

This circular is sent to you as a Shareholder of Aegon Asset Management Investment Company (Ireland) plc (the “Company”). This circular has not been reviewed by the Central Bank of Ireland (the “Central Bank”) and it is possible that changes thereto may be necessary to meet the Central Bank’s requirements. The Company’s Directors are of the opinion that there is nothing contained in this circular or in the proposals detailed herein that conflicts with the regulations of, the Central Bank or with best industry practice. The Directors accept responsibility for the information contained in this circular.

All capitalised terms used in this circular and not defined herein shall have the meanings ascribed to them in the Company’s current prospectus dated 30 June 2023 and the supplement for the Aegon Global Sustainable Equity Fund dated 2 November 2023 (the “Supplement”).

15 May 2024

Dear Shareholder

Updates to Aegon Global Sustainable Equity Fund (the “Fund”)

We are writing to you in your capacity as Shareholder in the Fund to inform that we intend to make the below updates in respect of the Fund. The changes are in the form detailed in the revised description of the investment objective, policies and investment process of the Fund and the new SFDR Annex III, contained in the Appendix hereto, which have been marked-up to show the changes proposed and which are summarised below.

You do not need to take any action as a result of this notification, although we recommend that you read it carefully.

Sustainable Investment Objective

The Fund is currently classified as an Article 8 fund under EU Regulation 2019/2088 of the European Parliament and the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”). It is proposed to re-classify the Fund as an Article 9 fund under SFDR to reflect that the Fund has sustainable investment as its objective.

The Fund’s sustainable investment objective is to invest in the equities of companies whose products, services and activities are making a positive contribution to social and environmental outcomes aligned with the Fund’s six sustainability ‘pillars’ or themes.

There are three environmental themes (Climate Change, Eco Solutions and Resource Efficiency) and three social themes (Health & Wellbeing, Inclusion and Sustainable Growth). Securities that align with these themes are considered by the Investment Manager to be ‘sustainable investments’ as defined under SFDR. The Fund will invest at least 90% of its net assets in sustainable investments.

Investment Policies

As part of the above re-classification, the investment policies of the Fund will be clarified to provide further details in respect of the Fund’s investment process.

All equity securities must have passed the Investment Manager’s sustainability criteria, as detailed in the Appendix, prior to investment and must also continue to do so on an ongoing basis to remain eligible to be retained within the Fund’s portfolio.

The SFDR Annex II appended to the Supplement will be replaced with the SFDR Annex III to reflect the disclosures required for an Article 9 fund.

Additional Changes

The following additional changes will also be made to the Fund’s investment policy and strategy:

- The Fund’s minimum investment in equity securities will be increased from 80% of Net Asset Value to 90% of the Net Asset Value of the Fund.

- The Fund's maximum investment in ancillary liquid assets (cash, bank deposits, short term certificates, commercial paper and treasury bills) will be decreased from 20% of Net Asset Value to 10% of the Net Asset Value of the Fund.
- The Fund's investment restrictions will be updated to prohibit the Fund from investing in other collective investment schemes.
- Further detail will be added to the description of the Fund's investment strategy for clarity.

The marked-up Supplement changes and the new SFDR Annex III are contained in the Appendix hereto.

Impact

The proposal does not result in any change to the risk profile of the Fund, the way the Fund is managed nor any re-alignment of the portfolio.

These changes will take effect from on or around 30 May 2024 or such other date as the Central Bank notes the revised Supplement for the Fund (the "Effective Date"). The updated Supplement to reflect the above changes will be available on the Effective Date.

In the meantime, if you have any questions or need more information, please contact our Investor Helpdesk on +353 1 622 4493 or email us at aegonamta@citi.com. We will be happy to help you.

Yours faithfully



Stuart Donald
Director

For and on behalf of the
Board of Directors of the Company - Aegon Asset Management Investment Company (Ireland) plc

Share Class closures

Fund	Share class	ISIN Code
Global Sustainable Equity Fund	A Acc EUR	IE00BYZHYJ00
Global Sustainable Equity Fund	A Inc EUR	IE00BYZHYK15
Global Sustainable Equity Fund	B Acc GBP	IE00BYZJ3441
Global Sustainable Equity Fund	B Acc USD	IE00BYZJ4F20
Global Sustainable Equity Fund	B Acc EUR	IE00BYZHYQ76
Global Sustainable Equity Fund	C Acc GBP	IE00BYZJ3771
Global Sustainable Equity Fund	C Acc EUR	IE00BYZHYX44
Global Sustainable Equity Fund	C Acc USD	IE00BYZJ4H44
Global Sustainable Equity Fund	D Acc USD	IE00BMC6R209
Global Sustainable Equity Fund	G Acc USD	IE00BMC6R316
Global Sustainable Equity Fund	X Acc USD	IE00BMC6R423
Global Sustainable Equity Fund	B Acc EUR (BRL hedged)	IE00OOCKCNK2

APPENDIX

Supplement Changes (Mark-Up)

1. INVESTMENT OBJECTIVE

The investment objective is to maximise total return (income plus capital).

The Fund has sustainable investment as its objective within the meaning of Article 9 of SFDR, as disclosed in the annex attached to this Supplement.

2. MANAGER AND INVESTMENT MANAGER

The Company has appointed the Manager, Aegon Investment Management B.V., as the management company and global distributor of the Company.

The Manager has appointed the Investment Manager, Aegon Asset Management UK plc, as the investment manager of the Company.

Please refer to the **MANAGEMENT OF THE COMPANY** section of the Prospectus for further details.

3. INVESTMENT POLICIES

The Investment Manager in seeking to achieve the Fund's investment objective intends to invest directly in a diversified portfolio of global equity securities whose products, services and/or practices contribute to at least one of the Investment Manager's six sustainable themes and which meet the Fund's predefined sustainability criteria. There are three environmental themes (Climate Change, Eco Solutions and Resource Efficiency) and three social themes (Health & Wellbeing, Inclusion and Sustainable Growth). Securities that align with these themes are considered by the Investment Manager to be 'sustainable investments' as defined under SFDR.

The Investment Manager will, firstly, apply an exclusionary screen to exclude investments which the Investment Manager considers have a negative impact on society and/or the environment. The Investment Manager then, through applying a detailed analysis, focusses on global equity securities which are aligned with, or are expected to contribute to, one or more of the Investment Manager's sustainability themes.

Through the Investment Manager's exclusion policy and its proprietary sustainability research framework, the Investment Manager seeks to ensure that the Fund's investments do no significant harm to any environmental or social investment objective, including the themes outlined above.

All equity securities must have passed the Investment Manager's sustainability criteria, as detailed in Appendix 1, prior to investment and must also continue to do so on an ongoing basis to remain eligible to be retained within the Fund's portfolio. For further details in respect of the Fund's ~~promotion of ESG characteristics~~ aims to achieve its sustainable objective, please refer to Appendix I to this Supplement.

Notwithstanding the Prospectus, please also refer to Appendix I to this Supplement for details of the Fund's investment in Taxonomy-aligned investments and how the Investment Manager considers PAIs in respect of the Fund.

The Fund is not constrained by any index weightings and will not concentrate on any particular sector. There are no currency or geographical limitations on the Fund's investments. All of the listed assets that the Fund invests in are publicly listed / traded on a Recognised Market (see Appendix 1 of the Prospectus for a list of Recognised Markets).

The Investment Manager may or may not hedge any currency exposures within the Fund's investment portfolio back to the Fund's Base Currency depending on whether it is anticipated that the currency is likely to outperform or underperform against the Base Currency.

Equity Securities:

The Fund shall directly invest at least ~~80~~90% of the Net Asset Value of the Fund in equity securities. Equity securities shall comprise common stocks of companies which are incorporated, listed, carrying on business, dealt in or traded on a Recognised Market.

Other Investments:

The Fund may invest up to ~~20~~10% of the Net Asset Value of the Fund in the following ancillary liquid assets: cash, bank deposits, short term certificates, commercial paper and treasury bills.

~~The Fund may invest up to 10% of the Net Asset Value of the Fund in other open-ended collective investment schemes.~~

Investment Strategy:

In order to achieve the Fund's investment objective the Investment Manager will directly invest in companies. When investing in a company the Investment Manager uses a consistent Fundamental, Valuation and Technical approach. **Fundamentals;** This involves considering the fundamental outlook for a company taking into account a company's business model, the dynamics of the company's industry (for example, the level of competition and any barriers to entry) and structural trends (for example, changing consumer habits); **Valuation** ~~the company's valuation relative to historical valuations and relative to the valuation of its peers;~~ this includes considering various valuation metrics such as a company's valuation ratios (for example it's Price to Earnings multiple) on an absolute and relative basis as well as intrinsic measures of value such as discounted cashflow analysis. **Technical;** the Investment Manager will also seek to ~~identify companies with positive~~ analyse various technical measures such as share price momentum ~~(increasing share prices~~ the direction and persistence of a share price change) and earnings momentum ~~by considering a company's historic share prices and expected earnings per share growth~~ (the direction and persistence of consensus profit forecast change) as well as other relevant ^Ttechnical measures.

The aim of this strategy is to consistently identify companies that will outperform their peers and build a diversified, investment portfolio with high levels of stock specific risk¹.

The Investment Manager believes that the increasing imperative of finding solutions to the world's many sustainability challenges will create structural growth opportunities for companies with products, services and/or practices that address these challenges. The Investment Manager believes that these will, in turn, lead to such companies outperforming the market over the long term.

Financial Derivative Instruments (FDI):

The Fund has the ability to invest in FDI for the purposes of efficient portfolio management (EPM), subject to the conditions described in the Prospectus.

In particular, the Fund may invest in futures and forwards dealt in or traded on a Recognised Market, each of which is described in the Prospectus. The underlying assets of these FDI will be one of the asset classes referred to above in this **Investment Policies** section.

Other Information

The Investment Manager uses the commitment approach to measure the Fund's global exposure.

The level of leverage of the Fund (calculated using the commitment approach) will not exceed 100% of the Net Asset Value of the Fund and is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund.

The collateral management policy is set out in the Prospectus.

Use of benchmarks

The Fund is actively managed and is not constrained by any benchmark. Benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document or Key Information Document (as applicable) for the Fund.

SFDR

¹ The Fund shall have high levels of stock specific risk given the relatively concentrated nature of the Fund as compared to the investment universe as whole

The Fund ~~promotes ESG characteristics~~ seeks to achieve its sustainable objective as described at Appendix I. As such, the Fund is categorised as falling within the scope of Article 8⁹ of SFDR.

4. INVESTMENT RESTRICTIONS

The general investment restrictions set out under the heading **FUNDS - Investment Restrictions** in the Prospectus shall apply to the Fund.

In addition, the Fund is not permitted to invest in other collective investment schemes.

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Aegon Global Sustainable Equity Fund

Legal entity identifier: 213800XVAGWUGI2BD256

Sustainable investment objective

Does this financial product have a sustainable investment objective?

Yes **No**

- | | |
|---|--|
| <p><input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 20%*</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> | <p><input type="checkbox"/> It promotes Environmental/ Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> |
| <p><input checked="" type="checkbox"/> It will make a minimum of sustainable investments with a social objective: 20%*</p> | <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p> |

*Subject to a minimum total allocation to sustainable investments of 90%.



What is the sustainable investment objective of this financial product?

The Fund's sustainable investment objective is to invest in the equities of companies whose products, services and activities are making a positive contribution to social and environmental outcomes aligned with the Fund's six sustainability 'pillars' or themes. There are three environmental and three social themes as outlined below:

Environmental themes

- Climate Change: Reducing polluting emissions through insight and innovation. Enabling the energy transition.
- Ecological Solutions: Products and services that help to protect and improve the ecosystem of our planet.
- Resource Efficiency: Reducing finite resource use through automation and circular economics.

Social themes

- Health & Wellbeing: Enhancing human well-being through better healthcare, diet and fitness.
- Inclusion: Addressing inequality and helping demographic challenges.
- Sustainable Growth: Innovation and disruptive products and practices that have positive direct and indirect impacts.

The underlying foundation of these pillars is strong governance as the Investment Manager recognises having a good foundation of governance means that the other environmental, social and governance (ESG) risks and opportunities are more likely to be properly managed.

The Fund aims to invest in companies that the Investment Manager believes provide products and / or services that are having a positive impact and contribute to addressing the sustainable challenges in one of the six sustainability themes. For example, innovative medical device companies that can transform the lives of people living with long term health conditions would be allocated to the Health and Wellbeing pillar, while companies that actively reduce water usage in the textile industry would be allocated to the Resource Efficiency pillar.

The Investment Manager's proprietary analysis of the companies to ensure alignment with these pillars uses both quantitative and qualitative analysis:

- Use of quantitative measures such as carbon emissions data, diversity data, ratings agency scores (such as MSCI, ISS, Sustainalytics and GRESB) and the targets associated with long term incentivisation of the executive management team all factor in the Investment Manager's view of the sustainability of the company in question.
- Qualitatively the Investment Manager takes a view on how the company measures against peers and the markets in which they operate. The Investment Manager regularly monitors progress against the Key Performance Indicators (KPIs) it has set and will engage with the companies on their ambitions and progress before making the final decision on the sustainable rank it assigns to a company.

Possible rankings are:

- "Leader": Demonstrably leaders in sub-sector ie, companies that meet a large amount of the Investment Manager's ESG criteria quantitatively and qualitatively.
- "Improver": Some ESG issues identified but evidence of material improvement or credible plans to do so.
- "Laggard": Poor product exposure and/or inadequate practices, with little signs of improvement.

Only companies that are classified as Leader or Improver are eligible for the sustainable investment universe. The Investment Manager selects investments for the Fund only from companies included in that universe and which fall within its definition of 'sustainable investments'.

The Investment Manager has not designated a reference benchmark for the purpose of attaining the sustainable investment objective.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.



What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The sustainability indicators listed below are used to measure, at the level of the Fund, the attainment of the sustainable investment objective:

1. The percentage (%) of investments aligned with the Fund's sustainability themes outlined above.
2. Absolute portfolio emissions versus the MSCI ACWI (the "**Benchmark**"), being Fund's benchmark used for performance comparison purposes only.
3. Carbon intensity versus the Benchmark.

4. Weighted average carbon intensity versus the Benchmark.
5. Board independence, as measured by % of independent directors on boards
6. Board gender diversity, as measured by % of female directors on boards.
7. Portfolio alignment with UN Sustainable Development Goals.



How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Principal Adverse Indicators ("PAIs") for each company are taken into account as part of the analysis by the Responsible Investment team in order to show that the sustainable investments do not significantly harm any environmental or social objective, as described below in the section 'How have the indicators for adverse impacts on sustainability factors been taken into account?'

In addition, the Investment Manager uses a mixed quantitative and qualitative approach when analysing the company to assess whether the product or practices would be deemed to be harmful to society or environment. Primarily, the Investment Manager seeks to ensure that the Fund's investments do not cause significant harm to any environmental or social investment objective through its exclusion policy (as detailed in the description of the Fund's investment strategy below).

In addition, all portfolio investments are subject to analysis by the Investment Manager's Responsible Investment team prior to investment and on an ongoing basis. The analysis scores the company's products and practices on a scale of 1 – 5 (1 = best) and any companies with a score of below 3 on either metric are considered to have negative contributions to environmental or social factors are considered a 'Sustainable Laggard' and excluded from the investable universe.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Fund considers PAIs on sustainability factors, primarily through the sustainability analysis on prospective holdings and the ongoing sustainability analysis of current holdings carried out by the Investment Manager's Responsible Investment team. As part of this analysis process, the analysis considers, as a minimum, the mandatory indicators set out in Table 1, Annex I of the SFDR Regulatory Technical Standards, where data is available. In addition, the analysis will also consider indicators from Tables 2 and 3 that the Responsible Investment team consider to be material to the sustainability profile of each specific company. The analysis will consider the absolute levels of such indicators, as well as comparing them to similar companies in the same sector and/ or region.

Where the Responsible Investment team considers an indicator to signal a potential adverse impact, this will be listed as a KPI which will be tracked over the holding period of the security. It will also feed into the team's engagement strategy for the company in question. Where there is a lack of improvement over time, or where the Responsible Investment team's engagement activities with the company have been unsuccessful in achieving an improvement in the indicator over time, the Responsible Investment team may, at their discretion, downgrade the company's sustainability rating to laggard, consequently forcing its sale from the portfolio.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

It is expected that companies conduct their operations in accordance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles (UNGPs) on Business and Human Rights, and the UN Global Compact principles. To identify potential breaches of these norms, the holdings of the Fund are periodically screened using external specialized research, such as controversies, that indicate actual or potential breaches of international norms and standards. Please refer to the Investment Manager's Sustainability Risks and Impacts Policy applicable to this Fund (the "**Aegon AM UK Sustainability Risks and Impacts Policy**") for further details of this process.



Does this financial product consider principal adverse impacts on sustainability factors?

x

Yes, the Investment Manager incorporates an analysis of available principal adverse impact data as detailed above in the section 'How have the indicators for adverse impacts on sustainability factors been taken into account?'. Consideration of these material PAIs then informs the 1 – 5 rating given to the products and practices of the company. Where performance on the material PAIs indicates a significant negative impact on one of the six sustainability themes that the Fund invests in, this will lead to a score lower than 3 being awarded for the product and/ or practices metric and the company consequently being rated as a 'Sustainable Laggard', meaning it is removed from the investment universe.

PAIs are also used to inform the Investment Manager's engagement activities. Where performance on material PAIs is below expectation (but not by enough to warrant a 'Sustainable Laggard' rating), or where a company fails to disclose sufficient PAI data, then the Investment Manager will seek to engage with the company to address the points identified. The Investment Manager recognizes that good governance is often the key to ensuring the good management of environmental and social issues.

More information on how PAIs were considered during a specific reporting period can be found in the SFDR periodic disclosure.

No

What investment strategy does this financial product follow?

The "Investment Strategy" section of the Fund's Supplement sets on the Fundamental, Valuation and Technical approach used by the Investment Manager to achieve the Fund's investment objective. The Fund aims to maximize total return (income plus capital) by investing in the equities of companies whose products, services and activities are making a positive contribution to social and environmental outcomes aligned with one or more of the Fund's six sustainability 'pillars' or themes (Climate Change, Ecological Solutions, Resource Efficiency, Inclusion, Health & Wellbeing and Sustainable Growth) with the underlying pillar of Governance, as described at the section above titled "*What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?*". Securities that align with these themes are considered by the Investment Manager to be 'sustainable investments' as defined under SFDR.

The Investment Manager believes that the increasing imperative of finding solutions to the world's many sustainability challenges will create structural growth opportunities for companies with products, services and/or practices that address these challenges. This provides long term revenue visibility for such companies and an opportunity for them to establish or maintain lasting competitive advantages. In turn, these factors should, in the Investment Manager's opinion, lead to them outperforming the market over the long term.

In order to identify investments which meet the Fund's pre-defined sustainability criteria which are categorised into one of the six sustainability pillars, the strategy is implemented in the investment process in two stages: (i) product-based exclusions and (ii) bottom up sustainability analysis. Any stock considered for the Fund must pass both stages to be considered investable. Please see details below in the section titled 'What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?'



The investment strategy guides investment decisions based on factors such as investment objectives and risk

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The binding elements of the strategy are detailed below. They apply both to prospective holdings and also to existing holdings on an ongoing basis.

(i) Exclusionary screening: All holdings must pass the exclusionary screening. Potential investments will be screened by the Investment Manager so as to remove the following types of organisations from the Fund's potential investment universe:

Adult entertainment: Firms which own an adult entertainment company or produce adult entertainment

Animal testing: Firms that engage in the production or sales of animal tested cosmetics

Gambling: Firms which derive more than 5% of revenue from gambling

Genetic modification: Firms which conduct genetic modification for agricultural policies

Tobacco: Firms which derive more than 5% of revenue from tobacco

Weapons: Firms which produce or sell civilian firearms and firms which manufacture or sell armaments, nuclear weapons or associated strategic products

Nuclear power: Firms which own a nuclear power facility

Fossil fuels: Firms which engage in the extraction of oil, gas or coal.

Thermal Coal: Companies that derive 5% or more of their revenues from thermal coal-fired electricity generation or companies that own coal-fired electricity generation capacity greater than 10 gigawatts and are expanding coal-fired electricity production .

Forestry: Companies that manage forests with 75% or lower Forest Stewardship Council (FSC) certificate coverage or equivalent.

Human Rights: Firms failing to address serious allegations of violations of international standards on human rights including the use of child, forced or bonded labour

In addition, the Fund adheres to the exclusion criteria as set out in the Aegon AM UK Sustainability Risks and Impacts Policy, which excludes securities and/or companies that engage in activities related to controversial arms trade or the production, maintenance or use of controversial weapons based on widely accepted international treaties, standards and guidelines, as well as Russian and Belarussian companies, from the Fund's investment universe. Please refer to the Aegon AM UK Sustainability Risks and Impacts Policy for further details.

(ii) Sustainability analysis: All holdings must be analysed by the Investment Manager's Responsible Investment team. The team will use its framework to analyse a company based on its products, practices and sustainability improvement over time.

The starting point for the analysis is the Sustainable Accounting Standards Board's (SASB) 'Materiality Map', which provides a guide to the ESG factors which are likely to be the most important for a company, given the sector it operates in. The Responsible Investment team will focus its analysis of products and services that a company provides and also the company's operational practices and standards on the factors identified in this stage.

The assessment will contain both quantitative and qualitative elements. On the quantitative side, the Investment Manager will consider ESG rating data (such as carbon emissions data, diversity data, ratings agency scores such as MSCI, ISS, Sustainalytics and GRESB) and the targets associated with long term incentivisation of the executive management team) from a number of third parties to identify any points of obvious concern or issues that warrant further investigation.

For some aspects of the analysis, a less data driven approach is appropriate and so the Investment Manager places a greater emphasis on qualitative factors in such instances. This can include matters such as the direct or indirect benefits of a company's products; the culture of the business; or whether the company is a responsible employer or member of the communities in which it operates. As part of this process, the Investment Manager takes a view on how the company measures against peers and the markets they operate in.

The reporting by companies of ESG data varies by region, sector and within sectors. High ESG impact sectors such as transport, data centres and industrials would typically report more quantitative information on their ESG performance (for example safety, emissions, energy use, water, mineral grade) which allows more quantitative comparisons and assessments to be made.

For other sectors, where the ESG impacts are less significant (for example health care, media and IT services), ESG data disclosure is often less comprehensive. The ESG assessment must therefore be more qualitative focusing on factors such as employee benefits and compensation etc and less on environmental factors since the latter is less relevant to a company's success.

The sustainability of a company's products and practices are scored on a scale of 1 – 5 (1 = best). Companies that score below 3 on either metric are automatically categorised as 'Sustainable Laggards' and are uninvestable. Companies that score 3 or above in both metrics are categorised as either 'Leaders' or 'Improvers' and are suitable for inclusion.

The Investment Manager regularly monitors progress against the KPIs it has set and will engage with the companies on their ambitions during the holding period

This process applies on a continuous basis. Bottom up research is refreshed at least annually, or more regularly if there is a trigger event which may cause a material change to the original case. This analysis must be updated at least annually and should the rating of an existing holding be downgraded to 'Laggard', it must be completely sold from the portfolio as soon as is reasonably practicable.

The Investment Manager's Responsible Investment team has sole discretion to change the sustainability rating for any holding, including downgrading it to the 'Laggard' category, which would subsequently require it to be sold from the Fund as soon as is reasonably practicable.

(iii) Sustainability theme: All holdings must be assigned to one of the Fund's six sustainability themes (Climate Change, Ecological Solutions, Resource Efficiency, Health & Wellbeing, Inclusion, Sustainable Growth).

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

In addition to the six sustainability themes which all holdings are assigned to, all holdings in the Fund must meet the standards required by the Fund's governance 'foundation'.

Governance is assessed primarily through the 'practices' section of the analysis framework outlined above. Companies are required to score a minimum of 3 on a scale of 1 – 5 (1 = best) on both products and practices to be eligible for the portfolio, so this effectively sets a minimum level of governance that is acceptable.

Given corporate governance performance standards and practices vary by geography and sector, a company's governance is assessed versus its regional peers. When reviewing corporate governance performance, the following information resources are used:

- ISS Proxyexchange – For ISS QualityScore and proxy reports
- Boardex – For details on board members
- Factset – contains details of all Responsible Investment team research, engagement activities and voting details.

Matters considered when looking at the governance of a company include:

- board and committee composition
- compensation structure and quantum
- internal shareholdings and the share structure
- auditors tenure and fees
- Cyber security
- Ethics
- Corporate response to significant shareholder votes and/or shareholder resolutions

- Tax
- Employee relations.

Furthermore, it is expected that companies conduct their operations in accordance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles (UNGP) on Business and Human Rights, and the UN Global Compact principles. To identify potential breaches of these norms, the holdings of the Fund are periodically screened using external specialized research, such as controversies, that indicate actual or potential breaches of international norms and standards. Please refer to the Aegon AM UK Sustainability Risks and Impacts Policy for further details of this process.



What is the asset allocation and the minimum share of sustainable investments?

A minimum of 90% of the Fund's investments will be sustainable investments. The Fund may also invest in cash, ancillary liquid assets and hedging instruments that do not qualify as sustainable investments, which, under normal market circumstances, typically constitute under 10% of the Fund's Net Asset Value.

Asset allocation

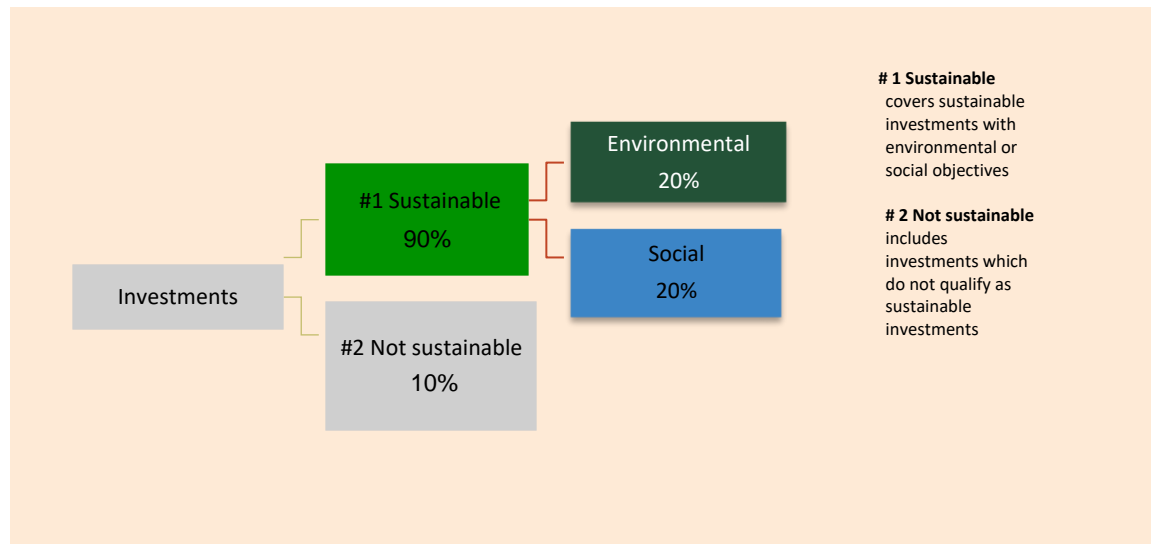
describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

turnover reflecting the share of revenue from green activities of investee companies

capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

operational expenditure (OpEx) reflecting green operational activities of investee companies.



How does the use of derivatives attain the sustainable investment objective?

N/A



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the Fund has set a minimum percentage of net assets that will be invested in sustainable investments with an environmental objective, it does not commit to a minimum percentage of these that will be aligned with the Taxonomy Regulation. As such, the Fund will invest 0% of its Net Asset Value in Taxonomy-aligned investments.

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹

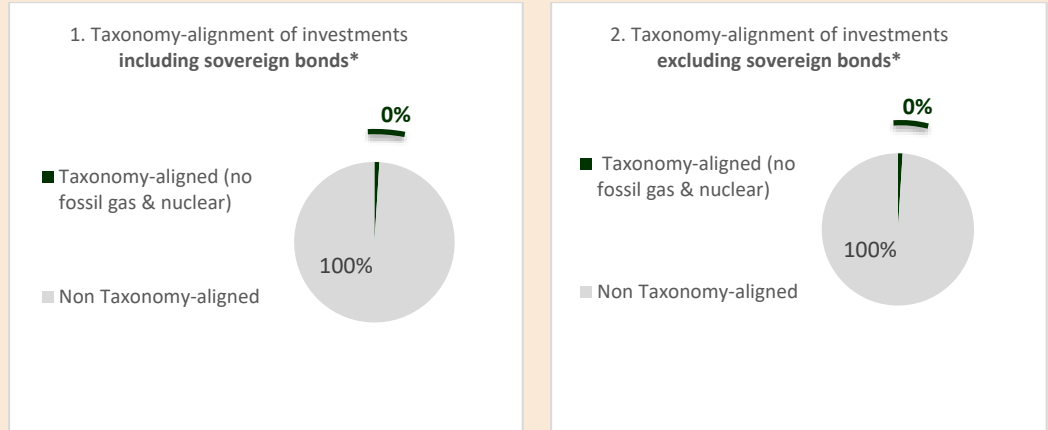
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

- Yes:
 - In fossil gas
 - In nuclear energy
- No

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.


The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund commits to a minimum of 90% investment in sustainable investments, of which a minimum of 20% will be in sustainable investments with an environmental objective that are not aligned with the Taxonomy Regulation. These will be aligned with the Fund's three environmental investment themes: Climate Change, Ecological Solutions and Resource Efficiency. Subject to the below minimum allocation to sustainable investments targeting social objectives, the remainder will be achieved through a mix of the Fund's environmental and / or social sustainable investments, with no prioritization of one category over the other.



What is the minimum share of sustainable investments with a social objective?

The Fund commits to a minimum of 90% investment in sustainable investments, of which a minimum of 20% will be in sustainable investments with a social objective. These will be aligned with the Fund's three social investment themes: Health & Wellbeing, Inclusion and Sustainable Growth. Subject to the above minimum allocation to sustainable investments targeting environmental objectives, the remainder will be achieved through a mix of the Fund's environmental and / or social sustainable investments, with no prioritization of one category over the other.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Cash, ancillary liquid assets and hedging instruments are the only investments in the Fund that do not qualify as sustainable investments. The use of such investments will be purely for liquidity and efficient portfolio management purposes and such that they will be in line with, and will not affect, the delivery of the sustainable investment objective. Minimum environmental or social safeguards are in place whereby counterparties will meet above average ESG ratings.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

Reference benchmarks

are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



Where can I find more product specific information online?

More product-specific information can be found on the following website by clicking on the "Strategies & Funds" tab: www.aegonam.com