

BlackRock Pensions Limited

AEGON Ethical Fund

Defined Contributions

As at 31 March 2010

BLACKROCK

Overview and Manager's Report

UK equities made a healthy start to 2010 over the first quarter, despite concerns over tightening Chinese monetary policy, increasing pressure for widespread banking reform and mounting sovereign stress levels, particularly in peripheral European countries. These concerns were all outweighed by the pace of corporate earnings recovery: cost cutting allied to sales marginally ahead of expectations led to numerous positive surprises. Notable sector contributors included Mining. Weakness was seen in Pharmaceuticals and Life Insurance, following Prudential's \$35bn bid for AIA.

The AEGON Ethical Fund underperformed its benchmark over the quarter. While equity valuations have risen since March 2009, we believe that current valuations remain supportive for equities; however, further gains are likely to be led by growth in earnings rather than a further re-rating.

Objectives and Policies

Invests mainly in UK equities, avoiding investing in companies that do unacceptable harm to people, animals or the environment and is suited to those investors who have particularly strong ethical beliefs. The Fund aims to produce a return in excess of its benchmark. Investment in this Fund involves a higher than usual degree of risk.

Fund Facts

Fund Value (£m):	0.6
Launch Date:	31 March 2002
Benchmark:	FTSE All Share Index

Risk Rating Profile: High



These ratings give an indication of the risk level of a fund only in relation to BPL's overall fund range.

Performance & Fund Characteristics

Performance for 12 months to:					
	31 Mar 06	31 Mar 07	31 Mar 08	31 Mar 09	31 Mar 10
Fund	+37.2%	+21.1%	-6.6%	-29.3%	+39.7%
Benchmark	+28.0%	+11.1%	-7.7%	-29.3%	+52.3%

Performance for:						
	3 months	Year to date	12 months	3 years p.a.	5 Years or since launch	5 Years or since launch p.a.
Fund	+5.4%	+5.4%	+39.7%	-2.7%	+53.2%	+8.9%
Benchmark	+6.4%	+6.4%	+52.3%	-0.2%	+41.3%	+7.2%

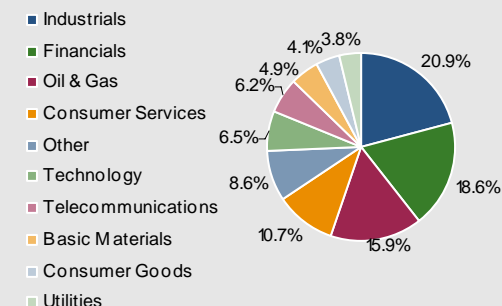
Source: BlackRock. Performance shown is gross of fees. Please call our helpline to check the charges that will apply to your investment.

Past performance is not a 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 amount invested. Rates of exchange may cause the value of investments to go up or down. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Any objective or target will be treated as a target only and should not be considered as an assurance or guarantee of performance of the Fund or any part of it. The Fund objectives and policies include a guide to the main investments to which the Fund is likely to be exposed. The Fund is not necessarily restricted to holding these investments only. Subject to the Fund's objectives, the Fund may hold any investments and utilise any investment techniques, including the use of derivatives, permitted under the FSA's New Conduct of Business Sourcebook which contain the rules by which investment of the Fund is governed. The BlackRock Pensions Limited notional fund units have a single unit price. The unit prices are normally calculated on each business day. For performance reporting, notional units are valued at special closing prices on the last working day of each quarter to enable comparison with the relevant benchmark index. Issued by BlackRock Pensions Limited, which is authorised and regulated by the Financial Services Authority. BlackRock Pensions Limited, 33 King William Street, London EC4R 9AS. Phone: 020 7743 3000 Fax: 020 7743 1000. Registered in England number 2348841. BlackRock is a trading name of BlackRock Pensions Limited.

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Asset Allocation



Source: BlackRock

Top Ten Holdings

	Fund (%)
Vodafone	6.2
BG Group	4.2
Cairn Energy	3.6
Tullow Oil	3.1
Victrex	2.2
Petrofac	2.0
Schroders	2.0
Amlin	1.8
Bellway	1.8
Euromoney Institutional Investor Pl	1.7
Total	28.6

Source: BlackRock