

Retiready Solution 3



Risk level 3



Single fund solution



Governed by us



Mixed-asset



Risk level 3

A risk level 3 fund

Risk level 3 investors take a balanced view of risk and are prepared to take risks with their savings in the hope that long-term returns will outstrip any short-term losses.


Fund objective


This fund aims to make saving with an ISA simple. It aims to grow investors' savings by investing around 30% in a mix of less risky assets, like bonds and property, with around 70% invested in riskier assets, such as equities (shares) including some in emerging markets equities.

It also has an added safeguard that moves some money out of riskier investments into safer ones when things get too risky. We believe this will help limit the impact on your investment of extreme and prolonged falls. But, there's also a chance it may limit returns if markets bounce back quickly. There's no guarantee the fund will meet its objective. Its value can go down as well as up and you may get back less than you invested.

Retiready Solution 3 is a brand name. If you invest in this solution you're investing directly in the BlackRock Volatility Strategy II (E share class) fund.

Fund information as at 30 September 2018

Fund provider	Aegon
Fund launch date	7 March 2013
Fund type	ISA
Fund charge 	0.38%

 This is on top of your other Retiready charges. It includes expenses of up to 0.03% which can vary depending on the day-to-day running costs of the fund, so what you pay could be slightly different.



About fund performance

You should always look at performance over periods of at least five years and in relation to the fund's objective. Even if a fund has risen in value, this doesn't mean it's meeting its objectives, especially if it's aiming to outperform a particular benchmark or meet a risk target. The same applies if it's gone down.

All performance in this fact sheet is to 30 September 2018 unless otherwise stated. Fund performance is shown net of the fund charge shown on page one. Where the fund is less than five years old, performance is shown since launch.

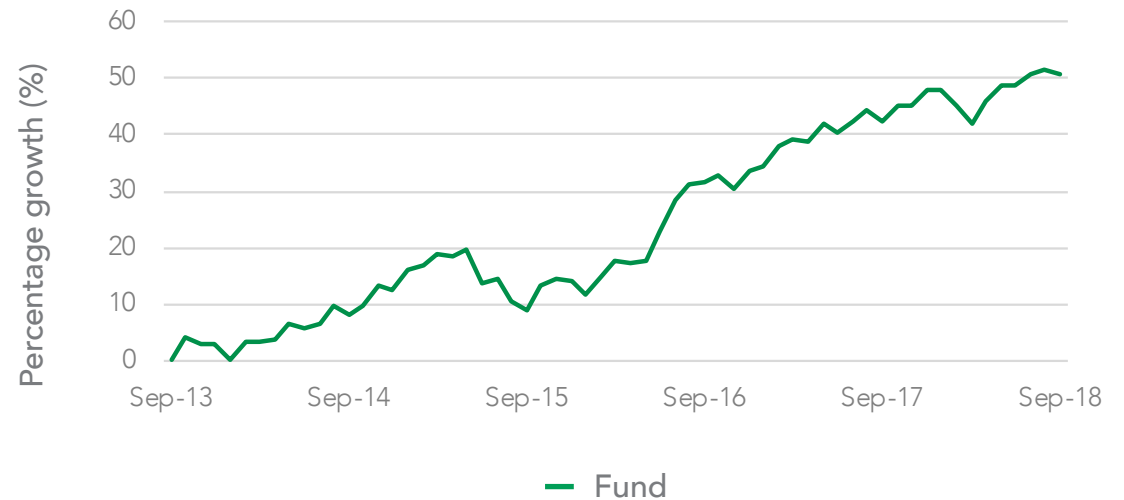
Past performance is no guide to future performance and the value of this investment can go down as well as up.



Fund performance

The charts and tables show the fund's performance over various time periods.

Five years to 30 September 2018



Performance in detail

Periods ended 30 September 2018

	3 months (%)	1Y (%)	3Y (% per year)	5Y (% per year)
Retiready Solution 3	1.4	5.8	11.4	8.5

Growth (%) over 12-month periods shown below

Sep 2017 to Sep 2018	Sep 2016 to Sep 2017	Sep 2015 to Sep 2016	Sep 2014 to Sep 2015	Sep 2013 to Sep 2014
5.8	8.2	20.9	0.8	8.1

Source: Financial Express. Produced by Aegon. Figures in £s, on a bid-to-bid basis, net of fund charges, with gross income reinvested. Performance for periods of greater than one year is annualised (% per year).

Single fund solution

We've designed this fund as suitable for use on its own because it invests in a mix of different investment types (shares, bonds, cash, property), world regions and types and sizes of company which means you're not entirely reliant on the success of just one. This is just intended as a guide. Only you know what risk you're willing to take and what other investments you have.

Governed by us

It's our job to make sure our funds are able to meet their commitments to you. Rigorous governance is our highest priority, and is underpinned by our Funds Promise:

- We aim to offer high quality funds which meet their objectives
- We monitor funds to check if they perform as expected
- We take action if funds don't meet expectations
- We give you the facts you need to make decisions

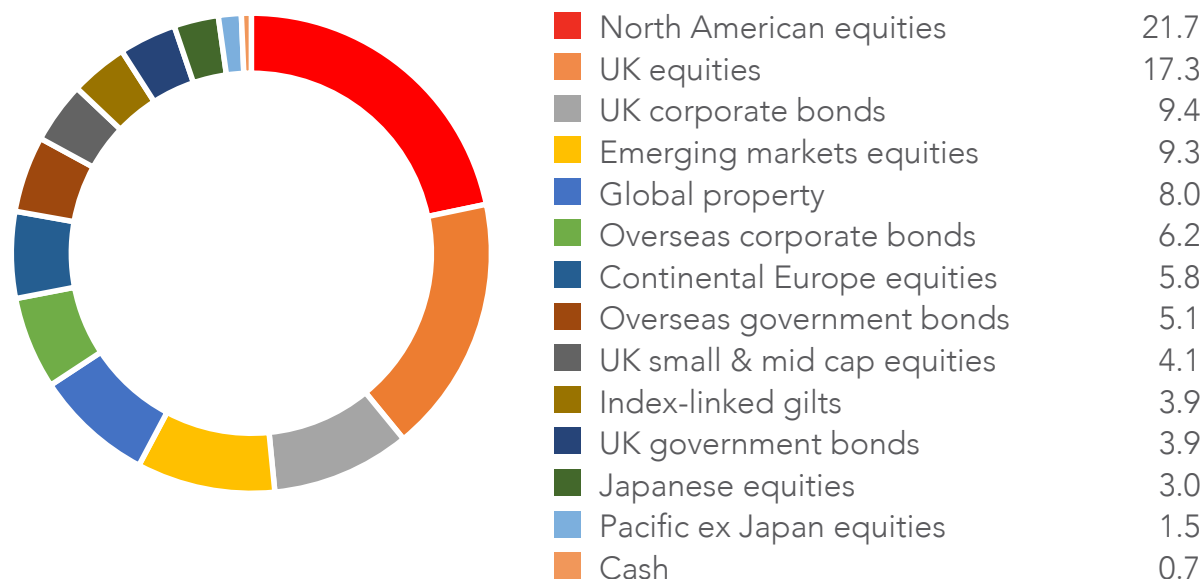
Managing risk part 1 – mixing investments

How much your savings grow depends a lot on what you're invested in. Higher-risk investments like equities (company shares) have tended to grow more than lower-risk investments like bonds and cash over the long term. They've also had the most sudden drops in value.

This fund invests in a mix of investments to match its risk level. BlackRock regularly reviews the mix, and may change it, to help the fund meet its objectives.

Investment mix as at 30 September 2018


%



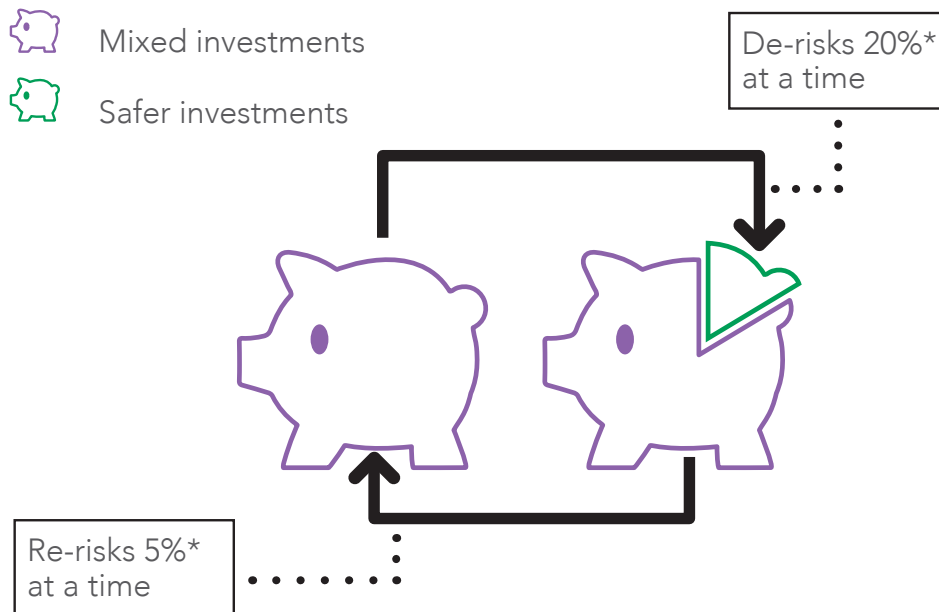
The figures above may not add up to exactly 100% due to rounding.

This fund may use derivatives which means some of the figures above may be negative. Derivatives are a way of getting exposure to a market. They give you the right to buy or sell an asset without owning it.

Managing risk part 2 – added safeguard

Many investors worry about losing their savings, so the added safeguard moves money into safer investments (de-risks) when the fund's volatility  climbs above a fixed level.

When it simmers down, the fund gradually moves back (re-risks) into the mix shown on the previous page.

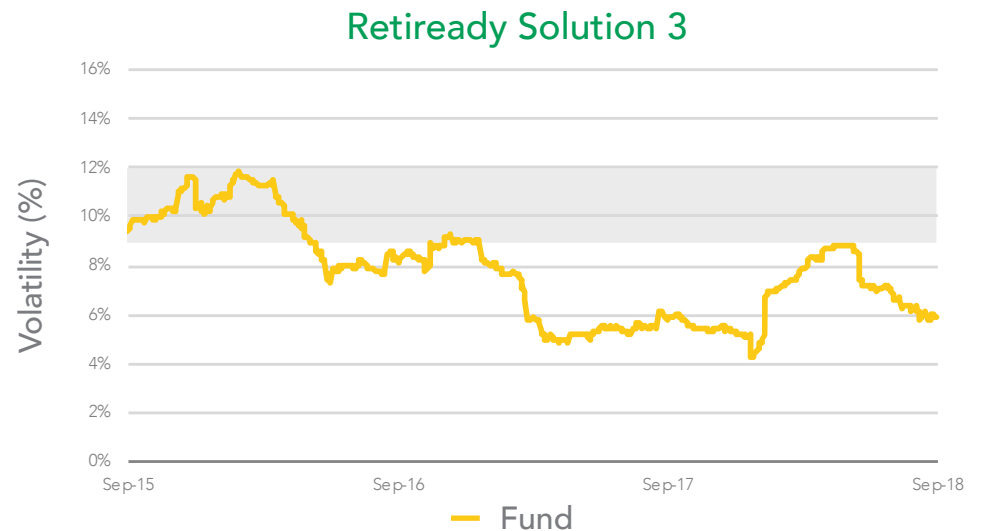


The process works on the basis that, when market volatility goes up, stock markets tend to fall in value. If this happens, moving some of the fund into safer investments should mean you're cushioned from the worst of these falls.

*BlackRock may choose to use its discretion to de-risk or re-risk by amounts other than those stated.

Performance against risk target to 30 September 2018

To manage the fund's risk, BlackRock targets a volatility range (the grey shaded area below). The fund's volatility (the yellow line) is less likely to go above its target (because of the added safeguard) but it may be below at times – for example, if market volatility is unexpectedly low and the fund is already fully invested, i.e. hasn't de-risked.




Source: BlackRock. Volatility is shown over three years to 30 September 2018 and is measured using 90 days rolling volatility of equally weighted daily returns before charges are taken off.

Past performance is no guide to future performance.

Has the fund de-risked in the past quarter?

No

 Volatility is another word for risk. It's the extent to which the fund's returns go up and down compared to its average. The higher the percentage, the more volatile (risky) the fund.



Risks specific to this fund

All our funds carry a level of risk, in particular that the value of your investment may go down and you may get back less than you invested. The table below draws your attention to the other key risks specific to this fund.

Risk type	Description of risk
Target risk range	The fund may sit outside its risk target at times, for example if risk in the markets is unusually high or low.
Risk management safeguard	The fund's risk management process may mean it misses out on potential growth, particularly if markets bounce back quickly after a fall, or if it de-risks when markets are still growing. The added safeguard doesn't mean this fund won't fall in value.
De-risking	BlackRock may choose to use its discretion to de-risk or re-risk by amounts other than those stated.
Credit risk	This fund invests in bonds or cash deposits. These 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.
Currency risk	This fund invests overseas so its value will go up and down in line with changes in currency exchange rates.
Third party risk	In the event that the underlying investments which the fund invests in suspend trading, Aegon (a brand name of Scottish Equitable plc) 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.
Derivatives	This fund uses derivatives for efficient portfolio management and risk management, not for speculative reasons.

Retiready and Aegon are brand names of Scottish Equitable plc (No. SC144517) and Aegon Investment Solutions Ltd (No. SC394519) registered in Scotland, registered office: Edinburgh Park, Edinburgh, EH12 9SE. Both are Aegon companies. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Aegon Investment Solutions Ltd is authorised and regulated by the Financial Conduct Authority. Their Financial Services Register numbers are 165548 and 543123 respectively. © 2018 Aegon UK plc