

Discontinuation of LIBOR (London Interbank Offer Rate)

TargetPlan funds

December 2021

Over the course of 2021, the Bank of England has been phasing out the use of the London Interbank Offer Rate (LIBOR).

Some of our insured funds use LIBOR, either on its own or as part of a composite, as performance benchmarks.

As a result, some underlying fund managers have updated the fund performance benchmarks and some fund objectives of underlying funds. Consequently, we have updated the Aegon performance benchmarks (and fund objectives, where applicable) in line with these updates.

We'll be updating our literature with the changes gradually, so investors may notice both the old and new benchmarks and fund objectives (where applicable) in use for a while.

Full details of all the affected insured TargetPlan funds can be found on the list below.

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. Investors could get back less than they invest.

Key:

Previous fund performance benchmark – previous fund performance benchmark.

New fund performance benchmark – new fund performance benchmark.

Previous fund objective – fund objective prior to the update.

New fund objective – fund objective following the update.

Fund name	Previous fund performance benchmark/ composite benchmark	New fund performance benchmark/ composite benchmark	Previous fund objective (if changing)	New fund objective (if changing)
Aegon AM Absolute Return Bond (BLK)	3 Month Sterling LIBOR (Daily Average)	SONIA	n/a	n/a
Aegon BlackRock Absolute Return Bond (BLK)	3 Month Sterling LIBOR (Daily Average)	SONIA	n/a	n/a
Aegon BlackRock Balanced Growth (BLK)	Fixed Weight Benchmark: 55% FTSE All Share Index, 8% FTSE World US Index (£), 8% FTSE World Europe (ex UK) Index (£), 4% FTSE World Japan Index (£), 4% FTSE World Pacific ex Japan Index (£), 1% MSCI Emerging Markets Free Index (£), 10% FTSE Actuaries All Stocks Gilts Index, 5% Barclays Capital Global Aggregate 500 ex UK Index (Unhedged) (£), 5% 7 Day LIBID Rate	Fixed Weight Benchmark: 55% FTSE All Share Total Return GBP index 8% FTSE World US Total Return GBP index 8% FTSE World Europe Ex UK Total Return GBP index 4% FTSE World Japan Total Return GBP index 4% FTSE World Pacific Ex Japan Total Return GBP index 1% MSCI Emerging Markets Free Total Return GBP index 10% FTSE Actuaries All Stocks Gilts Total Return GBP index 5% Bloomberg Barclays Global Aggregate 500 Ex UK Total Return GBP index 5% SONIA	n/a	n/a

Fund name	Previous fund performance benchmark/ composite benchmark	New fund performance benchmark/ composite benchmark	Previous fund objective (if changing)	New fund objective (if changing)
Aegon BlackRock Cash (BLK)	ICE BofA 7 Day Sterling LIBID	SONIA	n/a	n/a
Aegon BlackRock Consensus Index (BLK)	ABI 40-85 Sector Index (ABI Survey) (which includes 7.33% LIBID Aquila Method (rate days/365) index)	ABI 40-85 Sector Index (ABI Survey) (which includes 7.33% SONIA)	n/a	n/a
Aegon BlackRock LifePath Capital (BLK)	ICE BofA 7 Day Sterling LIBID	SONIA	n/a	n/a
Aegon BlackRock LifePath Capital 2019-2021 (BLK)	35.99% Composite for LifePath Capital 2019 - 21 64.01% ICE BofA 7 Day Sterling LIBID	35.99% Composite for LifePath Capital 2019 - 21 64.01% SONIA	n/a	n/a
Aegon BlackRock LifePath Capital 2022-2024 (BLK)	65.72% Composite for LifePath Capital for 2022 – 24 34.28% ICE BofA 7 Day Sterling LIBID	65.72% Composite for LifePath Capital for 2022 – 24 34.28% SONIA Overnight	n/a	n/a
Aegon BlackRock LifePath Capital 2025-2027 (BLK)	85.58% Composite for LifePath Capital 2025 - 27 14.42% ICE BofA 7 Day Sterling LIBID	85.58% Composite for LifePath Capital 2025 - 27 14.42% SONIA	n/a	n/a
Aegon BlackRock LifePath Capital 2028-2030 (BLK)	97.86% Composite for LifePath ACS 2028 - 30 2.14% ICE BofA 7 Day Sterling LIBID	97.86% Composite for LifePath ACS 2028 - 30 2.14% SONIA	n/a	n/a

Fund name	Previous fund performance benchmark/ composite benchmark	New fund performance benchmark/ composite benchmark	Previous fund objective (if changing)	New fund objective (if changing)
Aegon BlackRock LifePath Retirement (BLK)	75% DC Pre-Retirement Fund Benchmark 25% ICE BofA 7 Day Sterling LIBID	75% DC Pre-Retirement Fund Benchmark 25% SONIA	n/a	n/a
Aegon BlackRock LifePath Retirement 2019-2021 (BLK)	35.99% Composite for LifePath Retirement 2019 - 21 51.73% DC Pre-Retirement Fund Benchmark 12.28% ICE BofA 7 Day Sterling LIBID	35.99% Composite for LifePath Retirement 2019 - 21 51.73% DC Pre-Retirement Fund Benchmark 12.28% SONIA	n/a	n/a
Aegon BlackRock LifePath Retirement 2022-2024 (BLK)	65.71% Composite for LifePath Retirement 2022 - 24 32.52% DC Pre-Retirement Fund Benchmark 1.77% ICE BofA 7 Day Sterling LIBID	65.71% Composite for LifePath Retirement 2022 - 24 32.52% DC Pre-Retirement Fund Benchmark 1.77% SONIA	n/a	n/a
Aegon BlackRock Market Advantage Strategy (BLK)	3 Month Sterling LIBOR (Daily Average)	SONIA	n/a	n/a
Aegon BNY Mellon Global Dynamic Bond (BLK)	GBP 1M LIBOR +2% p.a.	SONIA +2% p.a.	The objective of the underlying fund is to maximise the total return, comprising income and capital growth. The underlying is managed to seek a minimum return of cash (1 month GBP LIBOR) +2% per annum over five years before fees. In doing so, it aims to achieve a positive return on a rolling three-year basis	This fund aims to maximise the total return, comprising income and capital growth. It does so by targeting a minimum return of cash (SONIA) +2% per year over a five-year period (before charges). In doing so, it aims to achieve a positive return on a rolling three-year basis (meaning a period of three years, no matter

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			(meaning a period of three years, no matter which day you start on). However, a positive return is not guaranteed and a capital loss may occur.	which day you start on). However, a positive return is not guaranteed and a capital loss may occur.
Aegon BNY Mellon Real Return (BLK)	MAPS Sterling 1 Month Libor +4% p.a.	SONIA + 4% p.a.	The fund aims to achieve a rate of return in sterling terms, that is equal to or above a minimum return for cash (LIBOR GBP 1m +4%) a year over five years (before charges). The fund also aims for a positive return over any three-year rolling period (meaning a period of three years, no matter which day you start on). The Aegon fund has higher charges than the underlying BNY Mellon fund and will therefore be less likely to meet this target.	The fund aims to achieve a rate of return in sterling terms, that is equal to or above a minimum return for cash (SONIA) + 4% a year over five years (before charges). The fund also aims for a positive return over any three-year rolling period (meaning a period of three years, no matter which day you start on). The Aegon fund has higher charges than the underlying BNY Mellon fund and will therefore be less likely to meet this target.
Aegon Insight Broad Opportunities (BLK)	ICE BofA GBP 3M LIBID	SONIA	n/a	n/a
Aegon Invesco Balanced Risk 8	3 Month Sterling LIBOR (Daily Average)	SONIA	n/a	n/a
Aegon Invesco Global Targeted Returns	3 Month Sterling LIBOR (Daily Average)	SONIA	The Fund aims to achieve a positive total return in all market conditions over a rolling 3 year period. The Fund targets a gross return of 5% per annum above the UK 3 month Libor and aims to achieve this with less than half the volatility of global equities, over the same 3 year rolling period. The Fund will invest wholly in the Invesco Global Targeted Returns Fund.	The fund aims to achieve a positive total return in all market conditions over a rolling 3 year period. The fund targets a gross return of 5% per annum above SONIA and aims to achieve this with less than half the volatility of global equities, over the same 3 year rolling period. The fund will invest wholly in the Invesco Global Targeted Returns Fund.
Aegon Standard Life Global Absolute Return Strategies (BLK)	MAPS Sterling 6 Month Libor	SONIA	Aims to provide positive returns in all market conditions over the medium to long term. Active asset allocation includes conventional and alternative investments including advanced derivative techniques which are used for both efficient portfolio management and to meet the fund's objective.	This fund aims to generate a positive absolute return over the medium to long term (3 to 5 years or more) irrespective of market conditions, whilst reducing the risk of losses. It does this by aiming to exceed the return of SONIA + 5% per year, over rolling three-year periods (before charges). The fund is a highly diversified portfolio which invests in a combination of

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				traditional assets (such as shares and bonds) and derivative techniques, which are used to gain exposure to the returns of the specified equity and bond markets without having to directly own the underlying securities. You would therefore expect the fund to experience similar returns (before charges) and risk to the markets it invests in. There is no guarantee that the objective will be attained over any time period.
Aegon TargetPlan Cash Pathway: plan to take out all my money within next five years	ICE BofA 7 Day Sterling LIBID	SONIA	n/a	n/a

Source: Aegon UK

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