

Example illustration

Purpose of this example illustration

This isn't a personal illustration, it is based on the assumptions detailed later on in this document. The purpose of the illustration is to show how fund related costs and charges can affect the overall value of the funds you invest in over time.

Fund transaction costs and charges total (%)			
	Active Member Drawdown Lifestyle*	Aegon BlackRock Index-Linked Gilt (BLK)	Aegon BlackRock US Equity Index (BLK)
Growth	2.43% to 2.99%	2.40%	3.00%
AMC	0.00%**	0.00%**	0.00%**
AAE	0.00% to 0.03%	0.00%	0.01%
TC	0.01% to 0.23%	0.00%	0.02%

* As the Lifestyle investment option consists of multiple investment funds we have shown the range of growth and fund costs & charges.

** Annual Management Charge is paid by the employer.

Growth is the assumed growth rate for the fund after taking into account assumed price inflation of 2% per annum.

AMC is the Annual Management Charge, which is a yearly management charge expressed as an annual percentage but calculated and deducted on a daily basis from the fund.

AAE are the Additional Annual Expenses, which are an estimate of any additional fees and expenses that may apply, such as fees for custody, administration and trustee services that may be incurred in addition.

TC are the Transaction Costs, which are an estimate of explicit and implicit costs incurred as a result of buying, selling, lending or borrowing of investments in the fund, based on the average of the actual annual transaction costs for the period 01/04/19 to 31/03/24.

The impact of transaction costs and charges on fund values (£)

The 'Before Charges' column shows each fund value without any transaction costs, charges or expenses being applied to the fund's holdings.

The 'After all charges' column shows the fund's holdings after transaction costs, charges and expenses have been deducted.

Years	Active Member Drawdown Lifestyle*		Aegon BlackRock Index-Linked Gilt (BLK)		Aegon BlackRock US Equity Index (BLK)	
	Before Charges	After all charges	Before Charges	After all charges	Before Charges	After all charges
1	29639	29608	29490	29490	29639	29631
3	50168	50037	49533	49533	50168	50136
5	72463	72172	71062	71062	72463	72390
10	136726	135730	131956	131956	136726	136476
15	214888	212625	204146	204146	214888	214319
20	309387	305120	289292	289292	309387	308314
25	423063	415831	389277	389277	423063	421240
30	558285	546358	506235	506235	559214	556327
35	714511	693570	642583	642583	721673	717321
40	898104	864704	801058	801058	914890	908566
42	979157	940287	871324	871324	1001919	994636

About this illustration

Your current age is 23 and retirement age is 65. This is based on the age of the youngest person in the scheme.

Your current salary is £50,000 and will increase each year by 3.5%.

Future contributions paid will be 18% of your salary (£750 each month increasing by 3.5% each year in line with assumed salary increases).

The existing fund value is £20,000.

We've shown the default Active Member Drawdown Lifestyle Investment Option that the majority of active members invest in.

We've also shown the Aegon BlackRock Index-Linked Gilt (BLK) and Aegon BlackRock US Equity Index (BLK) funds to show the asset classes with the lowest and highest assumed growth.

Investment growth

The value of your investments will grow at a rate appropriate to the funds you're invested in and inflation will be 2.0% every year. This is an illustrative growth rate only. The investment growth achieved may be more or less than this and may vary depending on the fund(s) you're invested in.

The assumed growth rate used for each fund is shown above. This rate is based on our view of potential long-term returns of the main asset classes (equities, property, corporate bonds, government bonds and cash) and will vary depending on the fund(s). The growth rates for mixed asset funds are derived from the asset class growth rates based on the investment objectives and long-term asset allocation of the funds.

If the growth rate we've used is:

- the same as the rate of inflation this reduces the growth rate, after making an allowance for inflation, to 0%;
- less than the rate of inflation, this produces a negative growth rate after making an allowance for inflation.