

Scottish Equitable M&G Recovery (ARC)

Fund information

Fund provider	Aegon/Scottish Equitable plc
Fund launch date	11 Nov 2011
Benchmark	FTSE All Share
Fund charge*	0.86%
Aegon fund size	£9.75m
ABI sector	ABI UK All Companies
Fund type	Pension
ISIN	GB00B3SKTY99
SEDOL	B3SKTY9
Aegon mnemonic	ZGW
CitiCode	00LZ

*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 Retiree (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.

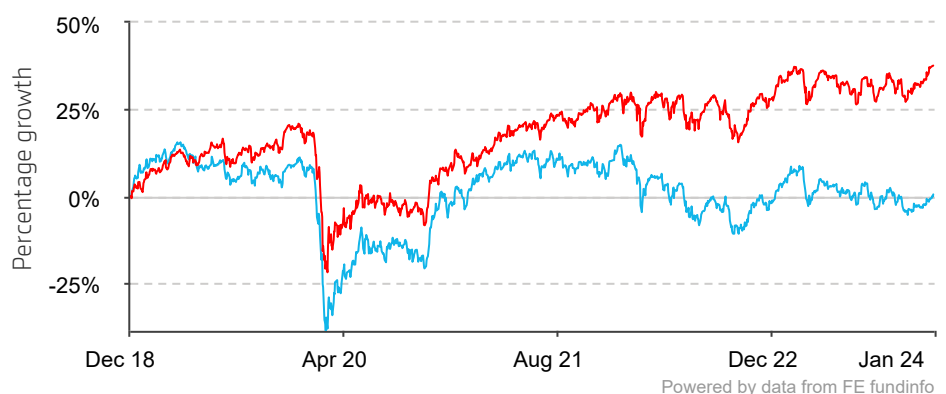
Fund objective

The fund aims to provide a combination of capital growth and income to deliver a return, after charges, that is higher than that of the FTSE All-Share Index over any five-year period. At least 80% of the fund is invested in the shares of companies that are based, or do most of their business, in the UK. The 'recovery' strategy invests in companies that have experienced difficulties but have the potential to turn around. The approach focuses on three key factors: people, strategy and cashflow. Developing a constructive dialogue with company management is fundamental to the investment process. The Scottish Equitable fund has higher charges than the underlying M&G fund and will therefore be less likely to meet this target. The underlying fund has charges that can change on a quarterly basis, so the charge you pay for the Scottish Equitable fund may vary in line with that on a quarterly basis but will not exceed the Fund Charge shown on the fund factsheet.

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.



■ Scottish Equitable M&G Recovery (ARC)
■ FTSE All Share


	1yr	3yrs	5yrs	10yrs
Fund	2.0%	1.1%	0.1%	0.0%
Benchmark	7.9%	8.6%	6.6%	5.3%
Sector quartile	4	4	4	4

	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	2.0%	-10.7%	13.4%	-10.1%	8.3%
Benchmark	7.9%	0.3%	18.3%	-9.8%	19.2%
Sector quartile	4	3	3	3	4

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	M&G UK
Fund name	Recovery
Launch date	23 May 1969
Fund size	£1,082.20m as at 31 Dec 2023
Sedol code:	3128921
ISIN	GB0031289217
Crown rating	

Fund manager information



Fund manager	Michael Stiasny
Start date	31 Dec 2020

Michael Stiasny was appointed fund manager of Charifund in November 2016, and has been deputy manager of the M&G Recovery Fund since January 2011. Michael joined M&G in 1998 as an equity analyst, becoming head of the pan-European equity research team in January 2005. Michael graduated in philosophy, politics and economics from Oxford University. He is a CFA charterholder.

Fund manager	Elina Symon
Start date	01 Jul 2019

Elina Symon is manager of the M&G UK Income Distribution Fund. Elina has been the deputy manager of Charifund since April 2018 and in July 2019 was appointed to the same position on both the M&G UK Income Distribution Fund and the M&G Recovery Fund. Elina joined M&G in 2011 as a graduate and subsequently worked as an equity analyst covering the telecommunications and utilities sectors. Since October 2014, she has been a dedicated analyst with the UK Equities team. Prior to joining M&G, Elina worked at Bank of New York Mellon in its Treasury department. She graduated with a degree in international business, finance and economics from Manchester Business School in 2010. Elina is a CFA charterholder.

Sector breakdown as at 31 Dec 2023



Name	Weight
Financials	20.6%
Health Care	13.1%
Energy	12.7%
Consumer Discretionary	11.8%
Industrials	10.6%
Consumer Staples	9.6%
Basic Materials	7.8%
Utilities	6.6%
Technology	3.3%
Other	3.8%
Total	99.9%

Top holdings as at 31 Dec 2023

Holding	%
BP	7.9%
HSBC	6.8%
Glaxosmithkline	4.1%
Astrazeneca	3.8%
Unilever	3.5%
Kenmare Resources	3.1%
National Grid	3.1%
Royal Dutch Shell	3.0%
Compass Group	2.8%
Imperial Brands	2.4%
Total	40.5%

Total number of holdings: 66

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.

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