

Aegon Sustainable Equity Fund

Aegon Asset Management UK plc is the Authorised Corporate Director (ACD) of this Fund
SDR Consumer Facing Disclosure | March 2025



This product invests mainly in assets that focus on sustainability for people or the planet. Sustainable investment labels help investors find products that have a specific sustainability goal. See [FCA website](#) for more information.

Sustainability goal

The goal is to provide a combination of income and capital growth over any 7 year period by investing in companies that are sustainable for both the planet and society. These companies must align with one or more of the following themes:

- 1. Climate Change:** reducing polluting emissions through insight and innovation.
- 2. Eco-Solutions:** offering products and services that help protect and improve the planet's ecosystems.
- 3. Resource Efficiency:** minimising the use of finite resources through automation and circular economies.
- 4. Health & Wellbeing:** enhancing human wellbeing through improved healthcare, diet, and fitness.
- 5. Inclusion:** addressing inequality and helping solve demographic challenges.
- 6. Sustainable Growth:** promoting innovation and disruptive growth with positive first or second order impacts.

Companies must meet thresholds to qualify as sustainable. The Fund invests at least 90% in assets that meet these criteria.



Risk: Performance may differ from funds without sustainability constraints.



Sustainable investing focuses on choosing companies that prioritize environmental and social outcomes. While it may appeal to those who prioritise responsible resource use and positive societal and environmental impact, it may not align with the preferences of every investor.

Sustainability approach

The ACD assesses sustainability using a proprietary framework which looks at both 'Products' (revenue alignment to the six themes) and 'Practices' (responsible ESG management). Companies are rated on an inverted scale of 1 to 5, ensuring they support sustainable themes and operate responsibly without conflicting revenue.

Companies must achieve a score of 3 for both Products and Practices to be considered as sustainable. Scores of 4 or 5 are classed as 'laggards' and automatically excluded.

Thresholds for each score are detailed on [page 2](#).

Companies are classified as "Sustainable" or "Sustainable Leader" based on their contribution to the themes.

We also apply specific exclusions to eliminate companies with clear negative impacts on the environment or society.

Full exclusion criteria is available at:

www.aegonam.com/esg-screening-policy

To manage liquidity and protect against market conditions, up to 10% of the Fund's value may be invested in cash, deposits, money market instruments, and derivatives. These investments are for liquidity and efficient management purposes only and do not affect the Fund's sustainability goals. They are not subject to the sustainability criteria.

Stewardship

Being an active owner is at the core of our Responsible Investment approach, promoting good ESG practices to support companies in remaining sustainable as well as striving to deliver long term value. This approach is part of Aegon Asset Management UK plc's (the ACD's) commitment to sustainable and responsible investment practices.

Engagement is driven by ESG scoring and our understanding of the company's strategy. Our approach focuses on direct company dialogues, proxy voting and ESG risk management, tracked through four key milestones. We take part in direct company engagement and collaborative engagements to promote best practices with voting rights exercised in line with these activities.

If a company is not making progress, we may escalate as outlined in the [Active Ownership Policy](#) including voting action or divestment. If a company no longer meets the standards in the sustainable approach divestment will also be used.

Thresholds for each score

Product score		Practice score	
1	Companies with revenue alignment of 50% or more to one of the themes detailed in sustainability approach	1	Manages all material sustainability risk factors *effectively
2	Companies with revenue alignment of 20-50% to one of the themes detailed in sustainability approach	2	Company addresses all material sustainability risk factors *but management of them could improve
3	Large companies with a revenue alignment of between 1-19.9% to one of the themes detailed in sustainability approach	3	Majority of material sustainability risk factors *addressed
4	Revenues associated with vital services to the excluded activities, or that have no revenue alignment to the sustainability themes	4	Minority of material sustainability factors *being addressed
5	Revenues associated with excluded activities	5	Not addressing material sustainability risk factors*

*as identified by the [Sustainability Accounting Standards Board](#)

Companies that achieve at least a 1 on Products or Practices and 2 on the other are classified as a "Sustainable Leader"

Sustainability metrics

Theme	Climate Change	Eco Solutions	Resource Efficiency	Health & Wellbeing	Inclusion	Sustainable Growth	
Purpose	Enabling the energy transition	Protecting and Improving our planets ecosystem	Creating more value with fewer resources	Improving physical and mental wellbeing	Promoting equality and solving demographic challenges	Essential enabling technologies and services	
KPI 1	Portfolio allocation to theme	10.4%	11.5%	14.4%	20.5%	17.0%	25.7%
KPI 2	Stocks that have:						
	50%+ Revenue alignment	0.0%	2.4%	2.0%	14.2%	0.0%	5.3%
	20-49.9% Revenue alignment	10.4%	9.1%	10.3%	6.3%	11.3%	20.4%
	1-19.9% Revenue alignment	0.0%	0.0%	2.1%	0.0%	5.8%	0.0%
KPI 3	Stocks classified as:						
	Sustainable Leaders	43.9%	Sustainable	55.7%	Cash	0.5%	
Additional KPI's	Example of KPI's used at asset levels	MWh of renewable energy installed	Number of customers served with water supply and wastewater treatment services	Tons of solid waste recycled	Number of affordable homes built	Number of people benefiting from healthcare	Percentage of customers served that are small, medium enterprises

Further information and useful links



Further information on the Fund's sustainability approach and characteristics can be found in the prospectus which can be found here: www.aegonam.com/sustainableequityfund

Fund identifier: FCA PRN reference: **645329**

The key investor information document is available here: www.aegonam.com/documents/

ISIN codes are available from the Fund's factsheet here: www.aegonam.com/sustainable-equity-factsheet

Visit our website for help understanding financial term definitions: www.aegonam.com/glossary

Disclosures

Past performance is not a guide to future performance. Capital at risk.

This is not intended to be used for marketing purposes and does not constitute investment advice or recommendation and should not be relied upon as such. Please read the Key Investor Information, Supplementary Information Document and Application Form carefully. The documents are available on our website at www.aegonam.com.

All data as at 31 December 2024, and unless otherwise stated all data is sourced to Aegon Asset Management. The document is accurate at the time of writing but is subject to change without notice.

Aegon Asset Management UK plc is registered in Scotland (SC113505) at 3 Lochside Crescent, Edinburgh, Scotland, EH12 9SA. Aegon Asset Management UK plc is authorised and regulated by the Financial Conduct Authority.