

Aegon BNY Mellon UK Income (ARC)

Fund information

Fund provider	Aegon/Scottish Equitable plc
Fund launch date	11 Nov 2011
Benchmark	FTSE All Share
Fund charge*	0.41%
Aegon fund size	£53.46m
ABI sector	ABI UK Equity Income
Fund type	Pension
ISIN	GB00B4L43T80
SEDOL	B4L43T8
Aegon mnemonic	ZHH
CitiCode	00IL

*This is on top of any product or adviser charge you pay and includes a fixed management fee plus expenses that vary with the day to day costs of running the fund. Expenses can include costs paid by Aegon to third parties. The fund charges may differ for Retirement (RR) or Aegon One Retirement (AOR).

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



Above-average risk

Above average risk funds typically invest in one single investment type or geographical region, for example regional equities (shares) or global bonds. This means that investors are completely exposed to the performance of that single investment type or region. These funds could experience lengthy periods where their value goes down depending on market conditions. However, these funds can also rise in value quite significantly and have historically provided good long-term growth. Because of their narrow investment focus, they're better suited to investors with at least five years to invest and to use in combination with other funds as part of a diversified portfolio.

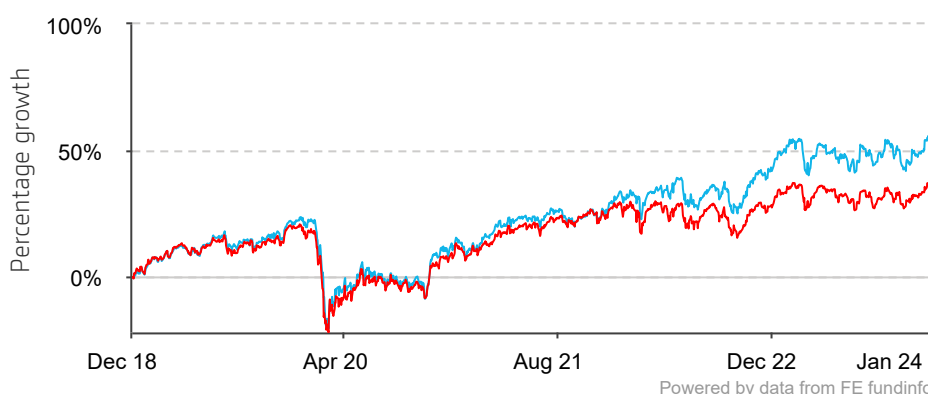
Fund objective

This fund aims to achieve income over an annual period together with capital growth over the long term (5 years or more) by investing at least 70% of the portfolio in UK equities (company shares), including ordinary shares, preference shares and other equity-related securities; and invest in company shares targeting higher than average dividends (dividends are the proportion of company profits paid out to shareholders) and with good prospects for growth. The fund can also invest in money market instruments, deposits, cash and near cash; use derivatives (financial instruments whose value is derived from other assets) with the aim of risk or cost reduction or to generate additional capital or income; and invest up to 10% in other collective investment schemes (including but not limited to another fund or funds managed by BNY Mellon funds).

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 Dec 2023 unless otherwise stated.

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



■ Aegon BNY Mellon UK Income (ARC)
■ FTSE All Share


	1yr	3yrs	5yrs	10yrs
Fund	10.4%	12.3%	9.4%	7.4%
Benchmark	7.9%	8.6%	6.6%	5.3%
Sector quartile	1	1	1	1

	Dec 22 to Dec 23	Dec 21 to Dec 22	Dec 20 to Dec 21	Dec 19 to Dec 20	Dec 18 to Dec 19
Fund	10.4%	9.9%	16.7%	-8.3%	20.8%
Benchmark	7.9%	0.3%	18.3%	-9.8%	19.2%
Sector quartile	1	1	2	2	2

Source: FE fundinfo. The performance information has been calculated in pounds on a bid-to-bid basis and is net of charges with gross income reinvested. Performance for periods over a year is annualised (% per year). Past performance is not a reliable guide to future performance. The value of an investment can fall as well as rise and is not guaranteed. Investors could get back less than they invested.

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Underlying fund

Fund mgmt group	BNY Mellon Fund Managers Ltd
Fund name	UK Income
Launch date	01 Jun 1987
Fund size	£1,573.09m as at 29 Dec 2023
Sedol code:	B0702V7
ISIN	GB00B0702V75
Crown rating	

Fund manager information

Fund manager	Tim Lucas
Start date	01 Nov 2021

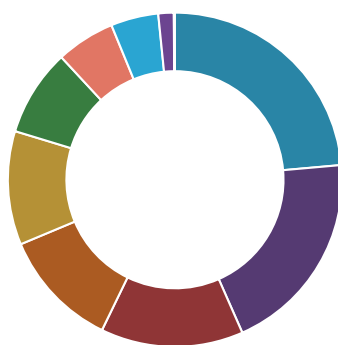
Tim is a member of the equity income team at Newton, with a focus on researching and analysing securities within the Newton UK equity income strategy. Tim joined Newton in 2004, and prior to joining the equity income team, was a global research analyst specialising in the support services and leisure sectors. Prior to joining Newton, Tim worked as an equity analyst at Insight Investment, covering the chemicals and support services sectors. Tim has a Master of Chemistry degree from the University of Oxford and is a CFA1 charterholder. Outside of work, Tim enjoys reading about Austrian economics and tending his rockery which contains 90 different types of azaleas and rhododendrons.



Fund manager	David Cumming
Start date	22 Apr 2022

David Cumming joined Newton as Head of UK Equities in March 2022. David manages the BNY Mellon UK Income Fund with Tim Lucas, and heads up our UK equity investment team, working with Louise Kernohan and Georgina Cooper who run our UK Equity and Sustainable UK Opportunities strategies. David has been an active UK equity manager for more than 35 years. He was most recently Chief Investment Officer of Equities at Aviva Investors. Before that, he was Head of Equities at Standard Life Investments, and prior to that was a portfolio manager at Morgan Grenfell, Manufacturers Life and Edinburgh Fund Managers, having begun his career as an investment analyst at Royal London Mutual. He has an MA (Hons) in Economics and Accounting.

Sector breakdown as at 31 Dec 2023



Name	Weight
Financials	23.6%
Industrials	19.8%
Energy	13.8%
Consumer Discretionary	11.5%
Basic Materials	11.0%
Health Care	8.4%
Consumer Staples	5.7%
Real Estate	4.6%
Utilities	1.5%
Cash	0.1%
Total	100.0%

Top holdings as at 31 Dec 2023

Holding	%
Shell Plc	9.0%
GSK plc	5.6%
Barclays PLC	5.5%
Glencore plc	4.8%
Lloyds Banking Group plc	4.3%
BP p.l.c.	3.9%
Land Securities Group PLC	3.0%
Tesco PLC	3.0%
Standard Chartered PLC	3.0%
Sanofi	2.8%
Total	44.9%

Source of fund breakdown and holdings: Fund mgmt group

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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.

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.

Concentration risk - this fund invests in a smaller number of stocks (company shares) than most other, similar funds. This means there's a greater chance of loss if one or more of those stocks goes down in value.

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.

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