companies for climate risk-related concerns⁴.

How LifePath works

LifePath is a target-dated investment strategy that automatically manages a member's savings from their early working life right through to retirement. It aims to make sure they're invested appropriately at all stages of their working life, to deliver the retirement outcome they're targeting.

When they're still at the early stage of their career, the strategy focuses on growth, investing largely in equities. At this stage, around 80% of their pension pot will be invested in strategies that incorporate ESG screens, designed to grow savings responsibly⁵. As members progress through their career, the strategy focuses on building wealth, by combining growth assets with a degree of downside protection through a globally diversified mix of equities and bonds.

Around 80% of investment in the early stage will be in strategies incorporating ESG screens⁵.



¹ BlackRock. As at end of March 2023.

² BlackRock. As at end of March 2023.

³ BlackRock Investment Stewardship Annual Report December 2022

⁴ BlackRock Investment Stewardship Annual Report - December 2022

⁵ BlackRock. Weightings as at end of March 2023. Figures are based on current assumptions on LifePath UK assets under management of £3.2 billion as of March 2023. For illustrative purposes only. Subject to change.

Finally, as members get closer to retirement their investments change automatically to cater for three retirement outcomes. Members can select the outcome that best matches their retirement goals.



LifePath Flexi

(The Aegon Master Trust Scheme default option)

for members planning to leave their fund invested and draw down an income from it



LifePath Retirement

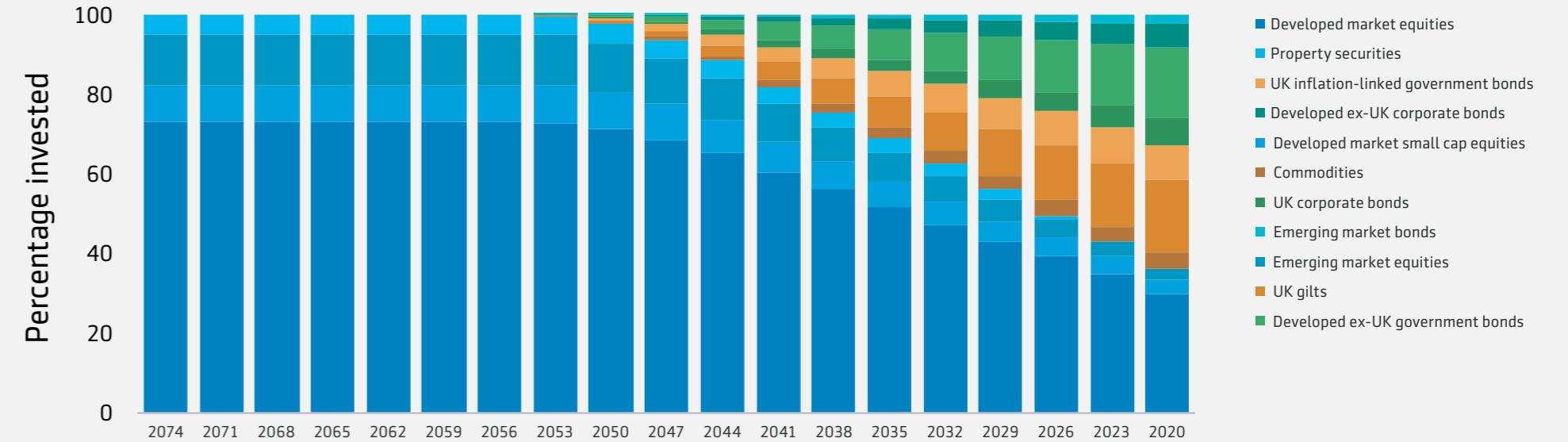
for members planning to buy an annuity at their retirement date



LifePath Capital

for members planning to take their savings as a cash lump sum

Example glidepath - LifePath Flexi



Default option



Alternative options



There's no guarantee the funds will meet their objectives. The value of an investment and any income taken, can fall as well as rise and isn't guaranteed. The final value of a member's pension pot when they come to take benefits may be less than has been paid in.



It's vital that we act now to address the risks posed by climate change and meet the commitments made in the Paris Agreement. We have a responsibility to influence positive social change and drive improvements to the governance of the firms we invest in.

Our commitment to responsible investing

TaskForce on Climate-Related Financial Disclosures (TCFD) regulation will increasingly require you to take ESG considerations into account in your pension scheme. In addition, 77% of savers agree that climate change is an important risk to consider when investing for the future¹.

We're committed to acting responsibly in every area of our operations, including how we invest on behalf of savers and investors worldwide.

To this end, an average of 69%² of members' assets in the LifePath strategies across all 'vintages'³ are invested in strategies that incorporate ESG screens. This will increase over the next few years as we move towards our net zero carbon emissions goals.

We also make sure partners like BlackRock follow our **Responsible Investment Framework**. Among other things, that framework requires the managers we work with to follow the UK Stewardship Code and are signed up to the Principles for Responsible Investment.

¹Research was carried out with over 1,250 consumers on Aegon's research panels in December 2020.

²BlackRock. Weightings as at March 2023. Figures are based on current assumptions on LifePath UK assets under management of £3.2 billion as of March 2023. For illustrative purposes only. Subject to change.

³Members are placed in an appropriate target-dated LifePath fund according to their expected retirement age. BlackRock refers to these three-year age bands as 'vintages'.

We're committed to net zero carbon emissions across our default funds by 2050, with an ambition to halve emissions by 2030.



Our ESG investment credentials

Aegon NV

- Maintained its 'AA' rating from MSCI for the past five years.
- Included in FTSEGood Index since 2001 and ranked in the 100% percentile of all global companies quoted in the FTSE4Good Index in June 2021.
- Our operations in the Netherlands, UK and US have been carbon neutral since 2016.

Aegon UK

- Been managing ESG funds since 1988.
- In 2019, we committed to achieving net zero carbon emissions across our entire default range by 2050 and halving emissions by 2030.
- Moved over £21 billion in default fund assets into ESG strategies as at March 2023.

The information above is correct as at May 2023 except where otherwise stated.

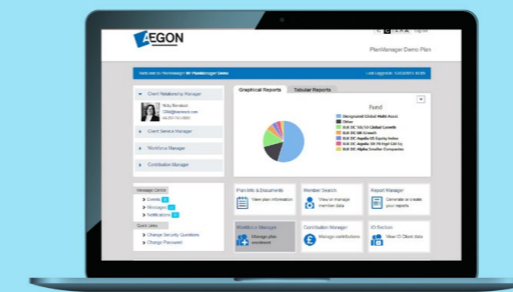
Supporting you with governance and management

We have a three-step approach to supporting you with governance and oversight.

1 Data driven utilising PlanManager

Gives access anytime to scheme information via our digital dashboard including:

- Plan-specific details, documents and contacts.
- Report manager – at a glance scheme reports.
- Message centre – to send/receive messages to and from our admin teams.
- Member search (if security permissions allow) enabling searches and enquiries including, balance enquiry, online benefit statement, fund choices, fund performance, contribution levels.
- WorkForce Manager – allowing relevant third-party providers to manage auto enrolment.
- Contribution Manager – allowing payroll to manage contributions.



2 Behaviour led using Member Insights

Our dynamic governance service empowers you to interpret detailed data insight such as:

- The breakdown of pension funds.
- Projected retirement income by age and gender.
- Contributions breakdown including average contributions versus industry.
- Member engagement including activation, login activity and death benefit nomination.

You can use this insight to create targeted and segmented email campaigns to encourage members to take corrective action.



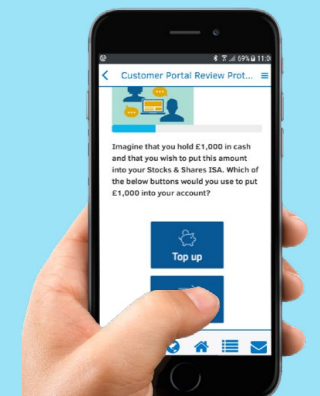
Watch our video for more information

3 Research driven with our innovative member research panel

Managed by our centre for behavioural research, we'll create a dynamic member panel, representative of your membership.

Deploying a variety of communication methods including face-to-face groups, quick polls, surveys, smartboards and live chats, we're able to capture views on the delivery and design of the scheme. It also allows members to share their opinion on personal finance, saving and retirement planning.

The insight this gives us means we're able to deliver segmented, personalised messages in a format that resonates with your membership.





Engaging member communications

As a participating employer you'll have a dedicated communications manager to help design member communications that are straight-forward and relevant to the scheme member.

We take a collaborative approach to delivering targeted, segmented communications. We create an environment of trust, an ease of execution and a pleasure in delivery.

A key focus is to engage with members early in their journey to retirement. Using highly visual, clear and innovative approaches which educate and give clarity around choices and the support available.

We challenge ourselves to continually develop. We're building a community of savers and we make sure we've got the best possible communications in place, at timely moments that matter, to create good outcomes for members.

We do this in a number of ways including:

- Embedding financial wellbeing into our strategy.
- Utilising our member panel feedback.
- Education through our engagement experts Pension Geeks.
- Incorporating behavioural finance principles.
- Providing free guidance from Aegon Assist.

Our communication programme is designed to give members the tools and the confidence they need to make informed savings decisions. We want members to feel it's easy to engage, clear to understand and simple to do. So they're reassured, empowered and confident to take action.

Our multi-channel approach to communications helps create a unified but targeted member experience. We can accommodate members who are not office based or if a business has multiple sites. Using digital and physical assets throughout the journey, face-to-face or virtual workshops and presentations, plus access anytime to TargetPlan – our online account service. TargetPlan is easy-to-use and can be branded with your logo and colour.



Whether it's launch and welcome, onboarding and bulk transfer, ongoing engagement, or warm-up to retirement communications, we have a diverse range of materials across different channels to support members – whatever stage in the retirement journey they are.

Digital experience

TargetPlan – our online account service and our App



We design our proposition for a mobile generation. Our online service is a member-focused experience designed using behavioural science and is compatible with any device.

Members can see details of their account:

- Current pension account balance.
- Target retirement age.
- Current investment choices.
- Payroll details and statements.

They can access tools:

- Fund comparison tool.
- Online flexi-access drawdown.
- Lump sum tax calculator.
- To and through retirement modeller.
- Budget calculator.
- Attitude to risk investor questionnaire.
- Support through webchat facility.

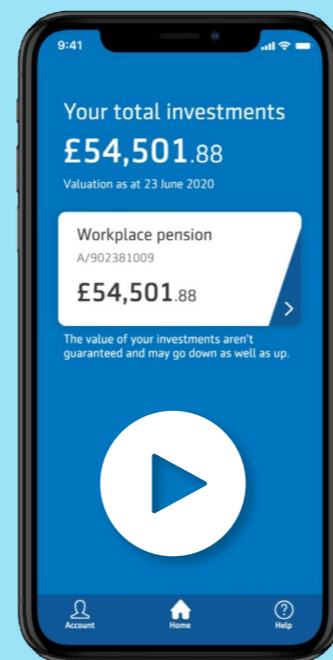
And they can transact, including:

- Changing investments.
- Amending contributions.
- Making changes to their account.

Members will also be able to view their account through our App, where they can securely sign in using face recognition or fingerprint technology and take action right at their fingertips, by linking the App into their TargetPlan account.



Watch our App demo to learn more

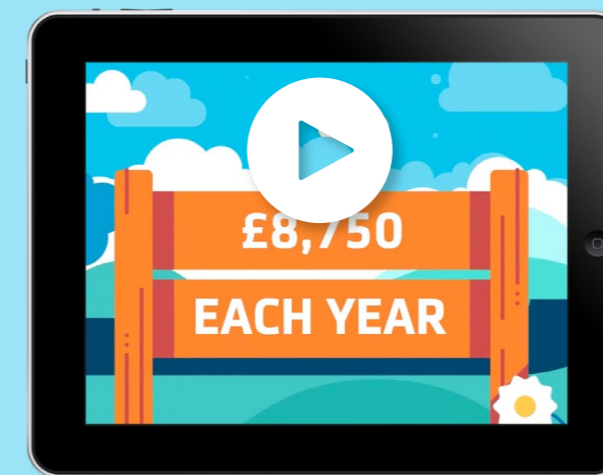


Personalised pension video summaries

Our innovative award-winning video summaries were built in response to demand for pension statements to be more digestible, easier to understand and personal. They're real time and provide personal messages depending on where the member is on their retirement savings journey with 'calls to action'.



Watch an example



Paper-based

- Welcome letters and member pack.
- Annual benefit statements.
- Pre-retirement warm up letters and flyers.

Telephone

- Access to scheme specific telephone helpline.
- Dedicated, experienced administration staff.

Guidance and advice

- Free expert guidance and clear information on our products from Aegon Assist – our UK based team can help members understand their pensions income options all the way up to retirement.
- Members can also benefit from our financial advice partners Origen who can help them feel in complete control of their finances. Origen will charge for advice.

Origen is wholly owned by Aegon UK. However, Origen operates independently to Aegon and is committed to being a whole of market advice led business. Aegon will not receive any remuneration from Origen for any Aegon members using their service.





We contact members in the years leading up to retirement to start to get them thinking more about their retirement plans. Giving them enough time to make changes if they need to. We'll send additional communications to those in the LifePath default before it starts moving into lower risk assets – this happens 10 years before the member's target retirement age.

Our retirement journey includes a number of wake-up and pre-retirement packs. We provide an online tool that helps them understand the different income options to help members prepare for retirement.

Supporting members in their retirement journey

Warm-up packs

For example, if the member's chosen retirement age is 65, the first retirement journey warm-up communication is received **at age 48**. This is earlier than the regulated age 50 giving members plenty time to start thinking about options.

48



Wake-up packs

A retirement wake-up pack is received **at age 50**. Members are invited to contact our free guidance service – Aegon Assist, to help further understand options.

50



Pre-retirement packs

Members receive regular retirement reminders including at six, three and one month from their retirement date, outlining their options. They're directed to our comprehensive retirement hub, Retirement Essentials, and our retirement modelling tool, myTarget, to consider their options.

In-plan drawdown

The Aegon Master Trust allows a seamless transition into drawdown when members reach retirement – without the need to transfer into a new product. They'll retain the same charges and can keep their existing funds if they want to. Helping make their journey into retirement as straightforward as possible.

They'll also continue to benefit from trustee oversight and governance throughout retirement.

This means members will receive fully integrated communications through all of their life stages.



Get in touch

To find out more about the AMT please speak to your client team.



Ian Pittaway

Chair of the
Aegon Master Trust board

“The Aegon Master Trust plays an important role in representing the needs and the best interests of you and your scheme members at all times. With years of industry experience, the Aegon Master Trust board knows just what it takes to run a compliant and successful Master Trust – helping make sure the scheme continues to offer good value to its members and to seeking improvements in the offering wherever possible.”

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). © 2024 Aegon UK plc.

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

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