

# DCP GBP Corporate Bonds

Defined Contributions

## Fund information

Benchmark	Markit iBoxx Sterling Non-Gilts Over 15 years index
Fund launch date	23 March 2010
ABI sector	Sterling Long Bond (Pen)
Aegon fund size (£ million)*	£29.6
Total charge per annum**	0.25%

\*The fund size is the total sum of assets held within the fund. \*\*This is the total charge deducted from your plan. We reserve the right to change it. Expenses can include costs paid by Aegon to third parties.

## About fund performance

Investors should always consider performance in relation to the objective of the fund and over periods of at least five years. If a fund has risen in value, it doesn't mean it is meeting its objective – especially if the fund is aiming to outperform a particular benchmark or meet a risk target. The same applies if the fund has fallen in value.

## Our risk rating



**Below average risk**

Below average risk funds will generally see some change in day-to-day value, both up and down, and these changes will typically be larger than those of a cash deposit. They may hold a broad range of investment types, including equities (shares), but a significant proportion may also be invested in investments that aim to provide a reliable source of income (like government and corporate bonds) and, with that, greater stability than would typically be available from equities. They try to provide better long-term growth prospects than a cash deposit, but are lower risk than funds investing largely in equities.

## Fund objective

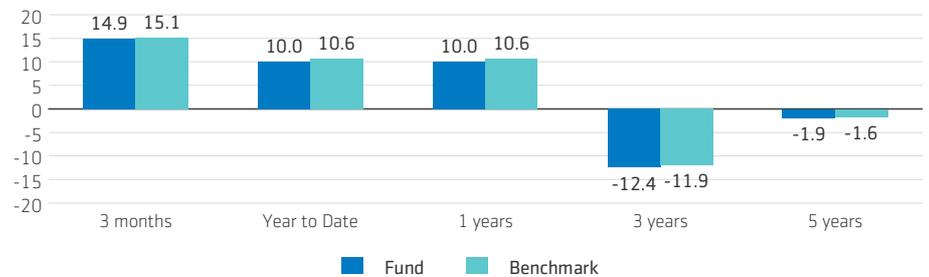
The fund aims to achieve capital growth and income by predominantly investing in a wide range of Sterling denominated investment grade corporate bonds with maturities of 15 years or greater. It is passively managed, which means it aims to perform broadly in line with its benchmark [which is the Markit iBoxx Sterling Non-Gilts Over 15 Years Index] by largely investing in the bonds which constitute this index. Investing in corporate bonds will typically carry more risk compared to government bonds due to the risk of a company defaulting. Generally, bonds with a longer maturity will typically be more sensitive to interest rate changes than those with shorter maturities.

## Fund performance

The following graph and tables show the performance of the fund over various time periods compared to the fund's benchmark (if there is one). All performance information is as at 31 December 2023 unless otherwise stated.

In the graph, performance is shown since launch if the fund is less than five years old.

**DCP GBP Corporate Bonds**  
% returns



**Standardised yearly fund performance (%)**

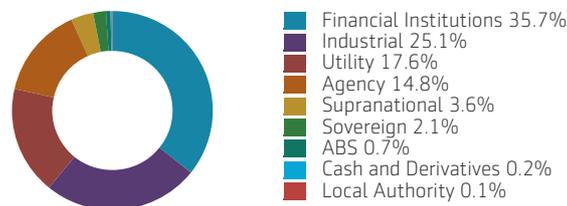
	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Fund	17.5	15.2	-7.1	-34.2	10.0
Benchmark	17.4	14.8	-5.8	-34.4	10.6

Past performance is not a reliable guide to future performance. The value of investments and the income from them can fluctuate and are not guaranteed. Investors may not get back the full amount invested.

Aegon currently invests this fund in a fund (or funds) managed by BlackRock.

## Asset allocation

**Asset allocation**



# DCP GBP Corporate Bonds

Top 10 Holdings	%
European Investment Bank 5 04/15/2039	1.8
Enel Finance International SA Mtn Regs 5.75 09/14/2040	1.7
Electricite De France SA Mtn Regs 5.5 10/17/2041	1.6
Electricite De France SA Mtn Regs 6 01/23/2114	1.5
AT&T Inc Mtn 7 04/30/2040	1.5
LCR Finance Plc 5.1 03/07/2051	1.4
AT&T Inc 4.875 06/01/2044	1.3
Eon International Finance Bv Mtn Regs 6.125 07/06/2039	1.3
THFC Funding No 3 Plc Mtn Regs 5.2 10/11/2043	1.2
GDF Suez Mtn Regs 5 10/01/2060	1.2
<b>Total</b>	<b>14.5</b>

## Risks specific to this fund

There is no guarantee the fund will meet its objective. The value of an investment can fall as well as rise and investors could get back less than they originally invested. All funds carry a level of risk and the information below outlines the key risks for this fund.

**Third party risk** - In the event that the underlying investments which the fund invests in suspend trading, Aegon may defer trading and/or payment to investors. The value ultimately payable will depend on the amount Aegon receives or expects to receive from the underlying investments.

**Interest rate risk** - Interest rate changes could affect the value of bond investments. Where long term interest rates rise, the value of bonds is likely to fall, and vice versa.

**Credit risk** - This fund invests in bonds or other types of debt. Bonds are essentially loans to companies, governments or local authorities so there's a risk that these companies or government bodies may default on the loan. Bonds are rated in terms of quality, usually from AAA down to B and below. AAA is the highest quality and therefore the least likely to default and B or lower the most likely to default. Where we have it we show the credit quality of the loans held by this fund.

**Derivative risk** - This fund will use derivatives in a number of ways to achieve its objectives. Holdings may add up to over 100% because derivatives offer a way to gain exposure to the returns of a specified equity or bond market without having to directly own it. These negative figures are not shown within the top holdings section. Derivatives allow a manager to buy or sell an investment at a specified future date for a specified price. However, this means the fund could be exposed to additional risks if the market moves up when the manager expected it to go down or vice versa.

**Inflation risk** - This fund invests in lower risk investments, which means it shouldn't fluctuate in value greatly and is less likely to fall in value significantly. The downside to this is that returns are likely to be lower and there's a greater risk that they may not keep pace with inflation. It's therefore more suitable for short-term investment where you may need your money quickly.

**Investment restrictions** - This fund is restricted in what it can invest in either to one country e.g. UK or to a certain type of company e.g. ethical/socially responsible, smaller or technology-based, which increases the risk to the fund if market conditions don't favour that country or type of company.

