

If there is anything in this letter which you do not understand or if you are in any doubt as to what action to take, you should consult with an adviser authorised under the Financial Services and Markets Act 2000.

Aegon Sustainable Diversified Growth Fund, a sub-fund of Aegon Asset Management UK ICVC (the “ICVC”)

Changes to investment objective and policy

Dear Shareholder

You have received this letter because you are a shareholder in the Aegon Sustainable Diversified Growth Fund (the “**Fund**”). We are writing to let you know about some changes to the way we describe the Fund. Please note that the changes described in this letter do not entail either: (1) a change to the way in which we make investment decisions in relation to the management of the Fund; (2) a change to the types of assets in which we invest for the benefit of the Fund; or (3) a change to the risk profile of the Fund.

Background

The Financial Conduct Authority (the “**FCA**”) has published new rules regarding Sustainability Disclosure Requirements and investment labels (“**SDR Rules**”), which apply to UK based funds which have sustainability characteristics.

The FCA’s aims are that the SDR Rules help consumers navigate the investment product landscape by improving the trust and transparency of sustainable investment products and reducing greenwashing.

UK authorised funds, such as the Fund, which have sustainability characteristics may, under the SDR Rules, make use of one of 4 sustainability investment labels. The purpose of sustainability investment labels is to help investors find products that have a specific sustainability goal. These labels are

- **Sustainability Focus** – for funds that invest mainly in assets that focus on sustainability for people or the planet
- **Sustainability Improvers** – for funds that invest mainly in assets that may not be sustainable now, with an aim to improve their sustainability for people or the planet over time
- **Sustainability Impact** – for funds that invest mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet
- **Sustainability Mixed Goals** – for funds that invest mainly in a mix of assets that either focus on sustainability, aim to improve their sustainability over time, or aim to achieve a positive impact for people or the planet

There is no hierarchy between these labels – nor is there a requirement for any fund to use the label.

However, in order to use a sustainable investment label, a product must comply with the requirements of the SDR Rules for that label. These requirements include:

- the fund having a specific sustainability objective as part of its investment objectives;
- at least 70% of the fund's assets being invested in accordance with that sustainability objective;
- disclosing certain information about the sustainability characteristics of the fund; and
- publishing a sustainability report on a yearly basis.

There is also a requirement for the fund to have a new disclosure document: the Consumer Facing Disclosure ("CFD") which sets out the key features and metrics relating to the sustainability characteristics of the fund.

What is changing?

We will use the 'Sustainability Focus' sustainable investment label for the Fund. Accordingly, we are making changes to the Fund's investment objective and policy to meet the SDR Rules requirements for this label.

The changes being made are as follows:

1. **New sustainable investment label** – the Fund will use a **Sustainability Focus** label, which will be displayed in the Fund prospectus which is available at www.aegonam.com/documents/.
2. **New investment objective** we are adding a new sustainability objective into the investment objective of the Fund, which will sit alongside the existing financial objective. This new sustainability objective means that the Fund will aim to indirectly improve environmental and social outcomes by investing in assets that are sustainable for the planet and society through 1) the ACD's selection of responsibly managed companies providing products and services that are aligned to one or more of the ACD's 6 sustainability themes; and 2) through investment in countries (via government and public securities) that address developing global sustainable environmental and social needs as defined by United Nation's 17 Sustainable Development Goals. For more details, please see Appendix 1 which sets out the new objective.
3. **Minimum 70% sustainable investment requirement** – a new requirement has been added meaning that at least 70% of the total value of the Fund's assets will be invested in accordance with the new sustainability objective.
4. **Changes to investment policy wording** – we are including some additional description regarding the sustainability characteristics of the Fund, including details on how the ACD assesses the sustainability of potential investments for the Fund on an ongoing basis, as well as the escalation plan that will be put into place if an investment is deemed not to show sufficient progress to meeting the ACD's sustainability criteria. We have also set out:
 - a) the KPIs in relation to the Fund;
 - b) the Fund's stewardship strategy; and
 - c) further details of the escalation plan that we will put into effect if a portfolio holding ceases to demonstrate sufficient progress against the sustainability objective or KPIs.
5. **New sustainability-related disclosure document: the CFD** – this document aims to provide investors with better information on the key sustainability characteristics of investment products in a simple, accessing, consumer-friendly way. This document includes information about the Fund's sustainability goal, sustainability approach and key metrics (including KPIs) showing progress towards meeting the Fund's sustainability objective. The CFD will be published to www.aegonam.com/documents/ from 31st March 2025 and will be kept up-to-date on at least an annual basis.

6. **New annual product-level sustainability report** – in 2026 (i.e. one year after we first apply the Sustainability Focus sustainable investment label to the Fund), and annually thereafter, we will produce a report setting out matters such as: performance against KPIs, how stewardship has been applied and engagement activities undertaken, and details of any matters escalated by the investment manager under the Fund's escalation plan.

These changes will not affect:

- the way we manage the Fund (apart from ensuring that at least 70% of its assets are invested in line with the sustainability objective, although as noted above no changes are required to the current portfolio as a result of this),
- the Fund's risk profile,
- the Fund's financial objective (the Fund will continue to seek to deliver a total return (capital growth plus income, gross of fees) that exceeds the UK Consumer Prices Index (CPI) by at least 3% per annum over any 5 year period),
- what the Fund can invest in, or
- what the Fund is currently invested in.

Why are we making these changes?

We wish for the Fund to use the '**Sustainability Focus**' sustainable investment label as we believe that this is an effective way of helping existing and new investors in the Fund to recognise and understand the Fund's sustainability characteristics – including that the Fund has a sustainability goal, reflecting its existing investment process.

We have chosen a '**Sustainability Focus**' label for the Fund to reflect that its sustainability goal is to invest in assets that are environmentally and/or socially sustainable, determined using a robust, evidence-based standard that is an absolute measure of sustainability.

How will this affect you?

From 31st March 2025, the investment objective and policy of the Fund will be amended to reflect the requirements of the SDR Rules and the new 'Sustainability Focus' sustainable investment label will be applied to the Fund. The new CFD document for the Fund will also be made available on the Aegon website.

These changes will be reflected in the communications and reports we publish about the Fund.

The changes to the investment objective and policy of the Fund will not trigger any realignment costs.

Do you need to take any action?

No. **You do not need to take any action** as these changes will take place automatically on 31st March 2025.

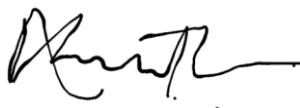
Further Information

Both Citibank UK Limited, as the depositary of the ICVC, and the FCA have been advised of the changes that we are making to the Fund.

For the avoidance of doubt, the FCA does not approve the use of sustainable investment labels by any funds.

If you have any questions about this change, please contact us via the online portal by using the secure messaging function.

Yours faithfully,



Adrian Hull


Director

Aegon Asset Management UK plc, as Authorised Corporate Director of Aegon Asset Management UK ICVC

Shareclass ISIN Codes

GB00B625LX43	Sustainable Diversified Growth Fund	GBP	B Acc
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Appendix I

Name:	Aegon Sustainable Diversified Growth Fund
SDR Label and Relevant Descriptor:	 <p>Invests mainly in assets that focus on sustainability for people or the planet.</p>
Investment Objective:	<p>The investment objective is to deliver a total return (capital growth plus income, gross of fees) that exceeds the UK Consumer Prices Index (CPI) by at least 3% per annum over any 5 year period. By investing in the Fund, capital is at risk. There is no guarantee that the Fund will deliver positive returns over this, or any, time period.</p> <p>The Fund also aims to indirectly improve environmental and social outcomes by investing in corporates (via public equity and fixed income instruments) and in countries (via government and public securities) by seeking out investments that address developing global sustainable environmental and social needs, which will cover a broad range of sustainability topics through its investment in the following:</p> <p><u>Corporates (Public Equity and Fixed Income)</u></p> <p>those responsibly managed companies or corporate issuers (together referred to as 'corporates') providing products and services that are aligned to one or more of the ACD's 6 sustainability themes. The 6 themes are:</p> <ol style="list-style-type: none"> 1. Climate Change: the reduction of polluting emissions through insight and innovation. 2. Eco-Solutions: products and services that help protect and improve the planet's ecosystems. 3. Resource Efficiency: reducing the use of finite resources through automation and circular economies. 4. Health & Wellbeing: enhancing human wellbeing through better healthcare, diet, and fitness. 5. Inclusion: addressing inequality and helping solve demographic challenges. 6. Sustainable Growth: innovation and disruptive growth with positive first or second order impacts. <p>Sustainable companies are those scoring 3 or higher on both its products and/or services 'Products' (revenue alignment to the 6 themes) and its business practices 'Practices' (responsible management of ESG) against the ACD's scoring matrix and which are classified as 'Sustainable' or 'Sustainable Leader' to reflect the significance of a company's contribution to the delivery of one or more of the ACD's themes. The scoring of a company's Products and Practices are undertaken separately and on a scale of 1 to 5 (1 is best, 5 is worst). The ACD has set thresholds for the achievement of each score (set out below) to ensure analyst scoring is consistent. Please see explanation below for what defines the scores within the framework.</p> <p><u>Countries (government and public securities)</u></p> <p>In the case of countries, the Fund will invest in those countries that are making substantial progress in achieving positive environmental and social outcomes as defined by the United Nation's 17 Sustainable Development Goals (UN SDGs) which can be accessed and viewed at the following website: https://sdgs.un.org/goals.</p> <p>The ACD measures the sustainability of countries through a proprietary quantitative methodology.</p>

	<p>Only countries that achieve an aggregated country-level score of 50 or higher are deemed “sustainable” and are eligible to meet the Fund’s sustainability objective.</p> <p>By investing in the Fund, there is a risk that performance may be better or worse than funds not constrained by consideration of a sustainability objective.</p>
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A copy of the full fund prospectus is available at www.aegonam.com/documents/.