

Our ref: 8562

## Fund name and objective change

I am writing to you because you are invested in the Aegon Sustainable Diversified Growth fund, provided by Aegon Asset Management UK plc.

Aegon will change the name and objective of the fund from **19 December 2025**.

You'll see the new fund name on our valuations and statements after this date.

Old fund name	New fund name
Aegon Sustainable Diversified Growth	Aegon Diversified Growth

The old and new objectives are overleaf for you to compare.

You may want to speak to your financial adviser about the impact of the change. Please speak to them before making any investment decisions, or if you have any questions about the change.

**If you don't have a financial adviser**, we recommend that you consider the benefits of receiving professional financial advice, which can be especially important when you need to make investment decisions. If you would like to search for an adviser in your area you can start by visiting [quilter.com/financial-advice/find-an-adviser](https://quilter.com/financial-advice/find-an-adviser).

## How this will affect your account

- **The value of your holding** – The changes will not affect the value of your fund holding.
- **Risk profile** – The fund's risk profile will not change.
- The Ongoing Charges Figure (OCF) / Total Expense Ratio (TER) will not change.

The OCF/TER represents the ongoing charges for the fund, expressed as a percentage. It is the sum of the Annual Management Charge (AMC) and all other running costs of the fund. OCF is increasingly replacing TER.

## Why the funds are changing

Following a comprehensive review of evolving market dynamics, the fund's sustainability criteria, and discussions with the major shareholder, Aegon have concluded that the application of the "Sustainability Focus" label is potentially a constraint on the fund's investment performance.

Since the fund adopted a sustainability-themed framework in April 2021, the trade-off between performance and the sustainability objective and policy of the fund has heightened. Aegon believe that political developments in the United States during 2025 have materially undermined the return potential of sustainability-focused investment strategies. Notably, the US government has formally withdrawn support for the UN Sustainable Development Goals (SDGs), issued executive orders aimed at blocking state-level ESG legislation, and halted several near-complete windfarm developments. These actions have significantly weakened the policy and regulatory foundation that previously supported the sustainable investment themes.

To address this, Aegon are removing the fund's sustainability objective and amending the policy to remove the fund's sustainability framework. The fund will no longer be labelled as a "Sustainability Focus" fund under the

SDR Rules. This change is intended to enhance investment flexibility, rather than signal an immediate shift in portfolio composition. Lifting the sustainability constraints will allow them to access a wider universe of higher-yielding corporate bonds, improving their ability to participate in new issuances and benefit from associated new issue premiums

Finally, to ensure compliance with FCA's SDR and Naming and Marketing Rules, which aim to improve transparency and protect investors from misleading claims about sustainability, the fund was required to change its name to remove any reference to sustainability.

### The next steps

You don't need to take any action unless you would like to choose a new asset from our extensive range. Please speak to your financial adviser before making any investment decisions or if you have any questions about this change.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely



**Callum Earl**

*Head of Client Services*

## Fund objectives

Current fund Aegon Sustainable Diversified Growth	New fund Aegon Diversified Growth
<p>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>Corporates (Public Equity and Fixed Income) 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"><li>1. Climate Change: the reduction of polluting emissions through insight and innovation.</li><li>2. Eco-Solutions: products and services that help protect</li></ol>	<p>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 is a flexible multi-asset fund that invests across a range of asset classes on a global basis, taking into account factors such as global economic trends and growth opportunities provided that the corporates and countries invested in meet the proprietary scoring criteria.</p> <p>The fund is actively managed and can invest in companies of any market capitalization (small, medium or large) and in any industry sector.</p> <p>Through diversification, the fund also looks to achieve lower volatility (i.e. changes in value) than global equities.</p> <p>To the extent not fully invested in the main asset classes above, the fund may invest in derivatives for investment purposes (including long and short positions for the purposes of adjusting risk).</p>

<p>and improve the planet's ecosystems.</p> <p>3. Resource Efficiency: reducing the use of finite resources through automation and circular economies.</p> <p>4. Health &amp; Wellbeing: enhancing human wellbeing through better healthcare, diet, and fitness.</p> <p>5. Inclusion: addressing inequality and helping solve demographic challenges.</p> <p>6. Sustainable Growth: innovation and disruptive growth with positive first or second order impacts.</p> <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>Countries (government and public securities). 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: <a href="https://sdgs.un.org/goals">https://sdgs.un.org/goals</a>.</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. 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> <p>The fund is a flexible multi-asset fund that invests across a range of asset classes on a global basis, taking into account factors such as global economic trends and growth opportunities provided that the corporates and countries invested in meet the proprietary scoring criteria.</p> <p>The fund is actively managed and can invest in companies of any market capitalization (small, medium or large) and in any industry sector.</p> <p>As a result, at any one time the fund may be diversified across asset classes, sectors, currencies or geographies in various proportions.</p> <p>Through diversification, the fund also looks to achieve lower volatility (i.e. changes in value) than global equities.</p> <p>At least 70% of the fund's assets will meet the fund's sustainability objective and will consist of equities, corporate</p>	<p>The fund may invest in assets denominated in any currency non-Sterling exposure will typically be hedged back to Sterling to reduce currency risk, but the fund is permitted to take active non-Sterling exposure.</p> <p>At least 80% of the fund will usually consist of equities, corporate bonds and government and public securities and derivatives, with some flexibility to hold high levels of cash or cash equivalents. High level is defined as exceeding 10% of the Net Asset Value during periods of adverse market conditions to meet the investment objective. Through these investments, the fund may obtain an indirect exposure to property, commodities and other alternative investments, such as companies that specialise in infrastructure and renewable energy.</p> <p>The fund will also invest a maximum of 20% of the Net Asset Value in Contingent Convertible bonds.</p>
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bonds and government and public securities

To the extent not fully invested in the main asset classes above, the fund may invest in government and public securities that meet the ACD's sustainability classification of a 'neutral' country as detailed below, derivatives for investment purposes (including long and short positions for the purposes of adjusting risk) and hedging instruments, including derivatives to reduce currency risk, money market instruments, cash and near-cash. Such assets will not be held for the purposes of meeting the sustainability objective and will not conflict with the sustainability objective.

The fund may invest in assets denominated in any currency non-Sterling exposure will typically be hedged back to Sterling to reduce currency risk, but the fund is permitted to take active non-Sterling exposure.