AEGON ASSET MANAGEMENT UK ICVC

Prospectus

16 February 2024

Prospectus of

AEGON ASSET MANAGEMENT UK ICVC

(an investment company with variable capital incorporated with limited liability and registered by the Financial Conduct Authority under registered number SI000009)

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD CONSULT YOUR FINANCIAL ADVISER.

Aegon Asset Management UK plc, the authorised corporate director of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by COLL to be included in it. Aegon Asset Management UK plc accepts responsibility accordingly.

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Depositary. Except for the information about itself as Depositary, the Depositary is not a person responsible for the information contained in this Prospectus and accordingly does not accept any responsibility for such information under COLL or otherwise.

No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in the Prospectus or any Key Investor Information Document prepared by the ACD and, if given or made, such information or representations must not be relied on as having being made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

This Prospectus has been prepared solely for and is being made available to investors for the purposes of evaluating an investment in Shares in the Sub-funds. Investors should only consider investing in the Sub-funds if they understand the risks involved including the risk of losing all capital invested.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Shares in the Company which are described in this Prospectus have not been and will not be registered under the United States Securities Act of 1933, the United States Investment Company Act of 1940 or the securities laws of any of the states of the United States of America and may not be directly or indirectly offered or sold in the United States of America to or for the account or benefit of any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the United States Securities Act of 1933, the United States Investment Company Act of 1940 and similar requirements of such state securities laws.

Neither the Company nor the Sub-funds have been or will be registered under the United States Investment Company Act of 1940, as amended.

Investment in Shares by or on behalf of US Persons is not permitted.

Distribution of this Prospectus in certain jurisdictions will require that this Prospectus be translated into the official language of those jurisdictions. Where such translation is required, the translated version of this Prospectus shall only contain the same information and shall only have the same meaningas in this Prospectus.

Shares in the Company are not listed on any investment exchange.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them).

This Prospectus has been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by Aegon Asset Management UK plc. Aegon Asset Management UK plc is authorised and regulated by the Financial Conduct Authority.

This Prospectus is based on information, law and practice at the date hereof. The Company cannot be bound by an out of date prospectus when it has issued a new prospectus, and investors should check with the ACD that this is the most recently published Prospectus.

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Directory

The Company and Head Office	Aegon Asset Management UK ICVC 3 Lochside Crescent Edinburgh EH12 9SA
Authorised Corporate Director	Aegon Asset Management UK plc **Registered and Head Office**: 3 Lochside Crescent Edinburgh EH12 9SA **Correspondence Address**: For prospective Shareholders – correspondence to be via the ACD's "please contact us" link available on the Portal. For all other Shareholders – correspondence to be via the Portal unless separately agreed. A link for the Portal is located at the ACD's web-site www.aegonam.com.
Depositary	Citibank UK Limited **Registered Office in the UK:** Citigroup Centre Canada Square Canary Wharf London E14 5LB
Custodian	Citibank N.A., London Branch **Principal Place of Business in the UK:** Citigroup Centre Canada Square Canary Wharf London E14 5LB
Registrar	Citibank Europe Plc, UK Branch **Principal Place of Business in the UK:** Citigroup Centre Canada Square Canary Wharf London E14 5LB

Auditors	PricewaterhouseCoopers LLP Atria One 144 Morrison Street Edinburgh EH3 8EX

Definitions

In this Prospectus each of the words and expressions in the left-hand column of the table set out below has the meaning set opposite it in the right-hand column of that table:

ACD	Aegon Asset Management UK plc the authorised corporate director of the Company
Act	The Financial Services and Markets Act 2000 (as amended and/or re-enacted from time to time)
Cancellation	The process of removing Shares in issue where the net effect of purchases and sales of Shares is negative
Class or Classes	In relation to Shares, means (according to the context) all of the Shares related to a single Sub-fund or a particular class of Share related to a single Sub-fund
COBS	The Conduct of Business Sourcebook published by the Financial Conduct Authority as part of their handbook of rules made under the Act (as amended and/or re-issued from time to time), which shall, for the avoidance of doubt, not include guidance or evidential provisions in the said Sourcebook
COLL	The Collective Investment Schemes Sourcebook published by the Financial Conduct Authority as part of their handbook of rules made under the Act (as amended and/or re-issued from time to time), which shall, for the avoidance of doubt, not include guidance or evidential provisions in the said Sourcebook
Company	Aegon Asset Management UK ICVC
Conversion	The exchange of Shares of one Class in a Sub-fund for Shares of another Class in the same Sub-fund and (as the context may require) the act of so "Converting" shall be interpreted accordingly.
Dealing Day	Monday to Friday (except for, unless the ACD otherwise decides, the last working day before Christmas Day, bank holidays in England and Wales and other days at the ACD's discretion). (The ACD may determine that any day shall not be a Dealing Day. Such a determination would generally only be made in respect of a particular day if that day were a holiday on a stock exchange which was the principal market for a significant portion of the Sub-fund's portfolio or was a holiday elsewhere which impeded the calculation of the fair market value of the portfolio.)
Derivatives	An option, or a swap, or a future, or a forward transaction or a contract for difference
Depositary	The depositary of the Company from time to time, currently being Citibank UK Limited
Dilution Adjustment	An adjustment to the price of a Share, as more fully set out in Part 6 of this Prospectus

EPM or Efficient Portfolio Management	Efficient portfolio management meaning techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria: (a) they are economically appropriate in that they are realised in a cost effective way; (b) they are entered into for one or more of the following specific aims: (i) reduction of risk; (ii) reduction of cost; (iii) generation of additional capital or income for the Sub-fund(s) with a risk level which is consistent with the risk profile of the Sub-fund(s) and the risk diversification rules in COLL
EUWA	European Union (Withdrawal) Act 2018
Ex-Dividend Date	For investors intending to hold income Shares, the Ex-Dividend Date is the cut-off date for income accrued. Shares acquired before this date qualify for the next distribution. Shares acquired on or after this date will accrue income for the subsequent accounting period. The Share price will usually fall on this date, to reflect the impending distribution payable
the FCA	The Financial Conduct Authority and any successor body or bodies
FCA Handbook	The FCA's handbook of rules made under the Act
FCA Rules	The rules contained in that part of the FCA Handbook which deals with regulated collective investment schemes (as amended and/or re-issued from time to time)
Financial Services Register	The public register of firms, individuals and other bodies that the FCA and the Prudential Regulation Authority regulate
Income Allocation Date or Pay Date	For each Sub-fund, in any accounting period, the date on or before which any income is paid out (income Shares) or accumulated (accumulation Shares).
Instrument of Incorporation	The instrument of incorporation of the Company, as amended from time to time, registered by the Company in accordance with the OEIC Regulations and COLL
IOSCO	The International Organisation of Securities Commissions
ISA Regulations	Individual Savings Account Regulations 1998 (SI 1998/1870) (as amended, supplemented or re-enacted from time to time)
Issue	The process of creating new Shares in issue where the net effect of purchases and sales of Shares is positive
KIID	Key Investor Information Document
Member State	A member state of the European Union and any other state which is within the European Economic Area
Net Asset Value or NAV	The value of the Scheme Property of the Company (or of any Sub-fund or Class of Shares, as the context requires) less the liabilities of the Company (or of the Sub-fund or Class of Shares concerned) as calculated in accordance with the Instrument of Incorporation

OECD	The Organisation for Economic Co-operation and Development
OEIC Regulations	The Open-Ended Investment Companies Regulations 2001 (as amended, supplemented or re-enacted from time to time)
Portal	A webpage of the ACD a link for which is located at the ACD's web-site at www.aegonam.com, via which Shareholders can (i) access information and reports in relation to their investment in a Sub-fund and (ii) deal in a Sub-fund in which they are invested or any other Sub-fund operated by the ACD
Prospectus	A prospectus of the Company prepared pursuant to the requirements of COLL. (For the avoidance of doubt, "Prospectus" includes an existing Prospectus as extended by an addendum or supplement.)
Register	The register of Shareholders
Registrar	The registrar of the Company from time to time, currently being Citibank Europe Plc, UK Branch
RSP	Aegon Asset Management UK ICVC Regular Savings Plan
Scheme Property	The property of the Company to be given for safe-keeping to the Depositary in accordance with COLL
Share or Shares	A Share or Shares in the Company (including larger denomination shares and smaller denomination Shares)
Shareholder(s)	The holder(s) of a Share
Sub-fund	A sub-fund of the Company (being part of the Scheme Property of the Company which is pooled separately) and to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to such sub-fund
Switch	The exchange of Shares of one Sub-fund for Shares of another Sub-fund or (as the context may require) the act of so exchanging and "Switching" shall be interpreted accordingly
UK	The United Kingdom of Great Britain and Northern Ireland
US	The United States of America (including the States and District of Columbia), its territories, possessions and all other areas subject to its jurisdiction

US Person	Unless otherwise determined by the ACD: (i) a citizen or resident of the US; (ii) a partnership, limited liability company, corporation or other entity organised in or under the laws of the US or any State, or any entity taxed as such or required to file a tax return under the US Federal income tax laws; (iii) any estate or trust the executor, administrator or trustee of which is a US Person (as defined above), in the cases of a trust of which any professional fiduciary acting as a trustee is a US Person, a trustee who is not a US Person has sole or shared investment discretion with respect to trust assets and no beneficiary of the trust (and no settler if the trust is revocable) is a US Person and no income or beneficiaries of which are subject to US Federal income tax; (iv) any agency or branch of a foreign entity located in the US; (v) certain accounts held by a dealer or other fiduciary where the person exercising discretion over the account is a US Person; (vi) any partnership, corporation or other entity if it is: (a) organised or incorporated under the laws of any foreign jurisdiction; and (b) owned or formed by a US Person or Persons principally for the purpose of investing in securities not registered under the US Securities Act of 1933; (vii) any employee benefit plan (unless such employee benefit plan is: (a) established and administered in accordance with: (i) the laws of a country other than the US; and (ii) the customary practices and documentation of such country; and (b) is maintained primarily for the benefit of persons substantially all of whom are non-resident aliens with respect to the US); and (viii) any other person or entity whose ownership of Shares or solicitation for ownership of Shares the ACD through its officers or directors shall determine may violate any securities laws of the US or any state or other jurisdiction thereof. Except that a US Person shall not include corporations, partnerships or other entities which are organised or incorporated under the laws of any non-US Person (as described above), unless such corporation, partnership or other entity was formed by such US Person principally for the purpose of investing in securities not registered under the US Securities Act of 1933, as amended
Valuation Point	The point, whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company or a Sub-fund (as the case may be) for the purpose of determining the price at which Shares of a Class may be issued, cancelled, sold or redeemed.

1. The Company and its Structure

Aegon Asset Management UK ICVC is an open-ended investment company with variable capital, incorporated in Scotland under the OEIC Regulations. It is governed by the OEIC Regulations, COLL and its Instrument of Incorporation. The registered number of the Company is SI000009. The Scheme Reference Number for the Company is 188659.

The Company is a collective investment scheme as defined in the Act. The Company has been established as an "Undertaking for Collective Investment in Transferable Securities" ("UCITS") within the meaning of the FCA Rules in the UK (a "UK UCITS"). All communications in relation to this Prospectus shall be in English unless otherwise agreed.

The Company was authorised on 14 April 1999 and its Instrument of Incorporation was registered with the Registrar of Companies for Scotland on 27 April 1999. The Company has an unlimited duration.

The object of the Company is to invest the Scheme Property in transferable securities, money market instruments, derivative instruments and forward transactions, deposits, units and shares in collective investment schemes, cash and near cash in accordance with COLL applicable to the Company and each Sub-fund according to the types of authorisation of the Company with the aim of spreading investment risk and giving its Shareholders the benefit of the results of the management of that property.

The Shareholders have no interest in the Scheme Property and are not liable for the debts of the Company.

The address of the head office of the Company is 3 Lochside Crescent, Edinburgh, EH12 9SA. This is also the address where notices, or other documents can be served, however, notices or other documents should be served via the Portal where possible.

The maximum size of the Company's issued share capital is £100,000,000,000. The minimum size of the Company's issued share capital is £100. Shares in the Company have no par value. The share capital of the Company at all times equals the Net Asset Value of the Company.

The base currency of the Company is pounds Sterling.

The sole director of the Company is Aegon Asset Management UK plc, which acts as the authorised corporate director.

The Company is a UK UCITS scheme and is structured as an umbrella company, in that different Sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority. On the introduction of any new Sub-fund, a revised prospectus will be prepared setting out the relevant details of each Sub-fund.

Each Sub-fund represents a segregated portfolio of assets and accordingly the assets of a Sub-fund belong exclusively to that Sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body including any other Sub-fund and shall not be available for any such purpose. Each Sub-fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Sub-fund. Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which is fair to the Shareholders of the Company generally, but they will normally be allocated to all Sub-funds pro rata to the value of the net assets of the relevant Sub-funds.

The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that Sub-fund.

The current Sub-funds as at the date of this Prospectus are:

• Aegon Sustainable Diversified Growth Fund *– PRN 645340	• Aegon High Yield Bond Fund - PRN 645331	• Aegon UK Sustainable Opportunities Fund*** – PRN 645336
• Aegon Diversified Monthly Income Fund - PRN 645343	• Aegon Investment Grade Bond Fund – PRN 645335	• Aegon UK Smaller Companies Fund – PRN 645334
• Aegon Ethical Cautious Managed Fund - PRN 645338	• Aegon Sterling Corporate Bond Fund - PRN 645328	• Aegon UK Equity Absolute Return Fund - PRN 645342
• Aegon Ethical Corporate Bond Fund - PRN 645323	• Aegon Strategic Bond Fund - PRN 645333	
• Aegon Ethical Equity Fund – PRN 645325	• Aegon UK Equity Fund - PRN 645327	
• Aegon Sustainable Equity Fund** – PRN 645329		

**This fund was formerly known as Aegon Diversified Growth Fund*
***This fund was formerly known as Aegon Global Equity Fund*
****This fund was formerly known as Aegon UK Opportunities Fund*

2. Management and Administration

Authorised Corporate Director

The Authorised Corporate Director (ACD) is Aegon Asset Management UK plc whose registered office and head office is 3 Lochside Crescent, Edinburgh, EH12 9SA. The ACD is a public limited company with issued share capital of 15,000,000 ordinary Shares of £1 each fully paid. The Company was incorporated under the laws of Scotland on 21 September 1988 with Registered Number 113505.

The ACD is authorised and regulated by the Financial Conduct Authority and is permitted to carry on investment business in the UK by virtue of that authorisation.

The ACD is responsible for managing and administering the affairs of the Company in compliance with COLL.

At present, the Company has no directors other than the ACD.

The ACD Agreement provides for the appointment of the ACD, subject to termination, upon twelve months' written notice by either the ACD or the Company, although in certain circumstances the Agreement may be terminated forthwith by notice in writing by the ACD to the Company or by the Company or the Depositary, to the ACD. Termination cannot take effect until the Financial Conduct Authority has approved the change of director.

The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or concluding any outstanding obligations. No compensation for loss of office is provided for in the Agreement. The ACD Agreement provides indemnities to the ACD to the extent permitted by the OEIC Regulations.

The ACD is authorised to enter into stock lending and repurchase transactions in relation to the Sub-funds. The stock lending and repurchase arrangements are described in Appendix B. The arrangements in place by which the parties may receive a share of revenue (out of any income generated from a stock lending transactions) are set out in Part 7 below.

The ACD is under no obligation to account to the Depositary or the Shareholders for any profit on the Issue or re-issue of Shares or Cancellation of Shares which it has redeemed. The fees to which the ACD is entitled are set out in Part 7 below.

The ACD may delegate investment management, administration and marketing functions in accordance with COLL. Notwithstanding such delegation the ACD remains responsible for any functions so delegated. At present certain functions are delegated as detailed below.

Depositary

Citibank UK Limited is the Depositary of the Aegon Asset Management UK ICVC. The Depositary is a private limited company incorporated in England with registered number 11283101, whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. The ultimate holding company of the Depositary is the Citigroup Inc., which is incorporated in New York, USA. The Depositary is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

Duties of the Depositary

The key duties of the Depositary consist of:

- cash monitoring and verifying each Sub-fund's cash flows;
- safekeeping of the Scheme Property of each Sub-fund;
- ensuring that the sale, issue re-purchase, redemption, cancellation and valuation of Shares is carried out in accordance with the Instrument of Incorporation, the Prospectus, and applicable law, rules and regulations;
- ensuring that in respect of transactions involving the Scheme Property any consideration is remitted to the relevant Sub-fund within the usual time limits;
- ensuring that the Company's income is applied in accordance with the Instrument of Incorporation, the Prospectus, applicable law, rules and regulations; and
- carrying out instructions from the ACD unless they conflict with the Instrument of Incorporation, the Prospectus, or applicable law, rules and regulations.

Conflicts of interest of the Depositary

The Depositary may act as the depositary of other investment funds.

From time to time conflicts may arise from the appointment by the Depositary of any of its delegates out of which may arise a conflict of interest with the Company. For example, Citibank N.A., which has been appointed by the Depositary to act as custodian of the Scheme Property, also performs certain investment operations and functions and derivatives collateral management functions delegated to it by the ACD. It is therefore possible that a conflict of interest could arise.

Citibank N.A. and any other delegate are required to manage any such conflict having regard to the FCA Handbook and its duties to the Depositary and the ACD.

There may also be conflicts arising between the Depositary and the Company, Shareholders and the ACD. The Depositary is prohibited from carrying out any activities with regard to the Company unless:

- The Depositary has properly identified any such potential conflicts of interest;
- The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks; and
- The potential conflicts of interest are properly managed, monitored and disclosed to the investors of the Company.

Up to date information regarding (i) the Depositary's name, (ii) the description of its duties and any conflicts of interest that may arise between the Company, the Shareholders or the ACD and the Depositary, and (iii) the description of any safekeeping functions delegated by the Depositary, the description of any conflicts of interest that may arise from such delegation, and the list showing the identity of each delegate and sub-delegate, will be made available to Shareholders on request.

Delegation by the Depositary of Safekeeping Functions

Under the terms of the Depositary Agreement (as defined below), the Depositary has the power to delegate its safekeeping functions.

As a general rule, whenever the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of securities settlement systems does not constitute a delegation by the Depositary of its functions.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping functions in respect of certain of the Company's assets to the Custodian, and the sub-delegates have been set out in Appendix G. Sub-delegates may be used for theperformance of safekeeping functions that have been delegated by the Depositary where this is necessary or desirable in respect of certain of the Company's Scheme Property that is subject to the law or market practice of an overseas jurisdiction.

Depositary Terms of Appointment

The appointment of the Depositary has been made under an agreement between the Company, the ACD and the Depositary dated 1 November 2018 as novated with effect on 2 October 2021 (the "**Depositary Agreement**").

The Depositary Agreement may be terminated by not less than 180 days' written notice or earlier on certain breaches or the insolvency of the Depositary. The Depositary may not retire voluntarily until the appointment of a successor to the Depositary.

To the extent permitted by the FCA Handbook and applicable law, rules and regulations the Depositary Agreement provides indemnities to the Depositary against costs, charges, losses and liabilities incurred by it (or its associates) in the proper execution, or in the purported proper execution, or exercise (reasonably and in good faith) of its duties, powers, authorities and discretions, except where the Depositary is liable owing to it being at fault under the terms of the Depositary Agreement.

The Depositary is entitled to receive remuneration out of the Scheme Property for its services, as explained in the paragraph entitled "Depositary's Fee" in Section 7 below.

Shareholders may request an up to date statement regarding any of the information set out above from the ACD.

Depositary liability

As a general rule the Depositary is liable for any losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations except that it will not be liable for any loss where:

- the event which has led to the loss is not the result of any act or omission of the Depositary or a third party to whom the custody of financial instruments that can be held in custody has been delegated;
- the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice; and
- despite rigorous and comprehensive due diligence, the Depositary could not have prevented the loss.

However, in the case of loss of a financial instrument by the Depositary, or by a third party, the Depositary is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay unless it can prove that the loss was beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Investment Advisers

Aegon Diversified Monthly Income Fund and Aegon Sustainable Diversified Growth Fund

The ACD has appointed AEGON Investment Management B.V. ("**AIM B.V.**") to assist it in theinvestment management of Aegon Diversified Monthly Income Fund and Aegon Sustainable DiversifiedGrowth Fund.

AIM B.V. is a private limited liability company organised under Dutch law and recorded in the Commercial Registry of The Hague with registered office AEGONplein 50, 2591 TV The Hague, Netherlands. AIM B.V. is a wholly owned subsidiary of AEGON Asset Management Holding B.V and is, together with the ACD, part of the AEGON Group.

The principal activities of AIM B.V. are that of management of investment funds and individual portfolio management and investment advice. AIM B.V. is regulated by the Netherlands Authority for the Financial Markets for the purposes of carrying out investment management and providing investment advice.

AIM B.V.'s services are currently provided to the ACD pursuant to an Investment Management Agreement between the ACD and AIM B.V. dated 31 October 2017. The Investment Management Agreement may be terminated by either party giving 30 days written notice to the other, and with immediate effect by the ACD where required to do so by COLL (which rules include a provision that the mandate must be withdrawn with immediate effect where it is in the interests of Shareholders to do so). The Investment Management Agreement is governed by the laws of England and Wales and may be enforced by the ACD in the English courts.

The ACD and AIM B.V. shall work together in the formal portfolio decision making in relation to each of Aegon Diversified Monthly Income Fund and Aegon Sustainable Diversified Growth Fund subject to and in accordance with their respective investment objectives and policies, the terms of this Prospectus and the instrument of incorporation of the Company (as may be varied from time to time). The ACD shall retain the sole responsibility in deciding on investing or disinvesting for the relevant Fund. In addition, the ACD may give AIM B.V. specific directions or instructions from time to time (whether set out in the Investment Management Agreement or other agreed format). The ACD will monitor the performance of the Sub-funds and will remain ultimately responsible for the management of the scheme property.

AIM B.V. may, from time to time, advise other companies or funds which follow similar investment objectives to those of the Sub-funds. In that event, AIM B.V. will manage any conflict of interest as detailed in the paragraph headed "Conflicts of Duty or Interest".
No commission is payable to AIM B.V. for any deal done or which could be done on behalf of the Company. The fees payable to AIM B.V. will be paid by the ACD and will not be charged to the Company.

Aegon Ethical Equity Fund, Aegon Ethical Corporate Bond Fund and Aegon Ethical Cautious Managed Fund

The ACD employs EIRIS Services Limited ("EIRIS") to provide research on investments for Aegon Ethical Equity Fund, Aegon Ethical Corporate Bond Fund and Aegon Ethical Cautious Managed Fund. EIRIS is registered in England at 80 - 84 Bondway, London SW8 1SF.

EIRIS is not an authorised person. Its principal activity is the provision of ethical research and data.

EIRIS advises the ACD concerning the ethical criteria followed by the ACD from time to time in relation to the investment by the said Sub-funds and in relation to the monitoring and assessment of companies for the purpose of determining whether they fulfil such criteria. The agreement between the ACD and EIRIS is a one year rolling contract and contains termination provisions in respect of serious breach. Fees payable to EIRIS are met by the ACD.

EIRIS may, from time to time, advise other companies or funds which follow similar investment objectives to those of the Sub-funds. In that event, EIRIS will manage any conflict of interest as detailed in the paragraph headed "Conflicts of Duty or Interest".

Registrar

The Company has appointed Citibank Europe Plc, UK Branch to assist in the functionsof registrar to the Company. The Register is maintained at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, where it may be inspected during normal business hours by any Shareholder or any Shareholder's duly authorised agent. The Register is prima facie evidence of entitlement to Shares. No notice of any trust shall be entered in the Register.

The Registrar's appointment is governed by an agreement dated July 2023 between the ACDand the Registrar ("**the Registrar Agreement**").

Administration

The ACD has also engaged Citibank Europe Plc, UK Branch to carry out transfer agencyand other associated administration services and Citibank N.A., London Branch, a national banking association organised in the US with its principal place of business in the United Kingdom at CitigroupCentre, Canada Square, Canary Wharf, London, E14 5LB ("Citibank N.A.") to provide fund reporting and accounting services on behalf of the ACD and the Company.

The ACD reserves the right to outsource other administration services on behalf of the ACD and the Company.

Auditors

The Auditors of the Company are PricewaterhouseCoopers LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

Custodian

The Depositary has retained the services of Citibank N.A. to assist the Depositary to perform its functions of custodian of documents of title or documents evidencing title to the Scheme Property of the Company. The relevant arrangements prohibit the Custodian from releasing the documents into the possession of a third party without the consent of the Depositary.

Conflicts of Duty or Interest

The ACD and other companies within the group of companies of which it is a member may, from time to time, act as investment managers or advisers to other companies or funds which follow similar investment objectives to those of the Sub-funds. It is therefore possible that the ACD and/or the other service providers may in the course of their business have potential conflicts of interest with the Company or a particular Sub-fund. Each of the ACD and the other service providers will, however, have regard in such event to its obligations under the ACD Agreement and the agreements with the ACD respectively and, in particular, to their obligation to act in the best interest of the Company so far as practicable, having regard to their obligation to other clients when undertaking any investment where potential conflicts of interest may arise.

The ACD maintains a written conflict of interest policy. The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company or its Shareholders will be prevented. Should any such situations arise the ACD will, as a last resort if the conflict cannot be avoided disclose these to Shareholders in an appropriate format.

The Depositary may, from time to time, act as the depositary of other companies or funds.

The corporate activities of the AEGON group of companies may result in some minor restriction to the investable universe. (For example, in certain countries, the combined investments of the ACD and other companies in the AEGON Group may mean holding limits in a particular company are reached, meaning no additional shares in that company could be purchased.)

3. Investment Objectives and Policies of the Sub-funds and use of benchmarks

Investment of the Scheme Property of each Sub-fund must be in accordance with the investment objective and policy of the relevant Sub-fund and must comply with the investment restrictions and requirements set out in COLL. Details of the investment objectives and policies are set out in Appendix D in respect of each Sub-fund and the eligible securities and derivatives markets through which the Sub-funds may invest are set out in Appendix A. A summary of the general investment and borrowing powers is set out in Appendix B. Each Sub-fund may use a benchmark index for the purpose of providing investors with a performance comparator. Any such benchmark index is included in Appendix D. The ACD may change a comparator benchmark and will update the prospectus accordingly. Any benchmark index used as a target for, or a constraint on, a Sub-fund will be set out in that Sub-fund's investment objective or policy.

The Company will not have any interest in any immovable property (e.g. an office) or tangible property (e.g. office equipment).

The EU Benchmark Regulation (or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable ("Benchmark Regulation")) requires the ACD to produce and maintain a robust contingency plan setting out the actions that it would take in the event that a benchmark (as defined by the Benchmark Regulation) which is used materially changes or ceases to be provided. The ACD shall comply with this obligation.

The ACD is required under the Benchmark Regulation to use only benchmarks which are provided by authorised benchmark administrators that are present in the UK Benchmarks Register which is maintained by the FCA. The ACD shall comply with this obligation.

4. Shares and Classes

More than one Class of Share may be Issued in respect of each Sub-fund*. The ACD may make available the following Classes of Share in respect of each Sub-fund:

Share Class	**Features**
Class A net accumulation	Designated in Sterling
Class A net income	Designated in Sterling
Class A gross accumulation	Designated in Sterling
Class A gross income	Designated in Sterling
"**Class A Shares**"	
Class B net accumulation	Designated in Sterling
Class B net income	Designated in Sterling
Class B gross accumulation	Designated in Sterling
Class B gross income	Designated in Sterling
"**Class B Shares**"	
Class C net accumulation	Designated in Sterling
Class C net income	Designated in Sterling
Class C gross accumulation	Designated in Sterling
Class C gross income	Designated in Sterling
"**Class C Shares**"	
Class D net accumulation	Designated in Sterling
Class D net income	Designated in Sterling
Class D gross accumulation	Designated in Sterling
Class D gross income	Designated in Sterling
"**Class D Shares**"	

Class E net accumulation	Designated in Euros and not available to UK investors
Class E net income	Designated in Euros and not available to UK investors
Class E gross accumulation	Designated in Euros and not available to UK investors
Class E gross income	Designated in Euros and not available to UK investors
"**Class E Shares**"	
Class G net accumulation	Designated in Sterling
Class G net income	Designated in Sterling
Class G gross accumulation	Designated in Sterling
Class G gross income	Designated in Sterling
"**Class G Shares**"	
Class S net accumulation	Designated in Sterling
Class S net income	Designated in Sterling
Class S gross accumulation	Designated in Sterling
Class S gross income	Designated in Sterling
"**Class S Shares**"	
Class Z net accumulation	Designated in Sterling
Class Z net income	Designated in Sterling
Class Z gross accumulation	Designated in Sterling
Class Z gross income	Designated in Sterling
"**Class Z Shares**"	

**Note - With effect from 31 July 2023 prospective retail investors may only purchase Shares on a nominee basis through a professional advisor, platform or other intermediary (unless agreed otherwise by the ACD). Existing Shareholders who are direct retail investors may continue to purchase Shares on their own behalf.*

Appendix D contains a description of the Classes currently available. New Share Classes (including gross accumulation Shares and gross income Shares) may be established by the ACD from time to time, subject to compliance with COLL. If a new Class of Share is introduced, a new Prospectus will be prepared to set out the required information in relation to that Class.

Where a Sub-fund has different Classes, each Class may attract different charges and expenses and so monies may be deducted from Classes in unequal proportions. In these circumstances the proportionate interests of the Classes within a Sub-fund will be adjusted in accordance with the terms of issue of Shares of those Classes. Also, each Class may have its own investment minima or other features, such as (in the case of the second of further Class of Shares in a Sub-fund) restricted access, at the discretion of the ACD. Any such different charges or features are set out above and in Appendix D in relation to each of the Sub-funds.

A net income Share is one where income is distributed periodically to Shareholders net of any tax deducted or accounted for by the Company. A net accumulation Share is one in respect of which income (net of any tax deducted or accounted for by the Company) is credited periodically to capital within the relevant Sub-fund. A gross income Share is one in respect of which income is distributed periodically to Shareholders but in accordance with relevant tax laws without deduction or otherwise by the Company of some or any tax. A gross accumulation Share is one in respect of which income is credited periodically to capital of the relevant Sub-fund but in accordance with relevant tax law without deduction or otherwise by the Company of some or any tax.

Holders of income Shares are entitled to be paid the income attributed to such Shares of the appropriate Class on the interim and annual income allocation dates applying to the relevant Sub-fund.

Holders of accumulation Shares are not entitled to be paid the income attributable to such Shares, but that income is automatically transferred to (and retained as part of) the capital assets of the relevant Sub-fund at the end of the relevant accounting period and is reflected in the price of an accumulation Share. Where there are both net accumulation Shares and gross accumulation Shares within one Class, the proportions of the Sub-fund within the Class will be adjusted at the end of each accounting period.

The rights attaching to Shares of each Class will be expressed in two denominations - smaller denomination and larger denomination. Each smaller denomination Share represents one ten-thousandth of a larger denomination Share.

Shareholders are entitled (subject to certain restrictions) to Switch all or part of their Shares in a Sub-fund for Shares in another Sub-fund. Details of this Switching facility and the restrictions are set out below under "Switching between different Sub-funds" in Part 6 below.

Shareholders are entitled (subject to certain restrictions) to Convert all or part of their Shares in a Class of a Sub-fund for Shares in another Class within the same Sub-fund. Details of this Converting facility and the restrictions are set out below under "Conversion between Classes of the same Sub-fund" in Part 6 below.

5. Pricing of Shares

The price of a Share in the Company is calculated by reference to the Net Asset Value (or the relevant proportion of the Net Asset Value) of the Sub-fund to which it relates. Each Sub-fund will have a regular Valuation Point at 12 noon on each Dealing Day. The ACD may create an additional Valuation Point for any Sub-fund at any time.

The Scheme Property attributed to each Sub-fund will be valued at each Valuation Point of that Sub-fund to determine the proportion of the Net Asset Value attributable to each Class in that Sub-fund for the purpose of calculating the price of each Class in that Sub-fund.

The value of the Scheme Property attributed to each Sub-fund will be the value of its assets less the value of its liabilities as determined in accordance with the Instrument of Incorporation. Information regarding the calculation of the Net Asset Value of each Sub-fund and the apportionment of that Net Asset Value between each Class of Shares in relation to that Sub-fund is set out in Appendix C.

The Price of a Share of each Class in any Sub-fund will be calculated by reference, as at the Valuation Point on each Dealing Day, to the value of the property of the Sub-fund to which it is linked. Share prices are calculated as follows:-

(1) by taking the proportion attributable to the Shares of the Class concerned of the value of the relevant Sub-fund as at the most recent valuation of that Sub-fund;

(2) by dividing the result by the number of Shares of the relevant Class in issue immediately before the valuation concerned; and

(3) where necessary, adjusting the price to take account of any dilution to the Sub-fund in accordance with the dilution policy set out below.

On purchase of a Share, the amount payable will equal the aggregate of:-

(1) the price of the Share calculated on the above basis; and

(2) any initial charge;

On the redemption of a Share, the amount received will equal the price per Share calculated on the above basis.

The most recent prices of Shares can be obtained on the website of the ACD at www.aegonam.com. The prices published will not be the current prices as Shares are issued and redeemed on a forward pricing basis (by reference to the valuation at the next Valuation Point after the issue or redemption has been agreed) and not on the basis of the published prices.

In the event that, for any reason, the ACD is unable to calculate the Net Asset Value of any Sub-fund at the normal time, the prices effective from that time will be calculated using the earliest available valuation thereafter.

Information regarding the initial charge, redemption charge and SDRT provision is set out below under "Dealing Charges, Dilution Adjustment" and "SDRT Provision" in Part 6 below.

6. Buying, Redeeming, Switching and Conversion of Shares

With effect from 31 July 2023 prospective retail investors may only purchase Shares on a nominee basis through a professional advisor, platform or other intermediary (unless agreed otherwise by the ACD). Existing Shareholders who are direct retail investors may continue to purchase Shares on their own behalf.

Shares may normally be dealt in with the ACD via the Portal on any Dealing Day (or other times at the ACD's discretion). If requested the ACD may deal as agent between the investor and the Company.

Shareholders as at 31 July 2023 who do not have access to the Portal can contact the ACD for further dealing information. The ACD may at its discretion agree alterative dealing arrangements with Shareholders.

All dealing will be forward to the prices calculated at the next Valuation Point.

A contract note confirming the transaction will be available via the Portal (or dispatched where applicable) by the close of business on the first working day after the Valuation Point at which the transaction was priced.

Buying Shares

Shares may be bought through intermediaries or direct from the ACD as principal or agent. An intermediary who recommends Shares in the Company to a prospective investor may be entitled to receive commission from the ACD, subject to COBS. Requests to buy Shares may be made via the Portal or by approved electronic dealing platforms (or by such other method as the ACD has agreed) on any Dealing Day. Requests by electronic or other means will be treated as definite orders even if not subsequently confirmed in writing. Electronic communications may be retained by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes, please see paragraph "Telephone and Electronic Communication Recording" below for further information.

Payment for the purchase of Shares can be made by bank transfer and must reach the ACD within three working days. Instructions must be confirmed by completing any required applications or confirmations via the Portal or via such other method as the ACD has agreed. On fulfilment of these conditions:

- before 12 noon on a Dealing Day, the relevant Shares will be issued at a price based on that day's valuation; and
- from and including 12 noon on a Dealing Day, the relevant Shares will be issued at a price based on the valuation at the next Dealing Day.

A Share exchange service may, at the ACD's discretion, be made available in respect of investment amounts for £1,000 or more.

The ACD has the right to reject any application for Shares in whole or in part, and in this event the ACD will return any monies sent, or the balance of such monies at the risk of the applicant.

Certain investors have a right to cancel their deal at any time during the 14 days after the date on which they receive a cancellation notice from the ACD via the Portal (or via such other method as the ACD has agreed with the investor). If such an investor decides to cancel the contract, and the value of their investment has fallen at the time the ACD receives their completed cancellation notice, the investor will not get a full refund; an amount equal to any fall in value will be deducted from the sum originally invested.

The title to Shares in the Company is evidenced by entry on the Register. Certificates are not issued to Shareholders in respect of registered Shares. Details of a Shareholder's entry on the Register are available via the Portal (or via such other method as the ACD has agreed with the Shareholder). A statement of shareholding in respect of Shares shall be available via the Portal (or via such other method as the ACD has agreed with the Shareholder) for all Shareholders twice a year, but such a statement shall not constitute a document of title. In respect of joint shareholdings, such statements shall only be sent (where applicable) to the first named Shareholder on the Register.

If a Shareholder requires evidence of title to Shares, the Company will, upon such proof of identity as the ACD may reasonably require, supply that Shareholder with a certified copy of the entry in the Register relating to the shareholding of Shares. The ACD reserves the right to charge the Shareholder concerned for the supply of such a certified copy.

Details of the minimum initial lump sum investment in each Class of each Sub-fund and the minimum amount of any lump sum addition to a holding in the same Class of the same Sub-fund are set out in Appendix D (in the sections "Minimum Initial Lump Sum Investment" and "Minimum Subsequent Investment" respectively) but the ACD may, at its absolute discretion, accept investments lower than the relevant minimum. If the value of a Shareholder's holding of a Class of Shares falls below the minimum holding (which is set out in Appendix D in respect of each Sub-fund), his entire holding may be redeemed compulsorily by the ACD.

Regular Savings Plan

The Aegon Asset Management UK ICVC Regular Savings Plan ("RSP") can be started from £50 per month for Class B Shares.

A duly completed application must be received via the Portal (or via such other method as the ACD has agreed with the Shareholder) by the 18th day of the month (or by such other date as the ACD has agreed with the Shareholder) in which the RSP will commence. The RSP will then commence on the 25th day of that month or the next working day where the 25th is not a working day.

Monthly contributions to purchase Shares are collected by direct debit on the 25th day of each month (or the next working day where the 25th day is not a working day). These will be invested at the price calculated at the next Valuation Point on the day on which the direct debit operates.

Shareholders can increase, decrease or stop their monthly contributions at any time by notifying their bank and notifying the ACD, via the Portal (or via such other method as the ACD has agreed with the Shareholder). However, if payments are not made to the RSP for more than three consecutive months, and the total value of the Shares in the RSP is less than the minimum which the ACD requires (see Appendix D), then the ACD reserves the right to buy back the Shares in that RSP at the price then applicable, close the account and return the value of the proceeds to the Shareholder.

Regular investment may be ceased without penalty at any time via the Portal (or via such other method as the ACD has agreed with the Shareholder) . Such notification must be made by the 18th day of the month in order to be actioned by the payment date for that month. However, if payments are not made for more than three consecutive months, and the value of the holding is less than the minimum investment amount permitted, the right is reserved to sell the Shares and return the value of the proceeds to the Shareholder.

A Shareholder is permitted to redirect future contributions into a different Sub-fund or Sub-funds at any time via the Portal (or via such other method as the ACD has agreed with the Shareholder) on or before the 18th day of the month in order to be actioned by the payment date for that month.

Contract notes are not issued to RSP holders. Every six months, a statement detailing the Shares purchased since the last statement, the purchase price of those Shares and distributions of income (which are automatically reinvested in the purchase of further Shares where applicable) will be available via the Portal (or via such other method as the ACD has agreed with the Shareholder) to all the RSP holders.

Cancellation Rights

Certain investors have a right to cancel their deal at any time during the 14 days after the date on which they receive a cancellation notice from the ACD via the Portal (or via such other method as the ACD has agreed with the investor). If such an investor decides to cancel the contract, and the value of their investment has fallen at the time the ACD receives their completed cancellation notice,the investor will not get a full refund; an amount equal to any fall in value will be deducted from the sumoriginally invested.

Redemption of Shares

Instructions for the sale of Shares may be submitted via the Portal or by other approved electronic means (or via such other method as the ACD has agreed with the Shareholder). All joint holders will require to complete the necessary security checks. Such redemption requests shall only be processed where necessary security and bank verification checks have been completed and payment is made to the account of record in the name of the applicant on the register.

No third-party payment request will be accepted.

Whether requests for the sale of shares are made via the Portal or by other approved electronic means or agreed method, all duly completed applications and confirmations (together with all supporting documentation for anti-money laundering checks)must have been received and approved the ACD or administrator acting on its behalf before any redemption proceeds will be paid out. The ACD accepts no liability for any damages, costs and losses arising as a result of the use of instructions by way of electronic means or other agreed method.

Electronic communications may be retained by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes, please see paragraph "Telephone and Electronic Communications Recording" below for further information.

The ACD may act as principal or agent.

Subject to COLL, the proceeds of a sale of Shares will be sent by the close of business three working days after the ACD receiving all necessary documentation. On fulfilment of that condition:

- before 12 noon on a Dealing Day, the relevant Shares will be sold at a price based on that day's valuation, and;

- from and including 12 noon on a Dealing Day, the relevant Shares will be sold at a price based on the valuation made on the next Dealing Day.

Redemption proceeds are normally payable to one or more of the Registered Shareholders. The amount due on sale of shares will be paid by bank transfer to an account, in the name of the shareholder. The ACD reserves the right, at all times, to require a form of renunciation to be completed. If this is necessary, it will be issued with the contract note or via the Portal.

The minimum value of Shares which may be sold in each Class of each Sub-fund is given in Appendix D. A Shareholder will not be entitled to realise part only of his holding without the approval of the ACD if by so doing his holding would be reduced to less than the minimum permitted holding in respect of each Class of each Sub-fund as set out in Appendix D.

Any Shares transferred directly to the Company, with the ACD acting as agent, will be cancelled.

Switching between different Sub-funds

A Shareholder in a Sub-fund may at any time Switch all or some of his Shares in one Sub-fund ("the Original Shares") for Shares in another Sub-fund ("the New Shares").

A Shareholder wishing to Switch Shares should apply via the Portal (or via such other method as the ACD has agreed with the Shareholder).

Switches will be effected at the next Valuation Point following receipt of instruction from a Shareholder to switch or at a date mutually agreed between the ACD and the Shareholder(s).

The number of New Shares issued will be determined by reference to the respective prices of Original Shares and New Shares at the next Valuation Point applicable at the time the Original Shares are repurchased and the New Shares are issued.

The Shareholder must meet any relevant minimum investment or holding criteria in respect of the Shares in the Sub-fund into which the Switch is to be made.

If a Switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Original Shares to New Shares or refuse to effect any Switch of the Original Shares.

No Switch will be made during any period when the right of Shareholders to require the redemption of their Shares is suspended. The general provisions on procedures relating to redemption of Shares will apply equally to a Switch.

The ACD may adjust the number of New Shares to be issued in order to reflect the imposition of any Switching fee together with any other charges or levies in respect of the issue or sale of the New Shares or repurchase or Cancellation of the Original Shares as may be permitted pursuant to COLL.

Please note that, under current United Kingdom taxation law and guidance, a Switch of Shares in one Sub-fund for Shares in any other Sub-fund is treated by HM Revenue & Customs as a redemption and sale and therefore will, for persons subject to United Kingdom taxation, generally be a disposal for the purposes of capital gains taxation (save in respect of a merger or reconstruction of share capital).

A switch of Shares between different Sub-funds may also be subject to income equalisation as referred to in Section 8 of this Prospectus. The Sub-fund into which a Switch is made may also be subject to dilution adjustment as described below under the heading "Dealing Charges and Dilution Adjustment".

A contract note showing details of the Switch will be made available via the Portal (or via such other method as the ACD has agreed with the Shareholder) by the business day following completion of the transaction.

Please note that cancellation rights will not be given on Switches between Shareholdings in different Sub-funds.

Conversions between Classes of the same Sub-fund

A holder of Shares in a Sub-fund may convert all or some of his Shares ("Original Class Shares") for Shares in another Class ("New Class Shares") of the same Sub-fund, subject to meeting the minimum requirements for the Class into which the Conversion is to be made.

A Shareholder wishing to convert Shares must apply to do so via the Portal (or via such other method as the ACD has agreed with the Shareholder).

Conversions will be effected at the next Valuation Point following receipt of instruction from a Shareholder to convert or at a date mutually agreed between the ACD and the Shareholder(s).

The number of New Class Shares issued will be determined by reference to the respective prices of Original Class Shares and New Class Shares at the Valuation Point applicable at the time the Conversion takes place.

The Shareholder must meet any relevant minimum investment or holding criteria in respect of the Shares in the Class into which the Conversion is to be made.

If the Conversion would result in the Shareholder holding a number of Original Class Shares or New Class Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Original Class Shares to New Class Shares or refuse to effect the relevant Conversion of the Original Class Shares. No Conversion will be made during any period when the right of Shareholders to require the sale of their Shares is suspended.

The ACD may adjust the number of New Class Shares to be issued or converted to reflect the imposition of any charges or levies in respect of the issue of New Class Shares or the Conversion of Original Class Shares as may be permitted in accordance with COLL.

The ACD may, at its discretion, charge a fee on the Conversion of Shares between Classes as described further below.

Conversions will be effected by the ACD recording the change of Class on the Register.

Please note that, under current United Kingdom taxation law and guidance, a Conversion of Shares between different Classes within the same Sub-fund will generally not be treated by HM Revenue & Customs as a redemption and sale and will therefore generally not be a disposal for capital gains tax purposes for investors subject to United Kingdom taxation. However, please note that in certain limited circumstances, an exchange between Classes within the same Sub-fund may be classified as a Switch (for more information on Switches, see above under the heading "Switching between Different Sub-funds")) and may be treated differently for the purposes of capital gains taxation and income equalisation may be applicable.

Conversions will not generally be subject to income equalisation as referred to in Section 8 of this Prospectus.

Please note that by performing a Conversion, the ACD may be required to convert a portion of capital to income in order to match the relevant yield in the Class into which the Shareholder is Converting. This may have the effect of creating taxable income for persons subject to United Kingdom taxation (depending upon the Shareholder's individual circumstances).

A confirmation letter showing details of the Conversion will be sent to the Shareholder on the business day following completion of the transaction.

Please note that cancellation rights will not be given on Conversions between Shareholdings in different Classes.

Mandatory Conversion of Shares

Shareholders may be subject to mandatory Conversions as further described below under the heading "**Other Dealing Information**".

Market Timing

The ACD may refuse to accept applications for subscriptions, redemptions or switches of Shares in a Sub-fund which it knows or in its absolute discretion considers it to be associated with market timing activities.

In general terms, market timing activities are strategies which may include frequent purchases and sales of Shares with a view to profiting from anticipated changes in market prices between Valuation Points or arbitraging on the basis of market price changes subsequent to those used in the valuation ofa Sub-fund.

Such market timing activities are disruptive to fund management, may lead to additional dealing charges which cause losses/dilution to a Sub-fund and may be detrimental to performance and to the interests of long term Shareholders. Accordingly the ACD may in its absolute discretion reject any application for subscription or switching of Shares from applicants that it considers to be associated with market timing activities.

Information on the typical investor profile for each Sub-fund is set out in Appendix D.

Dealing Charges and Dilution Adjustment

Initial Charge

The ACD may make an initial charge on subscriptions to the Sub-funds. The level of the initial charge is expressed as a percentage of the subscription amount. Once the initial charge is deducted from the subscription amount the balance will be invested in Aegon Asset Management UK ICVC Shares. For example, a subscription of £10,000 that is subject to an initial charge of 2.5% results in an initial charge of £250 and the £9,750 being invested in the Shares of the relevant Sub-fund.

The current level of the initial charge in respect of each Class of each Sub-fund is set out in Appendix D. The ACD may only increase the initial charge in accordance with COLL, the relevant provisions of which are set out below in Part 7.

The ACD may, at its discretion and from time to time, waive the initial charge in whole or in part. Any decision by the ACD to waive the initial charge shall in no way obligate the ACD to waive the initial charge in the future.

Redemption Charge

The ACD may make a charge on the redemption of Shares. At present no redemption charge is levied on Shares of any Class of any Sub-fund.

The ACD may not introduce a redemption charge on the Shares of any Class of any Sub-fund, unless not less than 60 days before the introduction:-

a. the ACD has given notice to all persons who ought reasonably to be known to the ACDto have made an arrangement for the purchase of Shares of that Class at regular intervals; and

b. the ACD has published and revised the Prospectus showing the rate of charge, and its commencement date.

Notice shall be given by the ACD in accordance with Section 10 of this Prospectus (Meetings of Shareholders, Voting Rights and Service of Notices Any redemption charge introduced will apply only to Shares sold since its introduction.

Switching and Conversion Fees

The ACD may charge a fee on the Switching of Shares between Sub-funds or the Conversion of Shares between Classes. This fee may be up to 1.5% of the value of the Shares being Switched or Converted, but may be charged only if Switches or Conversions are made in respect of 5 or more Shareholder accounts in a calendar year. Valuations for determining this amount will be based upon the Valuation Point in respect of which the Switch or Conversion is performed (as determined above).

Dilution Adjustment

The basis on which the Company's investments are valued for the purpose of calculating the dealing price of Shares is documented in Appendix C, as required by COLL. The actual cost of purchasing or selling a Sub-fund's investments may be higher or lower than the mid-market value used in calculating the prices at which Shares in that Sub-fund are to be sold and redeemed. This may arise, for example, due to dealing expenses or through dealing at prices other than the mid-market value. In certain circumstances (for example, large volumes of deals) this may have an adverse effect on the Shareholders' interest in the Sub-fund. This effect is called "dilution"

Dilution Adjustment Policy

The Company may suffer dilution (reduction in the value of the Scheme Property as a result of the costs incurred in dealing in its underlying investments and of any spread between the buying and the selling prices of such investments which is not reflected in the issue or redemption price paid by or to the Shareholder). With a view to countering this (which, if it is significant, disadvantages existing or continuing Shareholders), the ACD reserves the right to make a "Dilution Adjustment" to the price of a Share in the following circumstances:-

- for all sales transacted during the period between two consecutive valuation points for the purposes of calculating the price of Shares in the Sub-fund where the net sales of Shares placed during that period would result in trading activity in the Sub-fund that would be expected to have a significant impact on the Sub-fund's Net Asset Value in respect of the market conditions at that time;

- for all redemptions transacted during the period between two consecutive valuation points for the purposes of calculating the price of Shares in the Sub-fund where the net redemptions of Shares placed during that period that would be expected to have a significant impact on the Sub-fund's Net Asset Value in respect of the market conditions at that time;

- in any other case where the ACD believes that the imposition of a dilution adjustment is required to safeguard the interests of continuing holders (for example, where the Sub-fund is continually suffering net redemptions).

Where a dilution adjustment is applied the value of the dilution adjustment will be paid forthwith by the ACD to the Depositary and will become part of the property attributed to the relevant Sub-fund.

As dilution is directly related to the inflows and outflows of monies from the Sub-funds it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the ACD will need to make such a dilution adjustment. However, for illustrative purposes the table below sets out the number of recent occasions a dilution adjustment applied, the range of such adjustments and whether the adjustment was on an "offer" or "bid" basis ("offer" meaning the adjustment increased the Share price, "bid" meaning the adjustment decreased the Share price).

Sub-fund	**Period**	**Number of times price adjusted in period**	**Range of Adjustment (%)**	**Number of times Fund has applied offer adjustment**	**Number of times Fund has applied bid adjustment**
Aegon Diversified Monthly Income Fund	1 January 2022 to 31 December 2022	1 out of a possible maximum of 250 times	Offer 0.34	1	0

Aegon Sustainable Diversified Growth Fund	1 January 2022 to 31 December 2022	0 out of a possible maximum of 244 times	Bid: 0.15-0.28 Offer 0.28-0.38	0	0
Aegon Ethical Cautious Managed Fund	1 January 2020 to 31 December 2022	0 out of a possible maximum of 250 times	Bid: 0.26-0.29 Offer 0.55-0.55	0	0
Aegon Ethical Corporate Bond Fund	1 January 2022 to 31 December 2022	3 out of a possible maximum of 250 times	Bid: 0.68 - 0.83 Offer: 0.41	1	2
Aegon Ethical Equity Fund	1 January 2022 to 31 December 2022	0out of a possible maximum of 244 times	Bid: 0.17-0.31 Offer 0.66-0.79	0	0
Aegon Sustainable Equity Fund	1 January 2022 to 31 December 2022	2out of a possible maximum of 250 times	Bid: 0.25	0	2
Aegon High Yield Bond Fund	1 January 2022 to 31 December 2022	1out of a possible maximum of 250 times	Offer 0.60	1	0
Aegon Investment Grade Bond Fund	1 January 2022 to 31 December 2022	2 out of a possible maximum of 250 times	Bid: 0.26-0.29	0	2
Aegon Strategic Bond Fund	1 January 2022 to 31 December 2022	0 out of a possible maximum of 250 times	Bid: 0.41-0.43 Offer 0.41-0.43	0	0
Aegon Sterling Corporate Bond Fund	1 January 2022 to 31 December 2022	0out of a possible maximum of 244 times	Bid: 0.45 - 0.45 Offer 0.45 - 0.46	0	0
Aegon UK Equity Absolute Return Fund	1 January 2022 to 31 December 2022	0 out of a possible maximum of 244 times	Bid: 0.16 - 0.37 Offer 0.21 - 0.41	0	0
Aegon UK Equity Fund	1 January 2022 to 31 December 2022	1 out of a possible maximum of 250 times	Offer 0.99-	1	0

Aegon UK Sustainable Opportunities Fund	1 January 2022 to 31 December 2022	0out of a possible maximum of 24 times	Bid: 0.24-0.39 Offer 0.74-0.88	0	0
Aegon UK Smaller Companies Fund	1 January 2020 to 31 December 2020	0out of a possible maximum of 250 times	Bid: 0.51 – 0.58 Offer 1.01 to 1.09	0	0

The ACD reserves the right to apply a higher dilution adjustment to the figures quoted and will monitor the circumstances of each Sub-fund on an ongoing basis. Where it is suspected that market timing may be taking place, the ACD reserves the right to take whatever action is required in order to act in the best interests of the Shareholders.

On the occasions when the dilution adjustment is not applied there may be an adverse impact on the total assets of the relevant Sub-fund.

Stamp Duty Reserve Tax (SDRT)

Generally, there is no SDRT charge when Shareholders surrender or redeem their Shares. However, where the redemption or surrender is satisfied by a non-pro rata in specie redemption, then a charge to SDRT may apply.

Other Dealing Information

Money Laundering

As a result of legislation in force in the United Kingdom to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors may be asked to provide proof of identity when buying Shares. Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to sell Shares.

The ACD may employ a reference agency to undertake online checks of a Shareholder's identity.

Restrictions and Compulsory Transfer, Compulsory Redemption and Compulsory Switching and Conversion

The ACD may, on providing appropriate notice to affected Shareholders, in accordance with Section 10 of this Prospectus (Meetings of Shareholders, Voting Rights and Service of Notices), compulsorily Convert Shares where to do so is considered by the ACD to be in the best interests of Shareholders.

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held:-

- by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- in circumstances which would require the Company, the ACD or any investment adviser appointed from time to time to be registered under any law or regulation of any country or territory or cause the Company to apply for registration or comply with any registration requirements in respect of any of its Shares whether in the US or any other jurisdiction in which it is not currently registered; or
- which would result (or would if other Shares were acquired or held in like circumstances), in the opinion of the ACD, in the Company, its Shareholders, the ACD or any investment adviser

incurring any liability to taxation or suffering any other legal, regulatory, pecuniary or adverse consequence which it or they might not have otherwise suffered (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or

- where such person is a US Person or is holding the Shares for the account or benefit of a US Person,

together the "relevant circumstances".

In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, sale, Switching or Conversion of Shares.

If it comes to the notice of the ACD that any Shares ("affected Shares") are owned directly or beneficially in any of the relevant circumstances or if it reasonably believes this to be the case, the ACD may give notice in accordance with Section 10 of this Prospectus (Meetings of Shareholders, Voting Rights and Service of Notices) to the holder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or the Switch or Conversion, where possible, of the affected Shares for other Shares in the Company the holding of which would not fall within the relevant circumstances or that a request via the Portal or by such other appropriate method be given for the repurchase of such Shares in accordance with COLL. If any person on whom such a notice is served does not within thirty days after the date ofsuch notice transfer his affected Shares to a person qualified to own them or Switch or Convert his Shares for other Shares the holding of which would not fall within any of the relevant circumstances orestablish to the satisfaction of the ACD (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the affected Shares, he shall be deemed on the expiration of that thirty day period to have given a request in writing for the redemption of all the affected Shares pursuant to COLL.

If the Company or the ACD becomes aware that the holder of Shares in respect of which income is allocated or paid without deduction of UK income tax ("gross paying Shares") has failed or ceased to be entitled to have income so allocated or paid, then the Company shall, without delay, treat the Shareholder concerned as if he had served on the Company a Conversion notice requesting Conversion of all gross paying Shares owned by such Shareholder for Shares in respect of which income is allocated or paid net of tax ("net paying Shares") of the Class or Classes which, in the opinion of the ACD, most nearly equates to the Class or Classes of gross paying Shares held by that Shareholder.

A person who becomes aware that he is holding or owns affected Shares in any of the relevant circumstances, shall forthwith, unless he has already received a notice as aforesaid, either transfer all his affected Shares to a person qualified to own them or, where possible, Switch or Convert the affected Shares for other Shares in the Company the holding of which would not fall within any of the relevant circumstances or give a request in writing for the redemption of all of his affected Shares in accordance with COLL.

If a Shareholder who holds gross paying Shares fails or ceases to be entitled to have income so allocated or paid without deduction of UK income tax, then he shall, without delay, give notice thereof to the Company via the Portal or as otherwise permitted in Section 1 of this Prospectus (The Company and its Structure) and the Company shall, upon receipt of such a notice treat the Shareholder concerned as if he had served on the Company a Conversion notice requesting Conversion of all gross paying Shares owned by such Shareholder for net paying Shares of the Class or Classes which, in the opinion of the ACD, most nearly equates to the Class or Classes of gross paying Shares held by that Shareholder.

Issue of Shares in Exchange for In Specie Assets

The ACD may arrange for the Company to issue Shares in exchange for assets but will only do so where the Depositary is satisfied that the acquisition by the Company of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

The ACD will, by the close of business on the third Dealing Day after the issue of any Shares in exchange for assets as above, ensure transfer to the Depositary of the assets to be taken in exchange.

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in any Sub-fund in exchange for assets the holding of which would be inconsistent with the investment objective or policy of that Sub-fund.

In Specie Redemptions

In specie redemptions and Cancellations of Shares will be allowed:-

a. In the case of holdings valued at less than 5% of the value of the Scheme Property attributed to the Sub-fund, at the request of the Shareholder, and at the discretion of the ACD.

b. In the case of holdings valued at 5% or greater of the value of the Scheme Property attributed to the Sub-fund, at the request of the Shareholder, and at the discretion of the ACD, or if the ACD so demands by written notice to the Shareholder.

The ACD will give written notice to the Shareholder before the proceeds of the Cancellation would otherwise become payable in cash in lieu of such payment the Company will transfer Scheme Property of the relevant Sub-fund to the Shareholder.

The Scheme Property to be transferred is subject to the retention by the Company of Scheme Property or cash of a value or amount equivalent to any stamp duty reserve tax or stamp duty to be paid in relation to the Cancellation of Shares.

The ACD will select the Scheme Property to be transferred in consultation with the Depositary. They must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Shareholder requesting the Cancellation/redemption than to continuing Shareholders.

Suspension of Dealings in Shares

The ACD may, with the agreement of the Depositary, or must if the Depositary so requires, and if there is good reason in the interests of all of the Shareholders, suspend the issue, Cancellation, sale and redemption of Shares of any one or more Classes in any or all of the Sub-funds.

At the time of suspension, the ACD (or the Depositary if it has required the ACD to suspend dealing in Shares) must inform the FCA immediately stating the reasons for its actions and, as soon as is practicable, give the FCA written confirmation of the suspension and the reasons for it.

The ACD will notify Shareholders of the suspension as soon as practicable after suspension commences.

During any period of suspension, the obligations relating to the issue, sale, Cancellation and redemption of Shares contained in Chapter 6 of COLL will cease to apply and the ACD must comply with as many of the obligations relating to the valuation of assets as is practicable in light of the suspension.

During any period of suspension, the ACD may agree to issue, redeem, Switch or Convert Shares at a price calculated by reference to the first Valuation Point after the end of the suspension. Any deals outstanding prior to the suspension shall be undertaken at a price calculated by reference to the first Valuation Point after the suspension.

In accordance with Chapter 7 of COLL, a suspension of dealing Shares will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased and the ACD and the Depositary must formally review the suspension at least every 28 days and must inform the FCA of the results of this review.

The calculation of Share prices will recommence as at the next Valuation Point following the end of the suspension period.

Client Money

In accordance with the FCA Rules and in appropriate circumstances, for example where Shares cannot be allocated to Shareholders following their purchase, or the proceeds of a redemption cannot be remitted to Shareholders following their redemption, money in respect of such Shares will be transferred to a client money bank account until such transactions can be completed. Money transferred to a client money bank account will be held in accordance with the FCA Rules. No interest will be paid on money held in these client money bank accounts.

The ACD makes use of an exemption from these rules where money does not have to be transferred into a client money bank account if such money is held in relation to a Delivery versus Payment transaction. Delivery versus Payment (DvP) is a procedure the investment industry uses to settle transactions made by their clients and it permits the ACD to cease to treat money as client money in connection with Delivery versus Payment transactions.

However, use of the exemption is limited in time, and where the ACD receives client money, in connection with a DvP transaction, and the ACD has not, by close of business on the business day following the date of receipt of the money, paid this money to the Depositary, the ACD will cease to make use of the exemption and will hold client money in a client money bank account. Similarly, the proceeds of redemptions (also arising from DvP transactions) will be only be protected in a client money account if the proceeds are still held by the ACD by close of business on the day following receipt of such proceeds from the Depositary.

Governing Law

All dealings in Shares will be governed by Scottish Law.

Electronic Communications

Transfers of title to Shares may only be effected on the authority of an electronic communication via the Portal or via TISA Exchange (TEX) and as described in the section 'Redemption of Shares' above except where the ACD has agreed alternative dealing arrangement with any Shareholder.

7. Fees and Expenses

The Company, the Depositary, the Custodian, the ACD, the Auditor or any other "affected person" are not liable to account to each other or to Shareholders for any profits or benefits made or received which derive from or in connection with dealings in the Shares, or any transaction in the Scheme Property or the supply of services to the Company.

General

The Company may pay the following expenses incurred by or on behalf of the Company out of the property of any one or more of the Sub-funds:

(1) Broker's commission, fiscal charges and any other disbursements which are necessarily incurred in effecting transactions for the Company. This will include expenses incurred in acquiring and disposing of investments including legal fees and expenses, whether or not the acquisition or disposal is carried out.

(2) Any costs incurred in modifying the Instrument of Incorporation or this Prospectus.

(3) Any costs incurred in respect of meetings of the Shareholders (including meetings of Shareholders in any particular Sub-fund or Class).

(4) Any costs incurred in establishing and maintaining the Company's Register of Shareholders and any plan register, if any, and related matters. In this regard a portion of the costs of establishing and maintaining the Company's Register of Shareholders and associated registration and transfer agency services charged by the Registrar will be deducted from the

Scheme Property of each Sub-Fund. These charges will not exceed 0.00375% of the NAV (plus VAT if any) per year.

(5) Interest on borrowings permitted under the Instrument of Incorporation or the Prospectus and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings.

(6) Taxation and duties payable in respect of the Scheme Property, the Instrument of Incorporation, the Prospectus or the creation, Cancellation, sale or redemption of Shares.

(7) The fees of the Auditors and the tax, legal and other professional advisers to the Company and to the ACD and the Depositary properly payable and any proper expenses of the Auditors, tax, legal and other professional advisers to the Company and to the ACD and the Depositary.

(8) The fees of the FCA under Chapter 4 Annex 4R of the FCA's Fees Manual, or any corresponding periodic fee of any regulatory authority in a country or territory outside the United Kingdom in which Shares are or may be marketed.

(9) Any expenses properly incurred by the Depositary in performing duties imposed upon it (or exercising powers conferred on it) by the OEIC Regulations or COLL. The relevant duties include (but are not limited to) the delivery of stock to the Depositary or the Custodian, the custody of assets, the collection of income, the submission of tax returns, the handling of tax claims, the preparation of the Depositary's annual report and any other duties the Depositary is required to perform by law.

(10) Fees in respect of the publication and circulation of details of the prices and yields of Shares, and other such information which the ACD is required by law to publish.

(11) The costs of printing and distributing reports, accounts, the Prospectus and any Key Investor Information Documents of the Company or any Sub-fund.

(12) Insurance which the Company may purchase and/or maintain for the benefit of and against any liability incurred by any directors of the Company in the performance of their duties.

(13) Liabilities on amalgamation or reconstruction arising where the property of a body corporate or another collective investment scheme is transferred to the Depositary in consideration for the issue of Shares to the Shareholders in that body or to participants in that other scheme, provided that any liability arising after the transfer could have been paid out of that other property had it arisen before the transfer and, in the absence of any express provision in the Instrument of Incorporation forbidding such payment, the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of transfer.

(14) It is not currently proposed to seek a listing for the Shares on any stock exchange, but if a listing is sought in future, the fees connected with the listing will be payable by the Company.

(15) Any costs incurred in forming a Sub-fund.

(16) Any other costs or expenses that may be taken out of the Company's property in accordance with COLL.

Value added tax will be added to these payments, where applicable.

Expenses will be allocated between capital and income in accordance with COLL. Treating any fees, expenses and charges as a capital charge may erode the capital or may constrain future capital growth.

In the event that any expense, cost, charge or liability which would normally be payable out of income property attributable to a Class or Sub-fund cannot be so paid because there is insufficient income property available for that purpose, such expense, cost, charge or liability may be paid out of the capital property attributable to that Class or Sub-fund.

Any third party research received in connection with investment advisory services that an Investment Adviser or the ACD provides to the Sub-funds will be paid for by the Investment Adviser or the ACD out of its fees, as relevant in relation to each Sub-fund, and will not be charged to the Funds.

Charges payable to the ACD

An annual fee is paid by the Company out of the Scheme Property to the ACD and accrues daily and is reflected in the price of each Class of each Sub-fund daily. Payment to the ACD is monthly in arrears.

The level of these charges varies for different Classes and for different Sub-funds and is expressed as a percentage of the value of the Scheme Property attributed to each Sub-fund or Class, as appropriate.

The current annual fee for each Class of each Sub-fund is given in Appendix D. The amounts shown are inclusive of any fees payable by the Company directly to any investment adviser or any administrator where the Company has contracted directly with these parties. Value added tax will be added to these payments, where applicable.

On a winding up of the Company or a Sub-fund or on the redemption of a Class of a Sub-fund the ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the Agreement with the ACD.

The current annual fee to the ACD for a Class of a Sub-fund may be increased for that Class of that Sub-fund 60 days after:-

(i) the ACD has given notice in writing to all the Shareholders of that Class of that Sub-fund; and
(ii) the ACD has published and revised the Prospectus showing the rate of charge, and its commencement date.

For the avoidance of doubt, the ACD will not be required to notify Shareholders or amend the Prospectus as indicated in (i) and (ii) above where the fees charged by any investment adviser or administrator appointed from time to time are reduced, and the fee of the ACD is increased by a corresponding amount.

The ACD is also entitled to be paid by the Company out of the Scheme Property all reasonable, properly vouched, out-of-pocket expenses incurred in the performance of its duties including set-up costs of the Company or a new Sub-fund, stamp duty and stamp duty reserve tax on transactions in Shares.

Where the investment objective of a Sub-fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, subject to approval of the Shareholders or on 60 days' notice to Shareholders, all or part of the fees of the ACD, any investment adviser and/or any administrator may be charged against capital instead of against income. This treatment of the fees will increase the amount of income available for distribution to Shareholders in the Sub-fund but may constrain capital growth. This will be done with the approval of the Depositary. Currently, fees payable in respect of Aegon High Yield Bond Fund and Aegon Diversified Monthly Income Fund are deducted from capital. Fees from all other Sub-funds are deducted from income.

The ACD is entitled to charge the Company 15% of the value of each remedy procured for the Company's benefit, that result from successful class actions filed by the ACD, in order to cover legal fees and administration costs incurred.

The ACD is entitled to receive a share of revenue arising from stock lending as set out below.

The ACD or any appointed investment adviser may enter into side letters with certain Shareholders whereby the ACD or such investment adviser agrees to pay a rebate which has the effect of reducing the fee rate payable to the ACD or such investment adviser in respect of that Shareholder's investment in a Sub-Fund. The fact that the ACD or relevant investment adviser has agreed to pay such a rebate to one Shareholder shall not automatically entitle other Shareholders to receive such a rebate.

Depositary's Fee

The Depositary receives for its own account a periodic fee which will accrue daily and is calculated monthly on the last Dealing Day in each calendar month in respect of that day and the period since the last Dealing Day in the preceding month and is payable within seven days after the last Dealing Day in each month. The fee is calculated by reference to the value of each Sub-fund on the last Dealing Day of the preceding month except for the first accrual which is calculated by reference to the first Valuation Point of each Sub-fund.

The Depositary fee shall be calculated at a rate of 0.0127% per annum (subject to such discounted rate as may be agreed between the Depositary and the ACD from time to time).

The Depositary fee shall be subject to a minimum fee of GBP 2,800 per Sub-Fund per annum.

These rates can be varied from time to time in accordance with COLL.

The first accrual in relation to any Sub-fund will take place in respect of the period beginning on the day on which the first valuation of that Sub-fund is made and ending on the last Dealing Day of the month in which that day falls.

In addition to the periodic fee referred to above, the Depositary shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safekeeping of the Scheme Property as follows:

Item	**Range**
Transaction Charges	EUR 2.24 to EUR 57.85
Custody Charges	0.0013% to 0.265%

These charges vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last business day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary.

Where relevant, the Depositary may make a charge for its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stocklending or repo transactions, in relation to the Sub-fund and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of COLL.

The Depositary will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Instrument, COLL or by the general law.

On a winding up of the Company, or a termination of a Sub-fund the Depositary will be entitledto its *pro rata* fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

Any value added tax on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.

In each such case such payments, expenses and disbursements may be payable to any person (including the ACD or any associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to COLL by the Depositary.

Important Note

Currently, depositary fees payable in respect of the Aegon High Yield Bond Fund, and the Aegon Diversified Monthly Income Fund are deducted from capital.

Introduction or increase of remuneration of Depositary or Custodian

Remuneration payable out of the Scheme Property to the Depositary or Custodian can only be introduced or increased in accordance with COLL.

Investment Adviser's Fee

Where, in respect of any relevant Sub-funds, a separate investment advisory fee is payable to any investment adviser appointed from time to time, the fee of the ACD will be reduced accordingly.

Administrator's Fee

Where, in respect of any relevant Sub-funds, a separate administration fee is payable to any administrator appointed from time to time, the level of this fee for each Class, where applicable, will be set out in Appendix D.

Where this occurs, the fee of the ACD will be reduced accordingly.

Stock lending income

All revenue arising from stock lending (including revenue from cash collateral reinvestment), net of direct and indirect operational costs, is paid to the relevant Sub-fund involved in such transaction.

The ACD has appointed Citibank N.A. who is a related party to the Depositary, to carry out stock lending activity and services on behalf of the Sub-funds. Citibank N.A. receives 18% of the revenue generated from Stock Lending for any Sub-fund to cover operational costs. The ACD also receives 10% of the revenue generated from stock lending for any Sub-fund to cover its own operational costs of overseeing this activity. The remaining 72% of revenue generated from stock lending for any Sub-fund is paid to the relevant Sub-fund involved in the transaction.

8. Accounting and Income

Accounting Periods

The annual accounting period of the Company ends on 31 July ("the accounting reference date") in each year. The half-yearly accounting period ends on 31 January in each year.

Annual Reports

The annual long reports of the Company will normally be published by 30 November and half-yearly long reports will be published by 31 March each year. Copies of the long annual and half-yearly reports are available on request from the ACD and are also available on the website of the ACD at www.aegonam.com..

Income

Allocations of income are made in respect of the income available for allocation in each accounting period (whether annual or interim). The annual and interim income allocation dates, if any, for each Sub-fund are given in Appendix D. Allocations of income for each Sub-fund will be made on or before the relevant income allocation due date in respect of the income available for allocation in each accounting period (whether annual or interim).

Income is paid by direct credit to each Shareholder’s bank or building society account to the first named Shareholder when the distribution is paid.

The amount available for distribution or accumulation in any accounting period is calculated by taking the proportion of the aggregate of the income received or receivable for the account of the relevant

Sub-fund in respect of that period attributable to the relevant Class and deducting the charges and expenses of the relevant Class paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustment as it considers appropriate (and after consulting with the auditors as appropriate) in relation to:-

- taxation;
- income equalisation;
- income unlikely to be received within twelve months following the relevant income allocation date;
- income which should not be accounted for on an accruals basis because of lack of information as to how it accrues;
- transfers between the income and capital account;
- the ACD's best estimate of the tax reliefs on charges and expenses; and
- any such other adjustments (including those for authorisation) which the ACD considers appropriate.

Income earned in an interim accounting period need not be distributed immediately and may instead be retained and used to ensure that distributions paid throughout the year are broadly similar. Any residual income will be distributed at the Sub-fund's annual income allocation date. This policy is known as "smoothing". The ACD has the ability to operate a smoothing policy subject to notifying Shareholders in the relevant Sub-fund of their intention to do so. in respect of Aegon Diversified Monthly Income Fund.

Any distribution payment of a Sub-fund which remains unclaimed after a period of six years from the date of payment, will be forfeited and will be transferred to and become part of that Sub-fund's capital property. Thereafter, neither the Shareholder nor any successor will have any rights to it except as part of the capital property.

Income Equalisation

The Company will operate grouping for equalisation.

Each Class of each Sub-fund will operate its own equalisation account.

Shares purchased during a distribution period are called Group 2 Shares.

Shares purchased during any previous distribution period are called Group 1 Shares.

Group 2 Shares contain in their purchase price an amount called equalisation which represents a proportion of the net income of the Sub-fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Shareholders of Group 2 Shares and is refundedto them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of Shares for capital gains tax purposes.

9. UK Taxation

The following information is a summary of anticipated tax treatment in the United Kingdom ("UK"). This information is based on the law enacted in the UK on the date of this Prospectus, is subject to changes therein and is not exhaustive. Please note that the tax treatment of investors depends on their individual circumstances and may be subject to change in the future. Shareholders are therefore recommended to consult their professional advisers if they are in any doubt about their tax position.

The information given under this heading does not constitute legal or tax advice. It applies only to UK resident and, in the case of individuals, domiciled, Shareholders, who hold their Shares as aninvestment and who are the absolute beneficial owner of the Shares. It does not describe the taxationtreatment of Shareholders which are subject to special tax regimes or of persons in jurisdictions other than the United Kingdom. Prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, Switching or disposing of Shares under the laws of the jurisdiction in which they are resident for tax purposes.

The Company

Each Sub-fund will be treated as a separate entity for UK tax purposes.

Dividends, whether received from UK or non-UK companies should not generally be subject to UK corporation tax. Each Sub-fund can choose to elect to tax particular overseas dividends and, where it makes such an election, these dividends will be included in the taxable income of the Sub-fund. Most other sources of income (e.g. interest income) will also constitute taxable income of the Sub-fund. Each Sub-fund will be subject to corporation tax at 20% on its taxable income after deducting allowable expenses and interest distributions (see below) and subject to relief for some or all of any foreign tax suffered in respect of that taxable income.

Gains and losses on creditor relationships (e.g. loan stocks, corporate bonds, gilts) will not be taxable if they are included in the accounts as ‘net gains/losses on investments’ or ‘other gains/losses’.

Capital gains realised on the disposal of the investments held by any of the Sub-funds are not subject to UK corporation tax. However, in certain circumstances, income may be deemed to arise for tax purposes in respect of investments (e.g. interests in limited partnerships and interests in reporting or non-reporting offshore funds) notwithstanding that the income concerned has not been received as such by the Sub-fund.

Stamp Duty/SDRT

Stamp duty or SDRT may be payable by the Company on the purchase of investments or in respect of any transfers of assets between Sub-funds.

Shareholders

Allocations of income to Shareholders are treated as taxable distributions regardless of whether the income is retained within the Sub-fund or actually paid to Shareholders.

Income – dividend distributions

Any dividend distribution made by a Sub-fund will be treated as if it were a dividend from a UK company. Dividend distributions are dividend income. No deduction of UK income tax is made from a dividend distribution.

All UK resident individual Shareholders have a tax-free Dividend Allowance. The allowance is available to anyone who has dividend income. From 6 April 2018, the Dividend Allowance provides a 0% tax rate on the first £2,000 of dividend income per year (2016/2017 and 2017/18 tax years: £5,000 Dividend Allowance per year). UK residents will pay tax on dividends received over this allowance. Where additional tax is payable it is the individual’s responsibility to report this to HMRC.

Tax is paid on dividend income received over the Dividend Allowance at the following rates:

- 8.75% on dividend income within the basic rate band
- 33.75% on dividend income within the higher rate band
- 39.35% on dividend income within the additional rate band

Dividends received by pension funds that are currently exempt from tax, and dividends received on shares held in an Individual Savings Account (ISA), will continue to be tax free.

A UK resident corporate Shareholder receiving a dividend distribution (or deemed to receive a dividend distribution for example in respect of accumulated income) after deducting any equalisation payment in respect of Shares in any Sub-fund, is treated as receiving a payment which may consist of two parts, one part being the "unfranked part" (which may be further split into a foreign and non-foreign element) and the other the “franked part”.

The extent to which the receipt is treated as unfranked will in broad terms depend on the proportion of the total income of the Sub-fund (brought into account when determining the distribution for the period in question) which is subject to corporation tax. The unfranked part of a dividend distribution is treated as an annual payment from which income tax at a rate equal to the basic rate of income tax is deemed to have been deducted. Where appropriate, this deemed tax is split between deemed foreign tax (being the corporate Shareholder’s share of the double tax relief claimed by the Sub-fund) and deemed income tax (being the balancing figure).

When determining the foreign and non-foreign elements of the unfranked part, a proportionate share of the unfranked part, calculated by reference to the deemed foreign tax, is treated as foreign income. The balance of the unfranked part is treated as non-foreign income. The franked part of the dividend distribution is treated as an ordinary UK dividend.

A repayment of income tax on the unfranked part may be available to a Shareholder subject to anti-avoidance provisions. It is not possible for a corporate Shareholder to reclaim any of the deemed foreign tax credit.

Income – interest distributions

A Sub-fund for which the market value of its "qualifying investments" (broadly interest generating assets) exceeds 60% of the market value of all its investments throughout the distribution period (a "bond" fund for UK tax purposes) may make an interest distribution instead of a dividend distribution. The amount of the interest distribution is deductible in computing the Sub-fund’s income for corporationtax purposes to the extent that the distribution is derived from income in respect of which the Sub-fundhas been charged to corporation tax.

Interest distributions paid after 6 April 2017 will be paid gross to investors (no income tax will be deducted from the payment). This follows announcements made by the Government in Budget 2016.

Individual UK resident Shareholders have an annual Personal Savings Allowance. Interest distributions are classed as Savings Income for the purposes of the Personal Savings Allowance.

Individuals who pay tax at the basic rate have a Personal Savings Allowance of £1,000. Up to £1,000 of Savings income is tax-free Savings income received in excess of Personal Savings Allowance will be taxed at the basic rate.

Individuals who pay tax at the higher rate have a Personal Savings Allowance of £500. Up to £500 of Savings Income is tax-free. Savings Income received in excess of Personal Savings Allowance will be taxed at the higher rate, and additional tax may be due to HMRC.

Individuals who pay tax at the additional tax rate have no Personal Savings Allowance, and additional tax will be due to HMRC.

Shareholders eligible for the starting rate of tax on savings income will be subject to income tax at 0% on interest distributions up to the current limit of £18,570 (2022/2023) taxable income (£18,570: 2021/2022). A non-resident Shareholder may also be entitled to receive a repayment of any UK income tax deducted, under a relevant double taxation agreement.

UK companies are subject to UK corporation tax on gross interest distributions, whether paid or allocated to them.

Capital Gains

Shareholders who are resident in the UK for tax purposes may be liable to capital gains tax or, where the Shareholder is a company, corporation tax in respect of gains arising from the sale, exchange or other disposal of Shares. See Section 6 above for further information in respect of Switches and Conversions.

Capital gains made by individual Shareholders on disposals from all chargeable sources of investment will be tax free if the net gain (after deduction of allowable losses) falls within an individual's annual exempt amount. For the tax year 2022/2023, the first £12,300 of an individual's net chargeable gains is exempt from capital gains tax (2021/2022: £12,300); gains in excess of this amount are taxed at 10% if the individual's total chargeable gains do not exceed the upper limit of the income tax basic rate band and at 20% if the total exceeds that limit.

Shareholders chargeable to UK corporation tax must include all chargeable gains realised on the disposal of Shares in their taxable profits. The amount chargeable may be reduced by an indexation allowance. For disposals of assets on or after 1 January 2018, indexation allowance will be calculated using the Retail Price Index or factor for December 2017, irrespective of the date of disposal of the asset.

Part of any increase in value of accumulation Shares represents the accumulation of income (including income equalisation but excluding tax credit). These amounts may be added to the acquisition cost when calculating the capital gain realised on their disposal.

Special provisions apply to a UK corporate Shareholder which invests in a bond fund (see above). Where this is the case, the corporate Shareholder's Shares in the Sub-fund are treated for tax purposes as rights under a creditor loan relationship. This means that the increase or decrease in value of the Shares during each accounting period of the corporate Shareholder is treated as a loan relationship credit or debit, as appropriate, and constitutes income (as opposed to a capital gain) for tax purposes and, as such, is taxed in the year that it arises.

The amount representing the income equalisation element of the Share price is a return of capital and is not taxable as income in the hands of Shareholders. This amount should be deducted from the cost of Shares in computing any capital gain realised on a subsequent disposal.

Genuine Diversity of Ownership

Shares in each of the Sub-funds shall be widely available. The intended categories of investors are those seeking to invest in UK UCITS including retail investors, institutional investors (including pension funds) and high net worth individual investors. Shares in the Sub-funds are marketed and made available sufficiently widely to reach the intended categories of investors, and in a manner appropriate to attract those categories of investors.

10. Meetings of Shareholders, Voting Rights and Service of Notices

In this section "relevant Shareholder" in relation to a general meeting of Shareholders means a person who is a Shareholder on the date seven days before the notice of that general meeting is sent out but excludes any person who is known to the ACD not to be a Shareholder at the time of the general meeting.

Service of Notice to Shareholders

Notices of the Meetings and Adjourned Meetings as well as any other notices required to be sent to Shareholders will be sent to the Shareholders via the Portal or via e-mail as appropriate. Shareholders will be informed of any notices posted on the Portal by e-mail notification. The ACD reserves the right at its discretion to send any notice to Shareholders at their registered address. Shareholders as at 31 July 2023 who do not have access to the Portal will be sent notices at their registered address.

Convening and Requisition of Meetings

The ACD and the Depositary may convene a general meeting at any time. Shareholders may also requisition a general meeting of the Company. A requisition by Shareholders must state the objects of the meeting, be dated, be signed by Shareholders not representing less than one tenth in value of all Shares of the Company then in issue and the requisition must be deposited at the head office of the Company. The ACD must convene a general meeting no later than eight weeks after receipt of such requisition.

In accordance with Regulation 37A of the OEIC Regulations, the Company will not hold an Annual General Meeting. Copies of the service contracts, which would normally be approved at an Annual General Meeting if one were to be held, are available from the ACD on request.

Notice and Quorum

Shareholders will receive at least 14 days' notice of a Shareholders' meeting (other than an adjourned meeting when a shorter period of notice is permitted) and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person or by proxy or, in the case of a corporation, by a duly authorised representative. The quorum for an adjourned Meeting is one Shareholder present in person or by proxy or, in the case of a corporation, by a duly authorised representative.

Voting Rights

At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.

On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attached to all Shares in issue as the price of the Share bears to the aggregate price(s) of all the Shares in issue at a cut-off date selected by the ACD which is a reasonable time before the notice of meeting is sent out.

A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

Except where COLL or the Instrument of Incorporation require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution required by COLL will be passed by a simple majority of the votes validly cast for and against the resolution. The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in COLL) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares which the ACD or an associate holds on behalf of or jointly with a person who, if the Registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.

Class Meetings and Sub-fund Meetings

The above provisions, unless the context otherwise requires, apply to Sub-fund meetings and Class meetings as they apply to general meetings of Shareholders but by reference to Shares of the Sub-fund or Class concerned and the Shareholders and prices of such Shares.

Variation of Class Rights

The rights attached to a Class or a Sub-fund may only be varied in accordance with COLL.

Notifying Shareholders of Changes

Where the ACD proposes to make a change to the operation of the Company this will be classified as either a fundamental, significant or notifiable change as described below:-

A. A fundamental change is one where the ACD must, by way of an extraordinary resolution, obtain prior approval from Shareholders for the proposed change. A fundamental change is a change or event which:-

(i) changes the purpose or nature of a Sub-fund; or
(ii) may materially prejudice a Shareholder; or
(iii) alter the risk profile of the a Sub-fund; or
(iv) introduces a new type of payment out of the Scheme Property.

B. A significant change is one where the ACD must give a minimum of 60 days prior written notice of the proposed change to Shareholders. A significant change or event is one which is not fundamental, as described above, but which:-

(i) affects a Shareholder's ability to exercise his rights in relation to his investment; or
(ii) would reasonably be expected to cause the Shareholder to reconsider his participation in a Sub-fund; or
(iii) results in any increased payments out of the Scheme Property to an authorised fund manager or any director of an ICVC or an associate of either; or
(iv) materially increases other types of payment out of the Scheme Property.

C. A notifiable change is one where the ACD must inform Shareholders in an appropriate manner and timescale of any changes that are reasonably likely to affect, or have affected, the operation of a Sub-fund. A notifiable change is one other than a fundamental or significant change, as described above, which a Shareholder must be made aware of unless the ACD concludes that thechange is insignificant.

11. Winding Up of the Company or Termination of any Sub-fund

The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under COLL. A Sub-fund may only be terminated under COLL.

Where the Company is to be wound up or a Sub-fund is to be terminated under COLL, such winding up or termination may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within twelve months of the date of the statement or state that such confirmation cannot be given. The Company may not be wound up under COLL if there is a vacancy in the position of the ACD at the relevant time.

Subject to the foregoing, the Company may be wound-up or a Sub-fund terminated under COLL if:

a. an extraordinary resolution to that effect is passed by Shareholders; or

b. the period (if any) fixed for the duration of the Company or a particular Sub-fund by the Instrument of Incorporation expires, or the event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company or a particular Sub-fund is to be wound up (for example, if the share capital of the Company is below its prescribed minimum) or (in relation to any Sub-fund) the Net Asset Value of the Sub-fund is less than £1,000,000, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Sub-fund); or

c. on the date of effect stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company or the relevant Sub-fund.

On the occurrence of any of the above:

a. Parts 5, 6.2 and 6.3 of COLL relating to investment and borrowing, dealing and pricing will cease to apply to the Company or the particular Sub-fund;

b. The Company will cease to issue and cancel Shares in the Company or the particular Sub-fund and the ACD shall cease to sell or redeem Shares or to arrange for the Company to issue or cancel them for the Company or the particular Sub-fund;

c. No transfer of a Share shall be registered and no other change to the Register shall be made without the sanction of the ACD;

d. Where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;

e. The corporate status and powers of the Company and, subject to the preceding provisions of a. to d. above, the powers of the ACD shall remain until the Company is dissolved.

The ACD shall, as soon as practicable after the Company falls to be wound up or the Sub-fund falls to be terminated, realise the assets and liabilities of the Company (or, as the case may be, the relevant Sub-fund) and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, provided that there are sufficient liquid Sub-funds available, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property of the Company or the Sub-fund. When the ACD has caused all the Scheme Property to be realised and all of the liabilities of the Company or the particular Sub-fund to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company or the particular Sub-fund.

As soon as is reasonably practicable after the completion of the winding up of the Company or the termination of the particular Sub-fund, the Depositary must notify the FCA of that fact.

On completion of the winding up of the Company, the Company will be dissolved and the ACD shall arrange that any money (including unclaimed distributions) standing to the account of the Company, will be paid by the Depositary into court within one month of dissolution.

Following the completion of a winding up of the Company or the termination of a Sub-fund, the ACD must prepare a final account showing how the winding up or termination took place and how the Scheme Property was distributed. The Auditors shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the Auditors' report must be sent to the FCA, to each Shareholder and, in the case of winding up of the Company, to the Registrar of Companies within four months of the termination or the winding up.

As the Company is an umbrella company, any liabilities attributable or allocated to a particular Sub-fund under COLL shall be met first out of the Scheme Property attributable or allocated to that particular Sub-fund.

12. Risk Factors

Potential investors should consider the following risk factors before investing in the Company. Such factors apply directly to each Sub-fund in connection with investments it holds or strategies it undertakes and, indirectly, through collective investment schemes in which each Sub-fund may invest.

The level of risk varies between Sub-funds. In assessing the risk profile of each Sub-fund, the following factors should be taken into account where relevant.

General

The investments of the Company are subject to normal fluctuations and other risks inherent in investing in securities and collective investment schemes which invest in securities, whether equities or bonds, or in derivatives of these securities. There can be no assurance that any appreciation in value of investments will occur or that any income will be generated. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original investmentinvested in the Company. There is no assurance that the investment objectives of any Sub-fund will actually be achieved and no warranty or representation is given to this effect.

The levels, bases and reliefs from taxation can change. Any rates of tax to which this Prospectus refers are those which are currently available.

Past performance is not a guide to future performance. It can in no way provide a guarantee of returns that Shareholders may receive in future.

The profile of a typical investor for whom each Sub-fund is designed is detailed in Appendix D.

Effect of Initial Charge

Where an initial charge is imposed, an investor who realises his Shares after a short period may not (even in the absence of a fall in value of the relevant investments) realise the amount originally invested. Therefore, the Shares should be viewed as a long term investment.

This currently applies to all the Sub-funds.

Suspension of Dealings in Shares

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see "Suspension of Dealings" in Part 6).

This potentially applies to all the Sub-funds.

Currency Exchange Rates

Currency fluctuations may indirectly affect the value of a Sub-fund's investments and the income thereon and, depending on an investor's currency of reference, currency fluctuations may adversely affect the value of his investment in Shares. A significant portion of a Sub-fund's assets or the underlying assets of the collective investment schemes in which a Sub-fund invests may be denominated in a currency other than the base currency of a Sub-fund or Class. There is the risk that the value of such assets and/or the value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which Shares of the relevant Sub-fund are valued and priced. Sub-funds are not required to hedge their foreign currency risk, although they may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that a Sub-fund does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of that Sub-fund's assets and income could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the Sub-fund in circumstances where no such hedging transactions are undertaken.

This potentially applies to all Sub-funds.

Use of benchmark indices as a performance comparator, target or constraint

The ACD may nominate a benchmark index for each Sub-fund as a way for investors to compare performance of the relevant Sub-funds; or may include within the investment objective or policy of a Sub-fund a benchmark which is used as a performance target or as a constraint on the portfolio. Benchmarks used for these purposes will be set out in Appendix D.

Such benchmarks are not intended to be a guarantee of the performance of the relevant Sub-fund and the performance of any such Sub-fund may not be the same as the comparator or in line with the target. The ACD keeps the benchmark indices used under review and may change the benchmarks as required in line with the FCA Handbook.

The overall risk profile of any such benchmark, or the risk profiles of the benchmark constituents, may be different to the risk profile of the relevant Sub-fund.

This potentially applies to all Sub-funds.

Derivatives

Derivatives may be used for: (i) investment purposes; (ii) Efficient Portfolio Management (including hedging); or (iii) both (i) and (ii).

Currently, **Aegon High Yield Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon UK Equity Absolute Return Fund and Aegon Diversified Monthly Income Fund use Derivatives for investment purposes and Efficient Portfolio Management.**

Each of the other Sub-funds may use derivatives for Efficient Portfolio Management.

The derivatives which may be used for time to time by the ACD, regardless of their use, are:

Contracts for Differences ("CFDs"), Forwards, Futures, Options and Swaps. In certain circumstances these derivatives may be traded "off-exchange".

a. **All derivatives contracts involve an element of risk.** The ACD may use one or more separate approved counterparties to undertake derivative transactions on behalf of the Sub-funds and may be required to pledge collateral paid from within the assets of the Sub-funds to secure such contracts. There may be a risk that an approved counterparty will wholly or partially failto honour their contractual arrangements under the transaction with regard to the return of collateral and any other payments due to the Sub-funds and the Sub-funds may suffer losses asa result. The counterparty will forfeit its collateral if it defaults on the transaction. However, if the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficientcash to settle the counterparty's debt to the Sub-fund or to purchase replacements for the securities that were lent to the counterparty. This may result in losses for the investors.

b. A forward transaction involves the purchase or sale of a specific quantity of a foreign currency, government security or other financial instrument at an agreed price for delivery and settlement at a specified future date. Forwards are "over-the-counter", which means that they are traded "off-exchange".

c. Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. A futures contract involves an obligation to purchase or sell and can generate indeterminate losses.The 'gearing' or 'leverage' often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. A futures contract, as an obligation, can only be closed out (disposed of) by cancelling out its effect by buying or selling a futures contract with the opposite effect.

d. An option is, in investment terms the right, but not the obligation, to buy (call option) or sell (put option) an investment at a predetermined price at some particular date in the future. Buying options involves less risk than selling options. If the price of the underlying asset moves against the holder of the option, the holder can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. If an investor were to write an option, the risk involved is considerably greater than buying options. In that case,the writer of the option may be liable for margin to maintain their position and a loss may be sustained well in excess of the premium received.

e. Contracts for Differences ("CFDs") involve a contract between two counterparties ("buyer" and "seller") which require that the seller will pay to the buyer the difference between the current value of an asset and its value at a particular contract time. (If the difference is negative, then the buyer pays instead to the seller.) CFDs allow traders to take advantage of prices moving up or prices moving down on underlying financial instruments and are often used to speculate on markets. CFDs are typically traded "over-the-counter", which means that they are traded "off-exchange". CFDs are traded on margin, and the leveraging effect of this increases the risk significantly. Margin rates are typically small and therefore a small amount of money can be used to hold a large position.

f. Swaps are generally exchanges of payments between two counterparties, which can take a number of different forms including a credit default swap (CDS). A CDS is a product designed to transfer the credit risk of fixed income products between two counterparties. The counterparties form an agreement under which one counterparty (the protection buyer) pays a periodic fee to the other (the protection seller) in return for insurance over the credit worthiness of a specific fixed income security/index. On the happening of certain specified credit events the protection seller is obliged to pay an agreed sum for protection against a credit risk or traded as investments in their own right as a means of producing income. As with all counterpart agreements, there is a risk to each party of a contract that a counterparty will not fulfil its obligations.

g. Transactions in off-exchange or 'non transferable' Derivatives may involve greater risk than investing in on-exchange Derivatives because there is no exchange market on which to close out an open position.

h. As a result of the use of Derivatives, the ACD may establish short positions which will fall in value if the value of the underlying asset rises (and vice versa).

Short Sales

A short sale involves the sale of a security that a Sub-fund does not physically own in the expectation of purchasing the same security at a later date at a lower price to secure a profit. UCITS regulations prohibit the short selling of physical securities but allow the creation of synthetic short positions through the use of cash settled Derivatives such as equity swaps (contracts for difference), as long asany exposure created is covered by the assets of the Sub-fund. The establishment and maintenance of a short position in equities can involve greater risks than would be the case with a long position. These include the possibility of unlimited loss due to potentially unlimited proceeds appreciating in the securities concerned, problems associated with the cost or availability of stock to borrow for the purposes of short selling and possible difficulties in purchasing stock to cover short positions in certain market conditions.

This currently applies to the following Sub-funds: **Aegon UK Equity Absolute Return Fund, Aegon Sustainable Diversified Growth Fund and Aegon Diversified Monthly Income Fund.**

Stocklending or repo transactions

All stocklending or repo transactions involve an element of risk. Stock lending and reverse repurchase (repo) transactions are entered into with the aim of generating additional capital or income for the Sub-funds. The ACD may use one or more separate approved counterparties to undertake such transactions on behalf of the Sub-funds and may be required to pledge collateral paid from within the assets of the Sub-funds to secure such transactions. There may be a risk that an approved counterparty will wholly or partially fail to honour their contractual arrangements under the transaction with regard to the return of collateral and any other payments due to the Sub-funds and the Sub-fundsmay suffer losses as a result. The counterparty will forfeit its collateral if it defaults on the transaction.However, if the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficient cash to settle the counterparty's debt to the Sub-fund or to purchase replacements for the securities that were lent to the counterparty. This may result in losses for Shareholders.

This currently applies to the following Sub-funds: **Aegon Sustainable Equity Fund, , Aegon UK Smaller Companies Fund, Aegon UK Equity Fund , Aegon UK Equity Absolute Return Fund, Aegon Sterling Corporate BondFund, Aegon Strategic Bond Fund, Aegon Investment Grade Bond Fund, Aegon High Yield Bond Fund, Aegon Diversified Monthly Income Fund, Aegon Sustainable Diversified Growth Fund and Aegon UK Sustainable Opportunities Fund***

*As at the date of this Prospectus, Aegon Sustainable Equity Fund, Aegon UK Equity Absolute Return Fund, Aegon Sustainable Diversified Growth Fund and Aegon UK Sustainable Opportunities Fund do not stocklend, albeit, these funds retain the ability to do so, subject to notifying investors prior to undertaking stocklending activity.

Emerging Markets

Where Sub-funds invest in emerging markets these investments may carry risks associated with failed or delayed settlement or market transactions and with the registration and custody of securities.

Investments in emerging markets may involve a higher than average risk. Investors should consider whether or not investment in such Sub-funds is either suitable for or should constitute a substantial part of their portfolio.

Companies in emerging markets may not be subject:

to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets.

to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

Restrictions on foreign investment in emerging markets may preclude investment in certain securities by certain Sub-funds and, as a result, limit investment opportunities for such Sub-funds. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets.
The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

Lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

This currently applies to the following Sub-funds: **Aegon Sustainable Equity Fund, Aegon Ethical Cautious Managed Fund, Aegon Sustainable Diversified Growth Fund, Aegon Diversified Monthly Income Fund, Aegon Ethical Corporate Bond Fund, Aegon High Yield Bond Fund,Aegon Investment Grade Bond Fund, Aegon Strategic Bond Fund and Aegon Sterling Corporate Bond Fund.**

China A shares and Stock Connect Risk

Investments in People's Republic of China (excluding Hong Kong, Macau and Taiwan) ("PRC") are particularly exposed to China's economic, social and political system, which may behave differently to other markets, special considerations and risk include without limitation greater price volatility, restrictions on the ability to buy and sell China A shares by a foreign investor, less developed regulatory and legal framework (including taxation with new and evolving laws and regulation leading to potential uncertainty of application).

Certain Sub-funds may invest and have direct access to certain China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock (together referred to as "Stock Connect") Stock Connect is a new and relatively untested scheme whose rules may change at any time in a manner which may adversely impact the Sub-funds.

Since investments through Stock Connect are subject to certain restrictions (including trading day restrictions, pre-trade checks, eligibility of stock, quota limits and daily trade quotas), investments may be subject to greater or more frequent rises and falls in value and may be harder to buy or sell.

Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement day. Due to the difference in trading days between the PRC and the Hong Kong markets, there may be occasions when it is a normal trading day for the PRC market but not in Hong Kong and, accordingly, the Sub-funds cannot carry out any Stock Connect Securities trading. The Sub-funds may therefore be subject to a risk of price fluctuations in China A-Shares during periods when Stock Connect is not operational.

The ability of the Sub-funds to invest through Stock Connect is subject to the performance by Hong Kong Securities Clearing Company Limited ("HKSCC") fulfilling its obligations and any failure or delay by HKSCC may result in the failure of settlement, or loss of China A shares. It is not possible to buy and sell shares on the same day on Stock Connect. Not all China A shares are eligible for trading through Stock Connect and if a China A share ceases to be eligible, further purchases of such shares will not be permitted, although the Sub-funds will always be able to sell such shares. Stock Connect is currently subject to both daily and aggregate trading caps which if exceeded will lead to suspension of trading for that day or other relevant period which may mean that an order to purchase China A shares cannot be processed. Under the Stock Connect rules the Sub-Fund will always be able to sell China A shares regardless of whether the daily or aggregate quota has been exceeded. The daily or aggregate quotas can be changed from time to time without prior notice. China A shares traded through Stock Connect are uncertificated and are held in the name of HKSCC or its nominee. PRC law may not recognise the beneficial ownership of the China A shares by the Sub-funds and, in the event of a default, it may not be possible for the China A shares held by the Sub-funds to be recovered.

Transactions in Stock Connect will not be covered by the Investor Compensation Scheme in Hong Kong nor the equivalent scheme in the PRC.

This currently applies to the following Sub-funds: Aegon Sustainable Equity Fund.

Smaller Companies

Where Sub-funds invest directly or indirectly through collective investment schemes in smaller companies, the nature and size of these companies means that their Shares may be less liquid than those of larger companies and that their Share prices may, from time to time, be more volatile. Investment in such Sub-funds is likely, therefore, to involve greater risk than investment in larger companies. Investors should consider whether or not investment in such Sub-funds is either suitable for or should constitute a substantial part of an investor's portfolio.

This currently applies to the following Sub-funds: **Aegon Diversified Monthly Income Fund Aegon Ethical Cautious Managed Fund, Aegon Ethical Equity Fund, Aegon Sustainable Equity Fund, Aegon UK Sustainable Opportunities Fund and Aegon UK Smaller Companies Fund.**

Concentration

Where a Sub-fund is holding a limited number of underlying investments this means a change in the value of any one investment has more impact on the Sub-fund's value. This increases potential gain but also potential loss.

This currently applies to the following Sub-funds: Aegon Sustainable Equity Fund and Aegon UK Sustainable Opportunities Fund.

Charges to Capital

Where the ACD and the Depositary so agree all or part of the payments to the ACD and any other charges and expenses of the Company may, subject to COLL, be charged against capital instead of income. This may constrain capital growth.

This currently applies to the following Sub-funds: **Aegon High Yield Bond Fund, and Aegon Diversified Monthly Income Fund.**

Investments issued by one issuer

Where a Sub-fund has power to invest more than 35% in value of the Sub-fund in government and public securities issued by any one issuer, this represents an increased risk should the issuer default in meeting its obligations.

This currently applies to the following Sub-funds: **Aegon Ethical Cautious Managed Fund, Aegon Ethical Corporate Bond Fund, Aegon High Yield Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund and Aegon Diversified Monthly Income Fund.**

Interest rate fluctuations

In relation to Sub-funds with a high concentration of fixed interest or index linked securities, fluctuations in interest rates are likely to affect the capital value of investments. If long term interest rates rise, the capital value of Shares held by an investor is likely to fall and vice versa. The value of Shares will fall should an issuer default or receive a reduced credit rating.

This currently applies to the following Sub-funds: **Aegon Ethical Cautious Managed Fund, Aegon Ethical Corporate Bond Fund, Aegon High Yield Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon UK Equity Absolute Return Fund and Aegon Diversified Monthly Income Fund.**

Issuer Default

Investments in fixed income securities (i.e. bonds), specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and a Sub-fund could sustain losses on such investments. The ACD will seek to limit such risks by credit research and careful securities selection but there can be no assurance that a Sub-fund will not acquire securities with respect to which the issuer subsequently defaults.

This currently applies to the following Sub-funds: **Aegon Ethical Corporate Bond Fund, Aegon High Yield Bond Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon Diversified Monthly Income Fund and Aegon Ethical Cautious Managed Fund.**

Asset Backed Securities (ABS)

ABS are securities that entitle the holder to receive payments that are primarily dependent upon the cash flow arising from a specified pool of financial assets such as residential or commercial mortgages, car loans or credit cards. As such, they may be highly illiquid, subject to adverse changes in interest rates and to the risk that the payment obligations relating to the underlying issuer are not met.

Owing to the nature of some ABS, the exact timing and size of cashflows paid by the securities may not be fully assured. There is a risk that such changes to cashflows may negatively affect the returns of the securities.

This currently applies to the following Sub-funds: **Aegon Diversified Monthly Income Fund, Aegon Ethical Corporate Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Ethical Cautious Managed Fund, Aegon High Yield Bond Fund, Aegon Investment Grade Bond Fund, Aegon Strategic Bond Fund and Aegon Sterling Corporate Bond Fund.**

SDRT Provision

Certain investment transactions can result in the payment of stamp duty reserve tax ("SDRT"). When such payment results in the diminution in value of the Shares, an additional charge may be levied in addition to the price of the Shares when issued or deducted when sold.

This currently applies to all of the Sub-funds.

Restriction on a Sub-fund's activities due to embargo etc.

From time to time, a Sub-fund’s activities, or the activities of collective investment schemes in which it invests, may be restricted due to governmental and/or regulatory restrictions applicable to the relevant ACD or its delegates or another entity within the relevant respective groups of companies, and/or their internal policies designed to comply with such restrictions. As a result, there may be periods, for example, during which the ACD or a Sub-fund or a collective investment scheme in which it invests may be restricted from engaging in certain transactions.

This potentially applies to all of the Sub-funds.

Political Risks

The value of a Sub-fund's assets and those of collective investments schemes in which it invests may be affected by uncertainties or events, such as political developments, nationalisation of certain industries, changes in government policies, taxation and currency repatriation and restrictions on foreign investment in some of the countries in which a Sub-fund may invest.

This potentially applies to all of the Sub-funds.

Environmental, Social and Governance Risk

The Investment Manager will consider certain ESG factors as part of its decision to buy and sell securities. Applying ESG factors to the investment analysis may impact the investment decision for securities of certain issuers and therefore the Fund may forgo some market opportunities available to funds that do not use ESG factors. Securities of issuers with ESG practices may shift into and out of favour depending on market and economic conditions, and the Fund's performance may at times be better or worse than the performance of funds that do not use ESG factors.
This currently applies to the following Sub-funds: **Aegon Sustainable Equity Fund, Aegon Sustainable Diversified Growth Fund, Aegon UK Sustainable Opportunities Fund, Aegon Ethical Equity Fund, Aegon Ethical CautiousManaged Fund and Aegon Ethical Corporate Bond Fund**

Investment in Collective Investment Schemes

Certain Sub-funds can invest in a wide range of asset classes, including collective investment schemes which may themselves invest in a range of other assets. These underlying assets are likely to vary from time to time but each category of asset has individual risks associated with them. The Sub-funds and the ACD may not have any control over the activities of any collective investment scheme or company invested in by the Sub-funds. Managers of collective investment schemes and companies in which a Sub-fund may invest may take undesirable tax positions, employ excessive leverage, or otherwise manage the collective investment schemes or be managed in a manner not anticipated by the ACD. In valuing the Sub-funds, the ACD is reliant on the unit price of such collective investment schemes being delivered by third parties to the ACD by a cut-off point to enable the ACD to include that unit price in the Sub-funds' valuation. In the event that such unit price for a particular day is not delivered to the ACD by that cut-off point, the ACD will (unless its fair value pricing policy requires otherwise) use the most recent unit price that has been delivered to it. That unit price may not accurately reflect the most up todate valuation of the underlying collective investment scheme, and consequently the Sub-funds' valuation may not accurately reflect the most up to date valuation of the underlying collective investmentscheme.

It is intended that investment in such other collective investment schemes will be predominately in approved money market instruments.

This currently applies to the following Sub-funds: **Aegon Sustainable Equity Fund, Aegon Sustainable Diversified Growth Fund, Aegon UK Equity Absolute Return Fund, Aegon UK Sustainable Opportunities Fund, Aegon Diversified Monthly Income Fund, Aegon Ethical Cautious Managed Fund, Aegon Ethical Corporate Bond Fund, Aegon Ethical Equity Fund, Aegon High Yield Bond Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon UK Equity Fund, and Aegon UK Smaller Companies Fund.**

Liabilities of the Company and the Sub-funds

Under the OEIC Regulations, each Sub-fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Sub-fund (this is often referred to as "segregated liability"). While the provisions of the OEIC Regulations provide for segregated liability between Sub-funds, the concept of segregated liability is, in the context of collective investment schemes which are authorised and regulated in the UK, relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Sub-fund will always be completely insulated from the liabilities of another Sub-fund of the Company in every circumstance.

Shareholders are not, however, liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after he has paid the purchase price of the Shares.

This currently applies to all of the Sub-funds.

Taxation

Tax regulations and concessions are not guaranteed and can change at any time; their value to a Shareholder will depend on his circumstances.

This currently applies to all of the Sub-funds.

Aggregation of Orders

In managing the Sub-funds, the ACD may combine orders for the Sub-funds with those of other clients. This procedure may operate on some occasions to the disadvantage of the Sub-funds and on others to the advantage of the Sub-funds.

This currently applies to all of the Sub-funds.

Inflation Risk

Inflation erodes the real value of investments and changes in the anticipated rate of inflation could lead to capital losses in the Sub-funds' investments.

This currently applies to all of the Sub-funds.

Market Timing

A Sub-fund may be subject to market timing activities which may include frequent purchases and sales of Shares with a view to profiting from anticipated changes in market prices between Valuation Points (often stemming from quantitative analysis) or arbitraging on the basis of market price changes subsequent to those are used in a Sub-fund’s valuation. Such market timing activities are disruptive to fund management, may lead to additional dealing charges which cause losses/dilution to a Sub-fund and may be detrimental to performance and to the interests of long term Shareholders. Whilst the ACD will seek to detect and deter market timing activity, it may be unable to detect such activity if it occurs within deals in a nominee or other omnibus account.

This currently applies to all of the Sub-funds.

Manager Risk

There is a risk that a Sub-fund will not achieve its performance objectives or not produce returns that compare favourably against its peers. The performance of a Sub-fund will depend significantly upon the ability of the Investment Adviser to select profitable investments.

This currently applies to all of the Sub-funds.

Unlisted Risks

Subject to COLL, a Sub-fund may invest up to and including 10% of the Scheme Property of a Sub-fund in transferable securities which are not approved securities (essentially transferable securities which are admitted to official listing in an EEA state or traded on or under the rules of an eligible securities market). Such securities and instruments are generally not publicly traded, may be unregistered for securities law purposes and may only be able to be resold in privately negotiated transactions with a limited number of purchasers. The difficulties and delays associated with such transactions could result in a Sub-fund’s inability to realise a favourable price upon disposal of such securities, and at times might make disposition of such securities and instruments impossible. To the extent a Sub-fund invests in securities and instruments the terms of which are privately negotiated, the terms of such securities and instruments may contain restrictions regarding resale and transfer. In addition, certain listed securities and instruments, particularly securities and instruments of smaller capitalised or less seasoned issuers, may from time to time lack an active secondary market and may be subject to more abrupt or erratic price movements than securities of larger, more established companies or stock market averages in general. In the absence of an active secondary market the Sub-fund's ability to purchase or sell such securities at a fair price may be impaired or delayed.

This currently applies to all the Sub-funds.

Equities

Sub-funds investing in equities, or in collective investment schemes which invest in equities, tend to be more volatile than Sub-funds investing in bonds or in collective investment schemes which invest in bonds, but may also offer greater potential for growth. The value of such underlying investments may fluctuate quite dramatically in response to activities and results of individual companies, as well as in connection with general market and economic conditions.

This currently applies to the following Sub-funds: **Aegon Ethical Cautious Managed Fund, Aegon Ethical Equity Fund, Aegon Sustainable Equity Fund, Aegon Sustainable Diversified Growth Fund, Aegon UK Equity Absolute Return Fund, Aegon UK Equity Fund, Aegon UK Sustainable Opportunities Fund, Aegon UK Smaller Companies Fund and Aegon Diversified Monthly Income Fund.**

Over-the-Counter Markets Risk

Where any Sub-fund acquires securities on over-the-counter markets, there is no guarantee that the relevant Sub-fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

This currently applies to all the Sub-funds.

Additional risk factors of which investors should be aware:

a. A decline in an entire market or specific asset class may affect the price and value of the assets of a Sub-fund;

b. Where an investor withdraws or cancels Shares in excess of investment returns, the value of their capital may be eroded; and

c. There is uncertainty that local factors, such as tax regimes, will persist in the future and changes may have an impact on any investment.

13. General Information

Risk Management Information

The ACD must establish, implement and maintain an adequate and documented risk management process for identifying the risks to which the Company and Sub-funds are or might be exposed.

The following information may be obtained from the ACD, upon receipt of a request in writing, at Aegon Asset Management UK plc, 3 Lochside Crescent, Edinburgh, EH12 9SA:

(1) The quantitative limits applying in the risk management of the Company;
(2) The methods used in relation to (1); and
(3) Any recent development of the risk and yields of the main categories of investment.

Order Execution information

The ACD must act in the best interests of each Sub-fund when executing decisions to deal on behalf of the relevant Sub-fund. The ACD's Order Execution Policy sets out (i) the systems and controls that have been put in place and (ii) the basis upon which the ACD will effect transactions and place orders in relation to the Company whilst complying with its obligations under the FCA Handbook to obtain the best possible result for the Company. Details of the best execution policy are available from the ACD on request. If you have any questions regarding the policy please contact the ACD or your professional adviser.

Voting Rights Strategy

In accordance with COLL, the ACD must develop strategies for determining when and how voting rights of assets held within the Scheme Property are to be exercised ("Voting Rights Strategy"). A summary copy of the ACD's Voting Rights Strategy document, together with details of the actions which the ACD has taken on the basis of those strategies, are available, free of charge, from the ACD.

Inducements and Commission

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Sub-funds, an Investment Adviser or the ACD (as relevant) will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party.

The Investment Adviser or ACD will return to each relevant Sub-fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that Sub-fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

However, the Investment Adviser or ACD may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the fund; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of each Fund.

Fair Treatment of Investors

As a company authorised and regulated by the Financial Conduct Authority, the ACD must ensure that it pays due regard to the interests of its customers and treats them fairly. Breaching this principle would make the ACD liable to disciplinary sanctions by the Financial Conduct Authority. Accordingly, the ACD has policies and procedures in place to ensure the fair treatment of investors.

The ACD may, from time to time, give preferential treatment to a particular Shareholder or class of shareholders such as the right to obtain more detailed information on the performance of a Sub-fund than is ordinarily made available to shareholders. The ACD does not give preferential treatment or the right to obtain preferential treatment to any Shareholder that creates an overall material disadvantage to other Shareholders.

Box Management

In order that the ACD may deal in Shares as principal it may at its discretion hold Shares in the Sub-funds in order to achieve this. This is commonly known as the ACD's 'box'. The ACD's policy is that it may at its discretion hold Shares in relevant Sub-funds for the purposes of issuing Shares in order to meet outstanding orders from investors and not to generate a profit for its own account, although such profits may result incidentally. The size of any box maintained in a Sub-fund will be dependant on whether the Sub-fund is considered to be expanding or contracting.

Documents Available for Inspection

Copies of the Instrument of Incorporation and the annual and half-yearly reports and the material contracts referred to below are kept and may be inspected at and obtained from the ACD at 3 Lochside Crescent, Edinburgh EH12 9SA.

Details of the up to date remuneration policy of Aegon Asset Management UK ICVC ("the Company") including but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits is available at the Responsible Investors section of our website at www.aegonam.com. A paper copy will be available free of charge upon request at the registered office of the Company.

Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:-

a. the ACD Agreement dated 7 January 2005 between the Company and the ACD;

b. the Depositary Agreement, dated 1 November 2018 as novated with effect on 2 October 2021, between the Company, the Depositary and the ACD; and

c. the Agreement with EIRIS Services Limited in respect of Aegon Ethical Equity Fund, Aegon Ethical Corporate Bond Fund and Aegon Ethical Cautious Managed Fund, dated 1 October 1999, as amended.

Information regarding those contracts is set out above under the heading "Management and Administration".

KIIDs

A Key Investor Information Document ("KIID") is a document which must be provided to anyone who invests in a Sub-fund in good time before an investment is made.

The contents and format of the KIID are prescribed by law.

Some of the information which is set out in the KIID is presented differently from the information contained in this Prospectus. For example, the wording of the fund objective may differ slightly between documents, but the actual objective remains the same. This is simply because the different regulations which govern the Prospectus and the KIID have slightly different requirements. Similarly, the charges shown in the KIID are in a format prescribed by law.

The KIIDs can be obtained directly from the ACD via www.aegonam.com or if potential investors are receiving advice, from financial advisers and other distributors of the Sub-funds.

Complaints

Anyone wishing to make a complaint about the operation of the Company should contact the ACD via the Portal or by post using the contact details located on the ACD's web-site at www.aegonam.com or as separately provided. If the response received from the ACD is not satisfactory referrals may be made by eligible complainants to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR or online via www.financial-ombudsman.org.uk. Making a complaint will not prejudice your rights to commence legal proceedings.

Further information regarding any compensation scheme or any other investor-compensation scheme of which the Manager or any Fund is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request.

Telephone and Electronic Communications Recording

Please note that the ACD may record telephone calls and electronic communications for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call. If you ask us to send you a recording of a particular call or communication, we may ask for further information to help us identify the exact call or communication to which your request relates.

Appendix A
Eligible Markets

Markets which are regulated markets (as defined for the purposes of COLL) or which are markets established in the UK or any EEA State which are regulated, operate regularly and are open to the public are eligible markets for all Sub-funds.

In addition, markets are also eligible if the ACD, after consultation and notification with the Depositary, has decided that market is appropriate for the purpose of investment of or dealing in the property of that Sub-fund. The Depositary must have taken reasonable care to determine that adequate custody arrangements can be provided for the investments dealt in on such markets and that all reasonable steps have been taken by the Manager in deciding whether that market is eligible. Any such market must operate regularly, be regulated, recognised, be open to the public, be adequately liquid and have adequate arrangements for unimpeded transmission of income and capital to or to the order of investors.

A list of those other eligible securities markets and eligible derivatives markets for each Sub-fund is set out below. A securities or derivatives market may be added to any of those lists in accordance with COLL.

No market shall be an eligible securities or derivatives market unless it would be eligible in terms of COLL 5 of COLL.

Other Eligible Securities Markets

Country	Market	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Australia	Australian Securities Exchange	✔	✔	✔	✔	✔	✔	✔	✔	✔	✘	✘	✘	✔	✘	✔
Brazil	BM&F BOVESPA SA	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
Canada	The Montreal Stock Exchange	✔	✔	✔	✔	✔	✔	✔	✔	✔	✘	✘	✘	✔	✘	✔
	The Toronto Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
	TSX Ventures Exchange	✔	✔	✔	✔	✔	✔	✔	✔	✔	✘	✘	✘	✔	✘	✔
	Canada OTC Market	✔	✔	✘	✘	✔	✔	✔	✔	✔	✘	✘	✘	✘	✘	✔
	Canada Government Bond Market	✔	✔	✘	✘	✔	✔	✔	✔	✔	✘	✘	✘	✘	✘	✔
Channel Islands	The International Stock Exchange	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
China	Shanghai Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
China	Shanghai Stock Exchange -Shanghai – Hong Kong Stock Connect	✘	✘	✘	✔	✘	✘	✘	✘	✘	✘	✘	✘	✔	✘	✘
China	Shenzen Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
China	Shenzen Stock Exchange- Shenzen- Hong Kong Stock Connect	✘	✘	✘	✔	✘	✘	✘	✘	✘	✘	✘	✘	✔	✘	✘
Czech Republic	Prague Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
France	Euronext Paris	✔	✔	✔	✔	✔	✔	✔	✔	✔	✘	✘	✘	✔	✘	✔
Hong Kong	Hong Kong Exchanges	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
Hungary	Budapest Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
India	Bombay Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
	Indian National Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
Indonesia	Indonesia Stock Exchange (Bursa Efek Indonesia)	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔
Israel	Tel Aviv Stock Exchange	✔	✘	✔	✔	✘	✔	✘	✘	✘	✘	✘	✘	✔	✘	✔

Country	Market	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Japan	Japan OTC Market in Government Bonds	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	The Nagoya Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	The Osaka Securities Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	The Sapporo Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	The Tokyo Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Malaysia	Bursa Malaysia Berhard	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Mexico	The Mexican Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
New Zealand	The New Zealand Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✗	✓
Peru	Lima Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Philippines	Philippines Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Poland	Warsaw Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Singapore	The Singapore Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
South Africa	JSE Securities Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Sri Lanka	Colombo SE	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Switzerland	SIX Swiss Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✗	✓
Taiwan	Taiwan Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Thailand	The Stock Exchange of Thailand	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
The Republic of Korea	The Korea Exchange Incorporated (KRX)	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
Turkey	Istanbul Stock Exchange	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
United Kingdom	The Alternative Investment Market	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Virt-X	✗	✓	✗	✗	✓	✗	✓	✓	✓	✗	✗	✗	✗	✓
	When issued trading – The "Grey Book Market"	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	UK OTC Market	✓	✓	✗	✗	✓	✓	✓	✓	✓	✗	✗	✗	✗	✓
USA	NASDAQ	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✗	✓
	NASDAQ OMX PHLX	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	NYSE Alternext US	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	NYSE Arca	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓
	The "Over-the-Counter" Market regulated by NASDAQ	✓	✗	✓	✓	✓	✓	✓	✗	✓	✗	✗	✓	✗	✓
	The American Stock Exchange	✗	✓	✗	✗	✓	✗	✓	✓	✓	✗	✗	✗	✗	✓
	The New York Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✗	✓

Key to table above

1 Aegon Ethical Cautious Managed Fund
2 Aegon Ethical Corporate Bond Fund
3 Aegon Ethical Equity Fund
4 Aegon Sustainable Equity Fund
5 Aegon High Yield Bond Fund
6 Aegon Sustainable Diversified Growth Fund
7 Aegon Investment Grade Bond Fund
8 Aegon Sterling Corporate Bond Fund
9 Aegon Strategic Bond Fund
10 Aegon UK Equity Absolute Return Fund
11 Aegon UK Equity Fund
12 Aegon UK Sustainable Opportunities Fund
13 Aegon UK Smaller Companies Fund
14 Aegon Diversified Monthly Income Fund

Other Eligible Derivatives Markets

All Sub-funds as at the date of this Prospectus

Australia	ASX Ltd
Canada	Toronto Stock Exchange Montreal Stock Exchange
Denmark	Copenhagen Stock Exchange (including FUTOP)
Finland	Helsinki Exchanges
France	Euronext, Paris
Germany	Eurex, Frankfurt
Hong Kong	Hong Kong Exchanges
Japan	Osaka Securities Exchange Tokyo Securities Exchange
Korea	Korea Exchanges
Malaysia	Bursa Malaysia Derivatives
Netherlands	Euronext, Amsterdam
New Zealand	New Zealand Futures and Options Exchange
Singapore	Singapore Exchange
South Africa	JSE Exchanges South Africa Futures Exchange (SAFEX)
Spain	BME, Spanish Exchanges
Sweden	NASDAQ OMX Stockholm AB
United Kingdom	Intercontinental Exchange (ICE) Europe OMLX The London Securities and Derivatives Exchange
USA	Chicago Board Options Exchange CME Group Inc Kansas City Board of Trade New York Futures Exchange New York Mercantile Exchange New York Stock Exchange NYSE Arca NASDAQ OMX Futures Exchange Intercontinental Exchange (ICE) United States NASDAQ OMX PHLX

Appendix B
Investment and Borrowing Powers of the Company

1. **General**

The Scheme Property of a Fund will be invested with the aim of achieving the investment objective of that Fund but subject to the limits set out in a Fund's investment policy and the limits set out in Chapter 5 of the COLL Sourcebook ("COLL 5") and this Prospectus. These limits apply to each Fund as summarised below.

From time to time and in particular during periods of uncertain or volatile markets, the ACD may choose to hold a substantial proportion of the property of the Funds in money- market instruments and/or cash deposits.

1.1 **Prudent spread of risk**

The ACD must ensure that, taking account of the investment objectives and policy of each Fund, the Scheme Property of each Fund aims to provide a prudent spread of risk.

1.2 **Cover**

1.2.1 Where COLL allows a transaction to be entered into or an investment to be retained only (for example, investment in nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of a Fund under any other of those rules has also to be provided for.

1.2.2 Where the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

1.2.2.1 it must be assumed that in applying any of those rules, a Fund must also simultaneously satisfy any other obligation relating to cover; and

1.2.2.2 no element of cover must be used more than once.

2. **UCITS Schemes - general**

2.1 Subject to the investment objective and policy of a Fund, the Scheme Property of a Fund must, except where otherwise provided in COLL 5, only consist of any or all of:

2.1.1 transferable securities;

2.1.2 approved money-market instruments;

2.1.3 permitted units in collective investments schemes;

2.1.4 permitted derivatives and forward transactions; and

2.1.5 permitted deposits.

2.2 It is not intended that the Funds will have an interest in any immovable property or tangible movable property.

3. **Transferable Securities**

3.1 A transferable security is an investment falling within article 76 (Shares etc), article 77 (Instruments creating or acknowledging indebtedness), article 78 (Government and public securities), article 79 (Instruments giving entitlement to investments) and article 80 (Certificates representing certain securities) of the Regulated Activities Order.

3.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.

3.3 In applying paragraph 3.2 of this Appendix to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (Shares, etc) or 77 (Instruments creating or acknowledging indebtedness) of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

3.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

3.5 A Fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

3.5.1 the potential loss which a Fund may incur with respect to holding the transferable security is limited to the amount paid for it;

3.5.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder under the FCA Handbook;

3.5.3 reliable valuation is available for it as follows:

3.5.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

3.5.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;

3.5.4 appropriate information is available for it as follows:

3.5.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;

3.5.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;

3.5.5 it is negotiable; and

3.5.6 its risks are adequately captured by the risk management process of the ACD.

3.6 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

3.6.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and

3.6.2 to be negotiable.

3.7 No more than 5% of the Scheme Property of a Fund may be invested in warrants. Call options are not deemed to be warrants for the purposes of the 5% restriction.

4. **Closed end funds constituting transferable securities**

4.1 A unit or a share in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Fund, provided it fulfils the criteria for transferable securities set out in paragraph 3.5 and either:

4.1.1 where the closed end fund is constituted as an investment company or a unit trust:

4.1.1.1 it is subject to corporate governance mechanisms applied to companies; and

4.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or

4.1.2 Where the closed end fund is constituted under the law of contract:

4.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and

4.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

5. **Transferable securities linked to other assets**

5.1 A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Fund provided the investment:

5.1.1 fulfils the criteria for transferable securities set out in 3.5 above; and

5.1.2 is backed by or linked to the performance of other assets, which may differ from those in which a Fund can invest.

5.2 Where an investment in 5.1 contains an embedded derivative component, the requirements of this section with respect to derivatives and forwards will apply to that component.

6. **Approved Money-Market Instruments**

6.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money-market, is liquid and has a value which can be accurately determined at any time.

6.2 A money-market instrument shall be regarded as normally dealt in on the money-market if it:

6.2.1 has a maturity at issuance of up to and including 397 days;

6.2.2 has a residual maturity of up to and including 397 days;

6.2.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or

6.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 6.2.1 or 6.2.2 or is subject to yield adjustments as set out in 6.2.3.

6.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem Shares at the request of any qualifying Shareholder.

6.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:

6.4.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the Scheme Property of a Fund could be exchanged between knowledgeable willing parties in an arm's length transaction; and

6.4.2 based either on market data or on valuation models including systems based on amortised costs.

6.5 A money-market instrument that is normally dealt in on the money-market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

7. Transferable securities and money-market instruments generally to be admitted or dealt in on an Eligible Market

7.1 Transferable securities and approved money-market instruments held within a Fund must be:

7.1.1 admitted to or dealt in on an eligible market as described in 8.3.1; or

7.1.2 dealt in on an eligible market as described in 8.3.2; or

7.1.3 admitted to or dealt in on an eligible market as described in 8.4; or

7.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within 9.1; or

7.1.5 recently issued transferable securities provided that:

7.1.5.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and

7.1.5.2 such admission is secured within a year of issue.

7.2 However, a Fund may invest no more than 10% of its Scheme Property in transferable securities and approved money-market instruments other than those referred to in 7.1.

8. Eligible markets regime: purpose and requirements

8.1 To protect Shareholders the markets on which investments of the Funds are dealt in or traded on should be of an adequate quality (“eligible”) at the time of acquisition of the investment and until it is sold.

8.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in 7.2 above on investing in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

8.3 A market is eligible for the purposes of the rules if it is:

8.3.1 a regulated market as defined in the FCA Handbook; or

8.3.2 a market in an EEA State which is regulated, operates regularly and is open to the public; or

8.3.3 a market falling in paragraph 8.4 of this Appendix.

8.4 A market falling within paragraph 8.3.3 of this Appendix is eligible for the purposes of COLL 5 if:

8.4.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;

8.4.2 the market is included in a list in the prospectus; and

8.4.3 the Depositary has taken reasonable care to determine that:

8.4.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and

8.4.4 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.

8.5 In paragraph 8.4.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of Shareholders.

8.6 The Eligible Markets for the Funds are set out in Appendix A.

9. **Money-market instruments with a regulated issuer**

9.1 In addition to instruments admitted to or dealt in on an eligible market, a Fund may invest in an approved money-market instrument provided it fulfils the following requirements:

9.1.1 the issue or the issuer is regulated for the purpose of protecting Shareholders and savings; and

9.1.2 the instrument is issued or guaranteed in accordance with paragraph 10 (Issuers and guarantors of money-market instruments) below.

9.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting Shareholders and savings if:

9.2.1 the instrument is an approved money-market instrument;

9.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 11 (Appropriate information for money-market instruments) below; and

9.2.3 the instrument is freely transferable.

10. **Issuers and guarantors of money-market instruments**

10.1 A Fund may invest in an approved money-market instrument if it is:

10.1.1 issued or guaranteed by any one of the following:

10.1.1.1 a central authority of the United Kingdom or an EEA State or, if the EEA State is a federal state, one of the members making up the federation;

10.1.1.2 a regional or local authority of the United Kingdom or an EEA State;

10.1.1.3 the Bank of England, the European Central Bank or a central bank of an EEA State;

10.1.1.4 the European Union or the European Investment Bank;

10.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;

10.1.1.6 a public international body to which the United Kingdom or one or more EEA States belong; or

10.1.2 issued by a body, any securities of which are dealt in on an eligible market; or

10.1.3 issued or guaranteed by an establishment which is:

10.1.3.1 subject to prudential supervision in accordance with criteria defined by UK or EU law; or

10.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU law.

10.2 An establishment shall be considered to satisfy the requirement in 10.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

10.2.1 it is located in the European Economic Area;

10.2.2 it is located in an OECD country belonging to the Group of Ten;

10.2.3 it has at least investment grade rating;

10.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by UK or EU law.

11. **Appropriate information for money-market instruments**

11.1 In the case of an approved money-market instrument within 10.1.2 or issued by a body of the type referred to in COLL 5.2.10EG, or which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 but is not guaranteed by a central authority within 10.1.1.1, the following information must be available:

11.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;

11.1.2 updates of that information on a regular basis and whenever a significant event occurs; and

11.1.3 available and reliable statistics on the issue or the issuance programme.

11.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 10.1.3, the following information must be available:

11.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;

11.2.2 updates of that information on a regular basis and whenever a significant event occurs; and

11.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

11.3 In the case of an approved money-market instrument:

11.3.1 within 10.1.1.1, 10.1.1.4 or 10.1.1.5; or

11.3.2 which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 and is guaranteed by a central authority within 10.1.1.1;

information must be available on the issue or the issuance programme, or on the legal and financial situation of the issuer prior to the issue of the instrument.

12. **Spread: general**

12.1 This rule on spread does not apply in respect of a transferable security or an approved money-market instrument to which paragraph 14 applies.

12.2 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with section 399 of Companies Act 2006, Directive 2013/34/EU or in the same group in accordance with international accounting standards are regarded as a single body.

12.3 Not more than 20% in the value of the Scheme Property of a Fund is to consist of deposits with a single body.

12.4 Not more than 5% in value of the Scheme Property of a Fund is to consist of transferable securities or approved money-market instruments issued by any single body, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property (covered bonds need not be taken into account for the purposes of applying the limit of 40%). For these purposes certificates representing certain securities are treated as equivalent to the underlying security.

12.5 The limit of 5% is raised to 25% in value of the Scheme Property in respect of covered bonds provided that when a Fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the Scheme Property.

12.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property of a Fund. This limit is raised to 10% where the counterparty is an Approved Bank.

12.7 Not more than 20% in value of the Scheme Property of a Fund is to consist of transferable securities and approved money-market instruments issued by the same group.

12.8 Not more than 20% in value of the Scheme Property of a Fund is to consist of the units of any one collective investment scheme.

12.9 The COLL Sourcebook provides that in applying the limits in 12.3, 12.4 and 12.6 and subject to 12.5, not more than 20% in value of the Scheme Property of a Fund is to consist of any combination of two or more of the following:

12.9.1 transferable securities (including covered bonds) or approved money-market instruments issued by; or

12.9.2 deposits made with; or

12.9.3 exposures from OTC derivatives transactions made with;

a single body.

13. **Counterparty risk and issuer concentration**

13.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 12.6 and 12.9 above.

13.2 When calculating the exposure of a Fund to a counterparty in accordance with the limits in paragraph 12.6 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.

13.3 The ACD may net the OTC derivative positions of a Fund with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Fund.

13.4 The netting agreements in paragraph 13.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures the Fund may have with that same counterparty.

13.5 The ACD may reduce the exposure of Scheme Property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

13.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 13.8 when it passes collateral to an OTC counterparty on behalf of a Fund.

13.7 Collateral passed in accordance with paragraph 13.6 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Fund.

13.8 The ACD must calculate the issuer concentration limits referred to in paragraph 12 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.

13.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 12.9 the ACD must include any exposure to OTC derivative counterparty risk in the calculation.

14. **Spread: government and public securities**

14.1 The following section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued by:

14.1.1 an EEA State;

14.1.2 a local authority of an EEA State;

14.1.3 a non-EEA State; or

14.1.4 a public international body to which one or more EEA States belong.

14.2 Where no more than 35% in value of the Scheme Property of a Fund is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

14.3 The Company or a Fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:

14.3.1 the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the relevant Fund;

14.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue;

14.3.3 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;

14.3.4 the disclosures required by the FCA have been made.

14.4 Notwithstanding 12.1 and subject to 14.2 and 14.3 above, in applying the 20% limit in paragraph 12.9 with respect to a single body, such securities issued by that body shall be taken into account.

14.5 The following is a list of the names of the States, local authorities and public international bodies ("the issuers") in which such securities each of **Aegon Sustainable Diversified Growth Fund, Aegon Strategic Bond Fund and Aegon Diversified Monthly Income Fund** can invest more than 35% (and up to 100%) of its assets:

14.5.1 The Government in the United Kingdom;

14.5.2 The following local authorities in the UK:

14.5.2.1 The city of Coventry; Dudley Metropolitan Borough; Salford Corporation; Sheffield City Trust; and NEC Finance.

14.5.3 The following Member States:

14.5.3.1 Austria, Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Finland, Luxembourg, The Netherlands, Portugal, Spain and Sweden

14.5.4 The following EEA states:

14.5.4.1 Norway, Iceland and Lichtenstein

14.5.5 The Government of:

14.5.5.1 Australia, Canada, Hungary, Isle of Man, Israel, Japan, New Zealand, South Africa, Switzerland and the United States of America;

14.5.6 Issued by or on behalf of the following international organisations of which the UK, or a Member State is a member:

14.5.6.1 Cades; Eurofima; European Investment Bank; International Finance; KFW International Finance; LCR Finance; and World Bank.

15. **Investment in collective investment schemes**

15.1 Up to 10% of the value of the Scheme Property of a Fund may be invested in units or shares in other collective investment schemes ("Second Scheme") provided the Second Scheme satisfies all of the following conditions.

15.1.1 The Second Scheme must:

15.1.1.1 be a UCITS scheme or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or

15.1.1.2 be a recognised scheme that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of COLL 5.2.13AR are met); or

15.1.1.3 be authorised as a non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1), (3) and (4) are met);

15.1.1.4 be authorised in an EEA State provided the requirements of COLL 5.2.13AR are met; or

15.1.1.5 be authorised by the competent authority of an OECD member country (other than an EEA State) which has:

(a) signed the IOSCO Multilateral Memorandum of Understanding; and

(b) approved the Second Scheme's management company, rules and depositary/custody arrangements;

(provided the requirements of COLL 5.2.13AR are met).

15.1.2 The Second Scheme has terms which prohibit more than 10% in value of the scheme property consisting of units in collective investment schemes. Where the Second Scheme is an umbrella, the provisions in this paragraph 15.1.2, paragraph 1.1 and paragraph 12 (Spread: general) apply to each Fund as if it were a separate scheme.

15.2 The Scheme Property attributable to a Fund may include Shares in another Fund of the Company (the "Second Fund") subject to the requirements of paragraph 15.3 below.

15.3 A Fund may invest in or dispose of Shares of a Second Fund provided that:

15.3.1 the Second Fund does not hold Shares in any other Fund of the Company;

15.3.2 the requirements set out at paragraphs 12.8, 15.6 and 15.7 below are complied with.

15.4 The Funds may, subject to the limit set out in 15.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the ACD of a Fund or one of its associates.

15.5 Investment may only be made in a Second Fund or other collective investment schemes managed by the ACD or an associate of the ACD if the Fund's Prospectus clearly states that it may enter into such investments and the rules on double charging contained in the COLL Sourcebook are complied with.

15.6 Where a Fund of the Company invests in or disposes of Shares in a Second Fund or units or shares in another collective investment scheme which is managed or operated by the ACD or an associate of the ACD, the ACD must pay to that Fund by the close of business on the fourth Business Day the amount of any preliminary charge in respect of a purchase, and in the case of a sale, any charge made for the disposal.

16. **Investment in nil and partly paid securities**

A transferable security or an approved money-market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by a Fund, at the time when payment is required, without contravening the rules in COLL 5. There is no limit on the percentage of the assets of the Company invested in partly or nil paid securities.

17. **Derivatives: general**

17.1 **Each of Aegon High Yield Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon UK Equity Absolute Return Fund and Aegon Diversified Monthly Income Fund may use derivatives for investment purposes.**

17.2 **In doing so, the ACD may make use of a variety of instruments in accordance with the COLL Sourcebook and in accordance with its risk management policy**. **The use of derivatives may increase the risk profile of the Funds as described in section 12 Risk Factors.**

17.3 **The ACD may also employ derivatives for the purposes of Efficient Portfolio Management, further information on EPM is provided in paragraph 17. To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to the Fund may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated.**

17.4 A transaction in derivatives or a forward transaction must not be effected for a Fund unless the transaction is of a kind specified in paragraph 19 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 30 (Cover for investment in derivatives and forward transactions) of this Appendix.

17.5 Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below apply.

17.6 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.

17.7 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:

17.7.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;

17.7.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

17.7.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

17.8 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.

17.9 Where a Fund invests in an index based derivative, provided the relevant index falls within paragraph 20 (Financial Indices underlying derivatives), the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R and COLL 5.2.12R.

17.10 A Fund may enter into a range of swap transactions in pursuit of its investment objective (including total return swaps) or other financial derivatives instruments with similar characteristics. The underlying assets and investment strategies of such swaps, to which exposure will be gained, will be consistent with the investment objective and policy of the relevant Fund.

17.11 The counterparty to such transactions does not have discretion over the composition or management of a Fund's portfolio or over the underlying of financial derivative instruments used by a Fund. Counterparty approval is not required in relation to any investment decision made by a Fund.

17.12 The counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager.

18. **Efficient Portfolio Management**

18.1 The Company may use Scheme Property to enter into transactions for the purposes of EPM. Permitted EPM transactions include transactions in derivatives dealt or traded on an eligible derivatives market or over-the-counter. Where permitted, EPM techniques may also involve the Company entering into stock lending transactions or reverse repurchase agreements. The ACD must ensure in entering into EPM transactions that the transactionis economically appropriate to (i) the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or (ii) the reduction of the relevant costsand/or (iii) the generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laiddown in the FCA's COLL sourcebook.

18.2 There is no guarantee that the Company will achieve the objective for which any EPM transaction was undertaken. To the extent that derivative instruments are utilised for hedging purposes (reduction of the risk profile of the Company), the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated. EPM transactions (save to the extent that derivatives are traded on exchange) may involve a risk that a counterparty will wholly or partially fail to honour its contractual obligations.

18.3 In order to mitigate that risk of counterparty default, the counterparties to these transactions may be required to provide collateral to suitably cover their obligations to the Company. In the event of default by the counterparty, it will forfeit its collateral on the transaction. However, there is a risk that the collateral, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability to the Company. Securities lending transactions may, in the event of a default by the counterparty, result in the securities lent being recovered late or only in part. This may result in loss for the Company.

18.4 To assist in managing these types of risks, the ACD has a collateral management policy which sets criteria around the types of eligible collateral the Company may accept. A copy of this is available from the ACD on request.

18.5 Investors should note that EPM transactions may be effected in relation to the Company in circumstances where the ACD has, either directly or indirectly, an interest which may potentially involve a conflict of their obligations to the Company. Where a conflict cannot be avoided, the ACD will have regard to its responsibility to act in the best interests of the Company and its investors. The ACD will ensure that the Company and its investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed. For further information in relation to conflicts of interest, please see the 'conflicts of interest' section of this prospectus.

18.6 All revenues arising from EPM transactions (including stock lending and repurchase and reverse repurchase arrangements, if any) will be returned to the Company, net of direct and indirect operational costs.

18.7 In respect of stock lending, such costs will include the fee of the stock lending agent and the administration and operational costs incurred by the ACD. Detailed information on the fund-specific costs and the related entities can be found in the annual report of the Company.

19. **Permitted transactions (derivatives and forwards)**

19.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 23 (OTC transactions in derivatives).

19.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which a Fund is dedicated:

19.2.1 transferable securities;

19.2.2 approved money-market instruments permitted under paragraphs 7.1.1 to 7.1.4;

19.2.3 deposits and permitted derivates under this paragraph;

19.2.4 collective investment scheme units permitted under paragraph 15 (Investment in collective investment schemes);

19.2.5 financial indices which satisfy the criteria set out in paragraph 20 (Financial indices underlying derivatives);

19.2.6 interest rates;

19.2.7 foreign exchange rates; and

19.2.8 currencies.

19.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

19.4 A transaction in a derivative must not cause a Fund to diverge from its investment objectives as stated in the Instrument constituting a Fund and the most recently published version of this Prospectus.

19.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives.

19.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.

19.7 A derivative includes an investment which fulfils the following criteria:

19.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

19.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;

19.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 23; and

19.7.4 its risks are adequately captured by the risk management process of the ACD and by its internal control mechanisms in the case of risk asymmetry of information between the ACD and the counterparty to the derivative resulting from the potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

19.8 A Fund may not undertake transactions in derivatives on commodities.

19.9 **Aegon High Yield Bond Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Diversified Monthly Income Fund and Aegon UK Equity Absolute Return Fund**:

19.9.1 These Funds may make use of index and credit default swaps to control the risk of loss due to market movements and to reduce the risk of credit risk with individual stock holdings or to gain exposure to an index or individual stocks.

19.9.2 Derivatives may also be used in order to take tactical decisions. Futures, forwards or swaps (including credit default swaps) and contracts for difference may be used to gain or reduce a Fund’s exposure to credit spreads or a particular security or market for periods of time to be determined by the ACD, either in advance of a longer term allocation or reappraisal of a Fund’s commitment to the asset or market in question, or purely on a temporary basis where it is more efficient to use Derivatives for this purpose.

19.9.3 The ACD may use futures, forwards or swaps (including credit default swaps) and contracts for difference to increase or reduce the market exposure, interest rate duration or spread duration of all or part of a Fund’s portfolio to take account of changing levels of volatility in the market while at the same time maintaining exposure to the market.

19.10 **Aegon Sustainable Diversified Growth Fund, Aegon UK Equity Absolute Return Fund and Aegon Diversified Monthly Income Fund**:

19.10.1 Derivatives may be used for investment purposes including the generation of synthetic short exposures to individual securities, baskets of securities or indices. Strategies undertaken through using derivatives in this way include aiming to add value in market conditions that would generally be viewed as unfavourable by taking advantage of over- and under-valued assets. These Funds will use derivative instruments to run the long/short strategies where for example the fund manager may aim to generate a total return that is uncorrelated to major market indices by investing in long and synthetic short positions. Depending on the strategy of the relevant Fund, positions may be taken with the aim to be market neutral through the use of appropriate hedging strategies. Derivatives will also be used more generally for risk management purposes. Derivative instruments used for investment purposes will include swaps, contracts for difference, options or futures.

19.10.2 Except in relation to deposits, no agreement by or on behalf of the Company or any Fund to dispose of property or rights will be made unless the obligation to make the disposal and any other similar obligation can be immediately honoured by the delivery of property or the assignation of rights and the property and rights are owned by the Company or a Fund at the time of the agreement. This requirement will, however, be met where the risks of the underlying financial instrument can be appropriately represented by another highly liquid financial instrument or the ACD or the Depositary has the right to settle the derivative in cash and cover exists in the form of cash, liquid debt instruments or other highly liquid assets which can be converted into cash in no more than 7 days at a price corresponding to the current valuation of the financial instrument on its own market.

19.10.3 As set out above, transactions in OTC Derivatives will be undertaken with an approved counterparty, on approved terms and will be capable of valuation, as specified in COLL 5.2.23R.

20. **Financial Indices underlying derivatives**

20.1 The financial indices referred to in 19.2 are those which satisfy the following criteria:

20.1.1 the index is sufficiently diversified;

20.1.2 the index represents an adequate benchmark for the market to which it refers; and

20.1.3 the index is published in an appropriate manner.

20.2 A financial index is sufficiently diversified if:

20.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

20.2.2 where it is composed of assets in which a Fund is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this section; and

20.2.3 where it is composed of assets in which a Fund cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this section.

20.3 A financial index represents an adequate benchmark for the market to which it refers if:

20.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

20.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

20.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

20.4 A financial index is published in an appropriate manner if:

20.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

20.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

20.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to 19.2, be regarded as a combination of those underlyings.

21. **Transactions for the purchase of property**

A derivative or forward transaction which will or could lead to the delivery of property for the account of a Fund may be entered into only if that property can be held for the account of that Fund, and the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the COLL Sourcebook.

22. **Requirement to cover sales**

No agreement by or on behalf of a Fund to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by that Fund by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by a Fund at the time of the agreement. This requirement does not apply to a deposit.

23. **OTC transactions in derivatives**

23.1 Any transaction in an OTC derivative under paragraph 19.1 must be:

23.1.1 in a future or an option or a contract for differences;

23.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the Financial Services Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

23.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, the ACD carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at a fair value; and

23.1.4 For the purposes of paragraph 22.1.3, "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

23.1.5 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:

23.1.5.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or

23.1.5.2 if the value referred to in 23.1.5.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

23.1.6 subject to verifiable valuation: a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:

23.1.6.1 an appropriate third party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the ACD is able to check it; or

23.1.6.2 a department within the ACD which is independent from the department in charge of managing a Fund and which is adequately equipped for such a purpose.

24. **Valuation of OTC derivatives**

24.1 For the purposes of paragraph 23.1.3 the ACD must:

24.1.1 establish implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Fund to OTC derivatives; and

24.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

24.2 Where the arrangements and procedures referred to in paragraph 24.1 above involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

24.3 The arrangements and procedures referred to in 24.1 must be:

24.3.1 Adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

24.3.2 Adequately documented.

25. **Risk Management**

25.1 The ACD uses a risk management process (including a risk management policy) in accordance with COLL 6.12, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of a Fund's positions and their contribution to the overall risk profile of a Fund. The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:

25.1.1 a true and fair view of the types of derivatives and forward transactions to be used within the Company together with their underlying risks and any relevant quantitative limits.

25.1.2 the methods for estimating risks in derivative and forward transactions.

25.2 The ACD must notify the FCA in advance of any material alteration to the details above.

26. **Investment in deposits**

A Fund may invest in deposits only with an Approved Bank and which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months.

27. **Significant influence**

27.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

27.1.1 immediately before the acquisition, the aggregate of any such securities held by the Company gives the Company power significantly to influence the conduct of business of that body corporate; or

27.1.2 the acquisition gives the Company that power.

27.2 For the purposes of paragraph 27.1, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

28. **Concentration**

28.1 The Company:

28.1.1 must not acquire transferable securities other than debt securities which:

28.1.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and

28.1.1.2 represent more than 10% of these securities issued by that body corporate;

28.1.2 must not acquire more than 10% of the debt securities issued by any single issuing body;

28.1.3 must not acquire more than 10% of the units in a collective investment scheme;

28.1.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and

28.1.5 need not comply with the limits in paragraphs 28.1.2, 28.1.3 and 28.1.4 of this Appendix if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

28.1.6 The Company may only acquire transferable securities issued by a body corporate carrying rights to vote at a general meeting of that body provided that before the acquisition the aggregate number of such securities held by the Company does not allow it to exercise 20% or more of the votes cast at a general meeting of that body and the acquisition will not give the Company such power.

28.1.7 All powers to invest may extend to underwritings, sub-underwritings and placings, with the exception of the underwriting, sub-underwriting and placing of options, warrants, convertibles or units or shares in a collective investment scheme. An immediate take-up of all underwriting obligations must not result in a breach of any of the other of COLL.

28.1.8 The Company may not lend money. Not included in this is the purchase of a debenture or the placing of money on deposit or in a current account.

29. **Derivative exposure**

29.1 The Funds may invest in derivatives and forward transactions as long as the exposure to which a Fund is committed by that transaction itself is suitably covered from within its Scheme Property. Exposure will include any initial outlay in respect of that transaction.

29.2 Cover ensures that a Fund is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, a Fund must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which that Fund is committed. Paragraph 31 (Cover for investment in derivatives and forward transactions) below sets out detailed requirements for cover of that Fund.

29.3 A future is to be regarded as an obligation to which a Fund is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which a Fund is committed (in that it gives the right of potential exercise to another thereby creating exposure); and a bought option as a right (in that the purchaser can, but need not, exercise the right to require the writer to deliver and accept and pay for something).

29.4 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.

30. **Schemes replicating an index**

30.1 Notwithstanding paragraph 12 (Spread: general),a Fund may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the composition of a relevant index as defined below.

30.2 Replication of the composition of a relevant index shall be understood to be a reference to a replication of the composition of the underlying assets of that index, including the use of techniques and instruments permitted for the purpose of efficient portfolio management.

30.3 The 20% limit can be raised for a particular Fund up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.

30.4 In the case of a Fund replicating an index the Scheme Property need not consist of the exact composition and weighting of the underlying in the relevant index in cases where a Fund’s investment objective is to achieve a result consistent with the replication of an index rather than an exact replication.

30.5 The indices referred to above are those which satisfy the following criteria:

30.5.1 the composition is sufficiently diversified;

30.5.2 the index represents an adequate benchmark for the market to which it refers; and

30.5.3 the index is published in an appropriate manner.

30.6 The composition of an index is sufficiently diversified if its components adhere to the spread and concentration requirements in this section.

30.7 An index represents an adequate benchmark if its provider uses a recognised methodology which generally does not result in the exclusion of a major issuer of the market to which it refers.

30.8 An index is published in an appropriate manner if:

30.8.1 it is accessible to the public;

30.8.2 the index provider is independent from the index-replicating UCITS scheme; this does not preclude index providers and the UCITS scheme from forming part of the same group, provided that effective arrangements for the management of conflicts of interest are in place.

31. **Cover for investment in derivatives and forward transactions**

31.1 A Fund may invest in derivatives and forward transactions as part of its investment policy provided:

31.1.1 its global exposure relating to derivatives and forward transactions held in the Fund does not exceed the net value of the Scheme Property; and

31.1.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 12 above.

32. **Cover and Borrowing**

32.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under Paragraph 31 (Cover for transactions in derivatives and forward investment) exceptwhere 32.2 below applies.

32.2 Where, for the purposes of this paragraph a Fund borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time being in 32.1 on deposit with the lender (or his agent or nominee), then this paragraph 32.2 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

33. **Calculation of global exposure**

33.1 The ACD must calculate the global exposure of a Fund on at least a daily basis.

33.2 The ACD must calculate the global exposure of any Fund it manages either as:

33.2.1 The incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 17 (Derivatives: general), which may not exceed 100% of the net value of the Scheme Property; or

33.2.2 The market risk of the Scheme Property

33.3 For the purposes of this section exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

33.4 The ACD must calculate the global exposure of a Fund by using:

33.4.1 commitment approach; or

33.4.2 the value at risk approach.

33.5 The ACD must ensure that the method selected above is appropriate, taking into account:

33.5.1 the investment strategy pursued by the Fund;

33.5.2 types and complexities of the derivatives and forward transactions used; and

33.5.3 the proportion of the Scheme Property comprising derivatives and forward transactions.

33.6 Where a Fund employs techniques and instruments including repo contracts or stock lending transactions in accordance with paragraph 42 (Stock lending) in order to generate additional leverage or exposure to market risk, the authorised fund manager must take those transactions into consideration when calculating global exposure.

33.7 Commitment Approach

33.7.1 The ACD uses the commitment approach to calculate global exposure for the following Funds: **Aegon Ethical Cautious Managed Fund, Aegon Ethical Corporate Bond Fund, Aegon Ethical Equity Fund, Aegon UK Equity Fund, Aegon UK Sustainable Opportunities Fund, Aegon Sustainable Equity Fund and Aegon UK Smaller Companies Fund.**

33.7.2 The commitment approach converts each derivative position into the market value of an equivalent position in the underlying asset of that derivative. The ACD has selected this method as being appropriate, taking into account the investment strategy of the above-named Funds in their use of EPM, the types and complexities of the derivatives and forward transactions used and the proportion of the Scheme Property comprising derivatives and forward transactions.

33.8 VaR Approach

33.8.1 There are 2 different methods of calculating a Funds "Value at Risk" (VaR), namely, Absolute VaR and Relative VaR.

33.8.2 The Absolute VaR is defined as the VaR of the Fund capped as a percentage of Net Asset Value and cannot, in terms of current regulatory requirements, be greater than 20% for a 99% confidence interval andas such will calculated by the ACD daily using a one-tailed confidence level of 99%, a historical observation period of no less than one year and a holding period of one month (20 business days). The Absolute VaR will not exceed 20%of Net Asset Value under the CESR (now ESMA) Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (CESR/10-788).

33.8.3 The ACD uses Absolute VaR to calculate market risk for **Aegon High Yield Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon Strategic Bond Fund, Aegon UK Equity Absolute Return Fund and Aegon Diversified Monthly Income Fund**. VaR is a measure of the potential loss due to a Fund from market risk and measures the potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

33.8.4 Relative VaR is where the VaR of the Fund is divided by the VaR of an appropriate benchmark or reference portfolio, allowing the global exposure of that Fund to be compared to, and limited by reference to, the global exposure of that benchmark. The VaR of a Fund must not exceed twice the VaR of its benchmark and using a one-tailed confidence interval level of 99% with a one month holding period. The historical observational period will be at least one year. VaR will be calculated on a daily basis. .

33.8.5 The ACD does not currently use Relative VaR to calculate market risk for any Funds**.**

33.9 Anticipated levels of leverage

33.9.1 The use of derivatives by a Fund will result in the creation of financial leverage.

33.9.2 The anticipated level of leverage for each Fund (calculated as the sum of the notionals of the derivatives used by the relevant Fund) under normal circumstances is specified in Appendix D in relation to each Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.

34. Cash and near cash

34.1 Cash and near cash must not be retained in the Scheme Property of the Funds except to the extent that, where this may reasonably be regarded as necessary in order to enable:

34.1.1 In respect of **Aegon Ethical Cautious Managed Fund, Aegon Ethical Corporate Bond Fund, Aegon High Yield Bond Fund, Aegon Sustainable Diversified Growth Fund, Aegon Investment Grade Bond Fund, Aegon Sterling Corporate Bond Fund, Aegon UK Equity Absolute Return Fund and Aegon Diversified Monthly Income Fund** the pursuit of a Fund's investment objectives; or

34.1.2 in respect of all Funds, redemption of Shares; or

34.1.3 in respect of all Funds, efficient management of a Fund in accordance with its investment objectives; or

34.1.4 in respect of all Funds, other purposes which may reasonably be regarded as ancillary to the investment objectives of a Fund.

34.2 During the period of the initial offer the Scheme Property of the Funds may consist of cash and near cash without limitation.

34.3 In respect of **Aegon Ethical Equity Fund, Aegon Sustainable Equity Fund, Aegon Strategic Bond Fund, Aegon UK Equity Fund, Aegon UK Sustainable Opportunities Fund, and Aegon UK Smaller Companies Fund**, the ACD reserves the right to allow cash levels ofeach of the Funds to be up to 20% of the Net Asset Value of the Scheme Property of the Fund in question if the ACD believes that this would best achieve the objectives of the Fundand be in the Shareholders' best interests.

34.4 In the case of **Aegon Sustainable Diversified Growth Fund, Aegon Diversified Monthly Income Fund and Aegon UK Equity Absolute Return Fund**, a substantial proportion of the Scheme Property may consist of cash, near cash and/or deposits.

35. General

35.1 It is envisaged that a Fund will normally be fully invested but there may be times that it is appropriate not to be fully invested when the ACD reasonably regards this as necessary in pursuit of the investment objective and policy, redemption of Shares, efficient management of a Fund or any one purpose which may reasonably be regarded as ancillary to the investment objectives of a Fund.

35.2 Where a Fund invests in or disposes of units or shares in another collective investment scheme which is managed or operated by the ACD or an associate of the ACD, the ACD must pay to a Fund by the close of business on the fourth Business Day the amount of any preliminary charge in respect of a purchase, and in the case of a sale, any charge made for the disposal.

35.3 A potential breach of any of these limits does not prevent the exercise of rights conferred by investments held by a Fund but, in the event of a consequent breach, the ACD must then take such steps as are necessary to restore compliance with the investment limits as soon as practicable having regard to the interests of Shareholders.

35.4 The COLL Sourcebook permits the ACD to use certain techniques when investing in derivatives in order to manage a Fund's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure with respect to over-the-counter ("OTC") derivatives; for example a Fund may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. The COLL Sourcebook also permits a Fund to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in a Fund) under certain conditions.

36. **Underwriting**

36.1 Underwriting and sub underwriting contracts and placings may also, subject to certain conditions set out in the COLL Sourcebook, be entered into for the account of a Fund.

37. **General power to borrow**

37.1 The Company may, on the instructions of the ACD and subject to the COLL Sourcebook, borrow money from an Eligible Institution or an Approved Bank for the use of a Fund on terms that the borrowing is to be repayable out of the Scheme Property.

37.2 Borrowing must be on a temporary basis, must not be persistent, and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

37.3 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of a Fund.

37.4 These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

38. **Restrictions on lending of money**

38.1 None of the money in the Scheme Property of a Fund may be lent and, for the purposes of this paragraph, money is lent by a Fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

38.2 Acquiring a debenture is not lending for the purposes of paragraph 38.1, nor is the placing of money on deposit or in a current account.

38.3 Transactions permitted by paragraph 42 (Stock lending) are not to be regarded as lending for the purposes of paragraph 39.1.

38.4 Nothing in paragraph 38.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by him for the purposes of the Company (or for the purposes of enabling him properly to perform his duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

39. **Restrictions on lending of property other than money**

39.1 Scheme Property of the Funds other than money must not be lent by way of deposit or otherwise.

39.2 Transactions permitted by paragraph 42 (Stock lending) are not to be regarded as lending for the purposes of paragraph 39.1.

39.3 The Scheme Property of the Funds must not be mortgaged.

39.4 Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5, nothing in this paragraph prevents the Company or the Depositary at the request of the Company: from lending, depositing, pledging or charging its Scheme Property for margin requirements; or transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

40. **General power to accept or underwrite placings**

40.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation. This section applies, to any agreement or understanding: which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued or subscribed for or acquired for the account of a Fund.

40.2 This ability does not apply to an option, or a purchase of a transferable security which confers a right to subscribe for or acquire a transferable security, or to convert one transferable security into another.

40.3 The exposure of a Fund to agreements and understandings as set out above, on any Business Day be covered and be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in the COLL Sourcebook.

41. **Guarantees and indemnities**

41.1 The Company or the Depositary for the account of the Company must not provide any guarantee or indemnity in respect of the obligation of any person.

41.2 None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

41.3 Paragraphs 41.1 and 41.2 do not apply to in respect of the Company:

41.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL 5; and

41.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;

41.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

41.3.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Company and the holders of units in that scheme become the first Shareholders in the Company.

42. **Stock lending and Repo Contracts**

42.1 The entry into stock lending transactions or repo contracts for the account of a Fund is permitted for the generation of additional income for the benefit of that Fund, and hence for its Shareholders. The ACD has appointed Citibank N.A. who is a related party to the Depositary, to carry our stock lending activity and services on behalf of the Sub-funds where permitted. Citibank N.A. is entitled to receive a fee for doing so and details of this fee are set out under Section 7 (Fees and Expenses).

42.2 The specific method of stock lending permitted in this section is in fact not a transaction which is a loan in the normal sense. Rather it is an arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992, under which the lender transfers securities to the borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. In accordance with good market practice, a separate transaction by way of transfer of assets is also involved for the purpose of providing collateral to the "lender" to cover him against the risk that the future transfer back of the securities may not be satisfactorily completed.

42.3 The stock lending permitted by this section may be exercised by a Fund when it reasonably appears to a Fund to be appropriate to do so with a view to generating additional income with an acceptable degree of risk.

42.4 The Company or the Depositary at the request of the Company may enter into a stock lending arrangement or repo contract of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of a Fund, are in a form which is acceptable to the Depositary and are in accordance with good market practice, the counterparty meets the criteria set out in COLL 5.4.4, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Depositary, adequate and sufficiently immediate.

42.5 The counterparties of stock lending and repo transactions will be highly-rated financial institutions specialised in this type of transaction and approved by the InvestmentManager. Counterparties are selected taking into account criteria which include legal status, country of origin and minimum credit ratings. Counterparties will normally carry aminimum "A" rating from at least one of Fitch, Moody's and S&P. The counterparties will be entities with legal personality, typically located in OECD jurisdictions and generally limited to the major financial institutions in leading economies. They will be subject to ongoing supervision by a public authority and be financially sound. Eligible collateral typesare approved by the Investment Manager and may consist of UK gilts, certificates of deposit, treasury bills, sovereign debt, euro sterling bonds and equities. Valuations are carried out daily and a margin is applied to collateral transactions so that, depending on the combination of securities on loan and the type of collateral received, the value of collateral required will generally range from 102.5% to 110% of the value of securities onloan. However market volatility increases the risk that collateral received on suchtransactions may have a market value lower than that of the stock lent. If this scenario coincided with a counterparty default this could result in a reduction in the value of a fund,however in normal circumstances the Stock Lending Agent's indemnity would cover any shortfall arising.

42.6 The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

42.7 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under the COLL Sourcebook, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of a Fund.

42.8 Direct and indirect operational costs and fees incurred in performing these transactions may be deducted from any associated revenue delivered to the Sub-fund. All such revenue, net of direct and indirect operational costs, will be returned to the Sub-fund. Such costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The entities to which such costs and fees are paid (and whether such entities are related to the ACD or depositary) will be disclosed in the long annual report of the Company.

42.9 Stocklending or repo transactions may in some cases result in reduced performance but may nonetheless be entered into where the ACD believes it to be in the best interests of the Sub-fund, for example in order to manage risk.

42.10 The Collateral Management Policy set out below shall apply to any cash collateral received in respect of a repo or stocklending transaction.

42.11 Subject to any other limitations within this Prospectus or in COLL 5, there is no limit on the Net Asset Value of the Scheme Property of any Sub-fund which may be the subject of stock lending or repo transactions. The expected amount of Scheme Property which will be used for stock lending and for repo transactions for each Sub-fund is as set out Appendix D.

43. **Total Return Swaps and other Derivatives with the same characteristics**

43.1 CFDs are economically equivalent to total return swaps. **Aegon UK Equity Absolute Return Fund, Aegon Sustainable Diversified Growth Fund and Aegon Diversified Monthly Income Fund** may take long and short positions through CFDs in individual stocks listed on the London Stock Exchange.

43.2 For information on the counterparties of, and exposure limitations to any one counterparty for, these transactions please refer to the information on "Use of Derivatives" above in this Appendix.

43.3 The ACD's risk management process (RMP), which is available to investors on request, details how risks are managed in relation to counterparties and collateral. The ACD also has a Counterparty Approval Policy and process, which requires (in most cases) that all counterparties are approved prior to trading with a variety of factors being considered in the approval process, e.g. credit ratings and the counterparty's procedures and capabilities. Please also refer to Section 12 of this Prospectus for details of risks relating to use of derivative transactions and other relevant risk factors.

44. Rebalancing frequency of financial indices and its effects on costs with a Sub-fund's strategy

For Sub-funds which are allowed exposure to financial indices, the only exposure those Sub-funds take to financial indices is through futures, options on futures, exchange traded funds and swaps, and these positions are subject to the concentration rules in COLL and therefore the effect of costs of any rebalancing on the underlying asset is negligible when considered at a Sub-fund level.

Collateral Management Policy

The Collateral Management Policy is detailed within the RMP and is subject to change and regular review.

The RMP will define "eligible" collateral including any applicable haircuts. Collateral will generally be of high quality and liquid e.g. cash and government securities. It will also include any additional restrictions deemed appropriate by the ACD.

All collateral used to reduce counterparty risk will comply with the following criteria at all times:-

- It must be highly liquid and traded on a regulated market;
- It must be valued at least daily;
- It must be of high quality;
- It will not be highly correlated with the performance of the counterparty;
- It will be sufficiently diversified in terms of country, markets and issuers (in accordance with ESMA's Guidelines on ETFS and other UCITS issues (ESMA/2012/832EN) as updated by ESMA/2014/294 (together the "ESMA Guidelines"). However, Sub-funds may be substantially or fully collateralised in securities issued or guaranteed by one or more governments at the ACD's discretion;
- It will be held by the Depositary or by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of collateral; and
- It will be capable of being fully enforced by the ACD at any time without reference or approval from the counterparty.

Permitted collateral includes (where applicable):-

- Cash
- Government or other public securities; and
- Bonds or commercial paper issued by acceptable entities, in accordance with the Sub-fund's ISDA/Credit Support Annex documentation.

A significant proportion, or all, of collateral received in respect of a stocklending or repo transaction may be issued or guaranteed by a single government or other public body.

Non – cash collateral will not be sold, re-invested or pledged.

Cash collateral will only be:-

- placed on deposit with entities that meet the requirements of Article 50(f) of the UCITS Directive (or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable) , or
- invested in high-quality government bonds, or
- used for the purpose of reverse repo transactions with credit institutions that are subject to prudential supervision (and on terms that permit the ACD to recall at any time the full amount of cash on an accrued basis), or
- invested in short-term money market funds (as defined in the Guidelines on a Common Definition of European Money Market Funds issued by the Committee of European Securities Regulators in May 2010).

Cash collateral, where reinvested, will be diversified in accordance with the requirements of the ESMA Guidelines.

The exposure to a counterparty will, at all times, meet the requirements of Article 52 of the UCITS Directive (or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable). Collateral will be subject to a haircut depending on the class of assets received. The haircut policy depends on quality of the assets received and their price volatility.

Where the Sub-fund reinvests cash collateral in one or more of the permitted types of investment above, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested.

Appendix C
Determination of Net Asset Value

Calculation of the Net Asset Value

The Net Asset Value of the scheme property of the Company or Sub-fund (as the case may be) shall be the value of its assets less the value of its liabilities and shall be determined in accordance with the following provisions:

1. all the scheme property (including receivables) is to be included, subject to the following provisions;

2. property which is neither an asset dealt with in paragraphs 3 to 4A (inclusive) below shall be valued as set out below and the prices used shall (subject as set out below) be the most recent prices which it is practicable to obtain:

   (a) units or shares in a collective investment scheme:

      (i) if a single price for buying and selling units or shares is quoted, at that price; or

      (ii) if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial or preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

      (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD’s best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;

   (b) any other transferable security:

      (i) if a single price for buying and selling the security is quoted, at that price; or

      (ii) if separate buying and selling prices are quoted, at the average of the two prices; or

      (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the ACD’s best estimate of the value of the security, at a value which, in the opinion of the ACD, is fair and reasonable;

   (c) property other than that described in sub-paragraphs (a) and (b) above, at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price;

3. cash and amounts held in current deposit and margin accounts and in other time-related deposits shall be valued at their nominal values;

3A. approved money market instruments which have a residual maturity of less than three months and have no specific sensitivity to market parameters, including credit risk, shall be valued on an amortised cost basis;

4. exchange-traded derivative contracts:

   (a) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or

   (b) if separate buying and selling prices are quoted, at the average of the two prices;

4A. over-the-counter derivative contracts shall be valued on the basis of an up-to-date market valuation which the ACD and the Depositary have agreed is reliable or if this is not available, on the basis of a pricing model which the ACD and the Depositary have agreed;

5. all instructions given to issue or cancel shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case;

6. subject to paragraph 7 below, agreements for the unconditional sale or purchase of property (excluding futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options) which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if they are made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount;

7. all agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the property;

8. deduct an estimated amount for anticipated tax liabilities (on unrealised gains where the liabilities have accrued and are payable out of the property of the Scheme; on realised gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) at that point in time including (as applicable and without limitation) any liability for capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax;

9. deduct an estimated amount for any liabilities payable out of the scheme property and any tax thereon, for this purpose treating periodic items as accruing from day to day;

10. deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings;

11. add an estimated amount for accrued claims for tax of whatever nature which may be recoverable;

12. add any other credits or amounts due to be paid into the scheme property;

13. add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received;

14. currencies or values in currencies other than base currency of the Company or (as the case may be) the designated currency of a Sub-fund shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential shareholders.

Proportionate Interests

1. If there is more than one Class in issue in respect of a Sub-fund, the proportionate interests of each Class in the assets and income of the Sub-fund shall be ascertained as follows:

   (i) A notional account will be maintained for each Class. Each account will be referred to as a "**Proportion Account**".

   (ii) The word "proportion" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Sub-fund at that time. The proportionate interest of a Class of Share in the assets and income of a Sub-fund is its "proportion".

(iii) There will be credited to a Proportion Account:

- the subscription money (excluding any initial charges) for the issue of Shares of the relevant Class;
- that Class's proportion of the amount by which the Net Asset Value of the Sub-fund exceeds the total subscription money for all Shares in the Sub-fund;
- the Class's proportion of the Sub-fund's income received and receivable; and
- any notional tax benefit under paragraph (v) below.

(iv) There will be debited to a Proportion Account:

- the redemption payment for the cancellation of Shares of the relevant Class;
- the Class's proportion of the amount by which the Net Asset Value of the Sub-fund falls short of the total subscription money for all Shares in the Sub-fund;
- all distributions of income (including equalisation if any) made to Shareholders of that Class;
- all costs, charges and expenses incurred solely in respect of that Class;
- that Class's proportion of the costs, charges and expenses incurred in respect of that Class and one or more other Classes in the Sub-fund, but not in respect of the Sub-fund as a whole;
- that Class's proportion of the costs, charges and expenses incurred in respect of or attributable to the Sub-fund as a whole; and
- any notional tax liability under paragraph (v).

(v) Any tax liability in respect of the Sub-fund and any tax benefit received or receivable in respect of the Sub-fund will be allocated between Classes in order to achieve, so far as possible, the same result as would have been achieved if each Class were itself a Sub-fund so as not materially to prejudice any Class. The allocation will be carried out by the ACD after consultation with the Company's auditors.

(vi) Where a Class is denominated in a currency which is not the base currency of the Company, the balance on the Proportion Account shall be converted into the base currency of the Company in order to ascertain the proportions of all Classes. Conversions between currencies shall be at a rate of exchange decided by the ACD as being a rate that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

(vii) The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Company to Shareholders or the other way round.

2. Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Class's proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.

3. When Shares are issued thereafter each such Share shall represent the same proportionate interest in the property of the relevant Sub-fund as each other Share of the same category and Class then in issue in respect of that Sub-fund.

4. The Company shall allocate the amount available for income allocation (calculated in accordance with COLL) between the Shares in issue relating to the relevant Sub-fund according to the respective proportionate interests in the property of the Sub-fund represented by the Shares at the Valuation Point in question.

5. The Company may adopt a different method of calculating the proportionate interests of each Class in the assets and income of a Sub-fund from that set out in this part of Appendix C provided that the Directors are satisfied that such method is fair to Shareholders and that it is reasonable to adopt such method in the given circumstances.

6. For Shares of each Class a smaller denomination Share of that Class shall represent such proportion of a larger denomination Share of that Class for the purposes of calculating the proportionate interests of such Shares in the assets and income of a Sub-fund as the proportion which a smaller denomination Share bears to a larger denomination Share in accordance with this Prospectus and the Instrument of Incorporation.

Appendix D
Sub-fund Details

Name:	**Aegon Sustainable Diversified Growth Fund**
Investment Objective:	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.
Investment Policy:	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. As a result, at any one time the Fund may be diversified across asset classes, sectors, currencies or geographies in various proportions. 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 to meet the investment objective. All of the Fund's investments are subject to the ACD's sustainability criteria relevant for each asset class. The ACD will, firstly, apply an exclusionary screen to exclude investments which the ACD considers have a negative impact on society and/or the environment. The ACD then, through applying a detailed analysis, focusses on the equities and bonds of companies which are aligned with, or are expected to contribute to, one of the ACD's sustainability themes. The analysis for government securities will permit investment in governments showing, in the ACD's view, significant progress towards achieving the UN's Sustainable Development Goals. The ACD will use a combination of external third party research and internal analysis in the application of its sustainability criteria. To the extent not fully invested in the main asset classes above, the Fund may invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and including schemes managed by the ACD or its affiliates), money market instruments, cash and near-cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Through these investments, the Fund may obtain an indirect exposure to property, commodities and other alternative investments, such as companies that specialise in aircraft leasing, infrastructure and renewable energy. Derivatives may be used for investment purposes, for example exposure to assets may be gained through the use of derivatives (including long and short positions for the purposes of adjusting risk exposures). Derivatives may also be used for efficient portfolio management (including hedging to reduce currency risk). 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. **A substantial proportion of the Scheme Property of the Fund may consist of cash, near cash and/or deposits**. The Fund is actively managed and can invest in companies of any market capitalization (small, medium or large) and in any industry sector. Through diversification, the Fund also looks to achieve lower volatility (i.e. changes in value) than global equities.

Sustainability Criteria:	In making investments for the Fund, the ACD shall adhere to the following sustainability criteria, which combine an exclusionary screen with fundamental analysis. 1. **Exclusionary screen** The ACD first applies an exclusionary screen to the universe of investments as follows for each relevant asset class: **Equities and corporate bonds***:* The Fund shall not be invested in the equities or bonds of companies that fall within the exclusion criteria set out in Section B of Schedule One to this Appendix D; and **Government and public securities**: The ACD will not invest in the government and public securities of countries listed in the Aegon NV Exclusion List (see link to policy below), which Aegon NV establishes on the basis of sanctions by the UN Security Council, the United States and the European Union for countries with a consistent record of human rights abuses. Aegon NV Responsible Investment Policy: https://www.aegon.com/contentassets/3400edaa3c434c62be14bf0793f0d0f1/aegon-responsible-investment-policy-january-2020.pdf 2. **Sustainability Themes and ESG performance** Investments which pass the exclusionary screen are then further subject to fundamental analysis to identify assets which the ACD considers are aligned with particular sustainability themes. These are applied as follows in relation to the relevant asset classes: **Corporate securities**: Companies which have not been excluded by the ACD's exclusionary screen will be further analysed for potential inclusion in the Fund using multiple data sources, including data from ESG (environment, social & governance) rating agencies, broker research and primary research. The Fund shall only invest in corporate securities where the ACD is of the view that the company is aligned with one or more of the following sustainability themes in relation to its products or services: - climate change action (products/services that contribute to limiting the emission of greenhouse gases or help adaptation to climate change) - eco solutions (products/services that contribute to limiting negative impacts on ecosystems and pollution) - resource efficiency (products/services that contribute to limiting waste and/or increase circularity) - health and well-being (products/services that promote human health or improve living conditions) - inclusion (products/services that contribute to equality and economic opportunities) - sustainable growth (product/services that contribute to durable economic growth with a reduced negative impact on environmental and social parameters) In addition, the Fund shall not invest in the securities of companies determined by the ACD to be consistently poor ESG performers. In considering a company's ESG performance, the ACD will identify the key ESG risks on a sector basis (for example carbon output may be considered more relevant for a manufacturing business than a services business). Fundamental ESG analysis will consider the nature of the

	products and services that a company provides and also the company's operational practices and standards. The ACD may invest in companies where some environmental, social or governance issues have been identified but the company is showing clear evidence of material improvements or has in place credible plans to do so. In the case of securities where the proceeds are ring-fenced for activities contributing to the sustainability themes of the ACD, the use of proceeds by the company in relation to these securities will be assessed by the ACD on a case-by-case basis, independently of the company's wider operations. The Fund may invest in such securities where (i) the proceeds relating to such securities will be used by the company for projects contributing to one or more of the sustainability themes (described above); (ii) the company does not face significant ESG issues (following the ACD's analysis explained above); and (iii) the company is not otherwise excluded by the ACD as part of its overall analysis. **Government securities:** The ACD may invest in sovereign issuers that are making substantial progress towards achieving the UN Sustainable Development Goals (SDG), and whose governments are delivering the promise of a continuation of such trend through progressive policies in a credible manner. In making such a determination, the ACD shall take into account, through a quantitative and qualitative analysis, the overall SDG achievement of a country, its performance against peers with similar development level and the momentum of its progress towards achieving the SDGs. Countries showing sufficient progress will be considered eligible for investment by the ACD. 3. **Other asset classes:** The ACD will not invest in CIS where the underlying securities do not meet the ACD's sustainability criteria. The ACD will not take a long derivatives position where the underlying securities do not meet the ACD's sustainability criteria (including financial indices other than for hedging purposes). The ACD will seek to avoid exposure to alternative asset classes (as set out in the investment policy) that are linked to significant negative effects on the ACD's sustainability themes. A sustainability assessment will not be performed on cash, foreign currency or currency forwards. A sustainability assessment will not be applied to derivatives that are used for hedging purposes. 4. **Divestment:** The ACD may use its influence as an investor to try and ensure that the business activities of securities held in the fund continue to be consistent with the ACD's sustainability criteria. If an existing holding is identified as no longer meeting the ACD's sustainability criteria as a result of circumstances changing or the issuer not improving on the issues where the ACD had expected to see progress, then the ACD will sell out of the position as soon as is reasonably practicable and always whilst achieving best execution.

Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and derivatives and forward transactions will be used to meet the investment objectives of the Fund (as set out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives.** **The use of derivatives and/or forward transactions has the potential to increase the Fund's risk profile and could result in increased price volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Target benchmark *UK Consumer Prices Index plus 3% (UK CPI)* UK CPI is selected as a commonly accepted measure of UK inflation. We consider that exceeding CPI by at least 3% over 5 years (gross of fees) is an attractive return and therefore an appropriate target benchmark in relation to which the Fund is managed. Comparison of the Fund's performance against the above target benchmark will allow investors to determine whether and to what extent the Fund has delivered returns in excess of inflation. Any comparison of the Fund's performance against this benchmark should be performed over a 5 year period to provide the most useful medium term comparison. Targeting this benchmark is not intended to be a guarantee of the performance of the Fund, which may not be the same as this Benchmark or in line with the target. The ACD keeps the benchmark indices used under review and may change benchmarks as required in line with the FCA Handbook. As the Fund is a multi-asset fund, there is no one benchmark or index used by the ACD which fully represents a comparison of the performance of the Fund as a whole. The ACD may use different benchmarks for comparison purposes according to the asset classes generally held by the Fund at the relevant time or for the relevant period. Investors may request further information on these asset level benchmarks but the ACD does not use them to compare performance of the Fund as a whole. The ACD may also use the MSCI World Index to measure the Fund's volatility against global equities. This is undertaken only for reference and comparison. The ACD does not use the Index as a target and Fund's portfolio is not constrained by the Index.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 100% to 250% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
Share Classes:	Class B net accumulation Shares
Minimum Initial Lump Sum Investment:	Class B Shares: £500

Minimum Initial Regular Savings Plan Investment:	Class B Shares: £50 p/m
Minimum Subsequent Investment:	Class B Shares: £100
Minimum Holding:	Class B Shares: £250
Minimum Partial Redemption:	Class B Shares: £100
Preliminary Charge:	Class B Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Class B Shares: 0.50%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August Interim: 1 November, 1 February, 1 May
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November (distribution to be made in advance on 30 September) Interim: 31 December, 31 March, 30 June
Additional power re government & public securities:	More than 35% and up to 100% of the Net Asset Value of the Scheme Property may be invested in the government & public securities listed in Schedule One to Appendix B.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking to mitigate the effects of inflation over the longer term and who are comfortable with a medium to high level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio including other assets e.g. bonds, other equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Diversified Monthly Income Fund**
Investment Objective:	The investment objective is to generate income with a target yield of approximately 5% per annum, with the potential for capital growth over the medium term (being any 5 year period). By investing in the Fund, capital is at risk. There is no guarantee that the Fund will generate this, or any other level of income or returns.
Investment Policy:	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. As a result, at any one time the Fund may be diversified across asset classes, sectors, currencies or geographies in various proportions. At least 80% of the Fund will usually consist of equities, corporate bonds and government and public securities. The typical level of investment in equities will be between 20-60% of the Fund's value. To the extent not fully invested in the main asset classes above, the Fund may invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and including schemes managed by the ACD or its affiliates), derivatives, money market instruments, cash and near-cash. Through these investments, the Fund may obtain indirect exposure to property, commodities and other specialist asset sectors, such as companies that specialise in aircraft leasing, infrastructure and renewable energy. Derivatives may be used for investment purposes, for example exposure to assets may be gained through the use of derivatives (including long and short positions for the purposes of adjusting risk exposures). Derivatives may also be used for efficient portfolio management (including hedging to reduce currency risk). 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. The Fund is actively managed and can invest in companies of any market capitalization (small, medium or large) and in any industry sector. Through diversification, the Fund also looks to achieve lower volatility (i.e. changes in value) than global equities.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and derivatives and forward transactions will be used to meet the investment objectives of the Fund (as set out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives.** **The use of derivatives and/or forward transactions has the potential to increase the Fund's risk profile and could result in increased price volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Comparator Benchmark: *Investment Association Mixed 20-60 Peer Group*

	Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds holding similar equity ranges. The above comparison should be performed over a 5 year period to provide the most useful medium term comparison. As the Fund is a multi-asset fund, there is no one benchmark or index used by the ACD which fully represents a comparison of the performance of the Fund as a whole. The ACD may use different benchmarks for comparison purposes according to the asset classes generally held by the Fund at the relevant time or for the relevant period. Investors may request further information on these asset level benchmarks but the ACD does not use them to compare performance of the Fund as a whole. The ACD may also use the MSCI World Index to measure the Fund's volatility against global equities. This is undertaken only for reference and comparison. The ACD does not use the Index as a target and Fund's portfolio is not constrained by the Index.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 75% to 125% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares
Minimum Initial Lump Sum Investment:	Class B Shares: £500
Minimum Initial Regular Savings Plan Investment:	Class B Shares: £50
Minimum Subsequent Investment:	Class B Shares: £100
Minimum Holding:	Class B Shares: £250
Minimum Partial Redemption:	Class B Shares: £100
Preliminary Charge:	Class B Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Class B Shares: 0.55%

Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January **The payment of income is not guaranteed.**
Ex-Dividend Date(s):	Annual: 1 August Monthly: 1st day of each calendar month **The payment of income is not guaranteed.**
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 31 August Interim: Final day of each month
Additional power re government & public securities:	More than 35% and up to 100% of the Net Asset Value of the Scheme Property may be invested in the government and public securities listed in Schedule One to Appendix B.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking regular income and who are comfortable with a medium to high level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio including other assets e.g. bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respec t of any investment decision.

Name:	**Aegon Ethical Cautious Managed Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	To invest in a diversified portfolio of equities denominated in any currency; and corporate bonds denominated in Sterling and issued anywhere in the world. The Fund operates an ethical screen which means that the Fund may not invest in particular industries and sectors. In all cases, the investments of the Fund will meet the Fund's predefined ethical criteria. The Fund is actively managed and the portfolio may at any one time be allocated more towards equities or bonds depending on the ACD's view on the current market conditions. Equities will be limited to a maximum of 60% of the Fund's value at all times. At least 80% of equity exposure will be to UK companies which are listed, quoted or traded in UK markets or which have their headquarters or a significant part of their activities in the UK but which may also be quoted on a regulated market outside of the UK. However, up to 20% of all equity investments may be made in non-UK companies. In relation to investment in equities, the Fund can invest in companies of any market capitalization (small, medium or large) and in a range of industry sectors, subject to the Fund's ethical criteria. The Fund will typically invest in publicly quoted companies and have a bias towards small and medium companies. At least 90% of all corporate bond investments will be in investment grade corporate bonds. **Investment grade corporate bonds** are bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's) BBB- or higher by Standard & Poor's (S&P) or BBB- or higher by Fitch or their respective successors or equivalents. To the extent that the Fund is not fully invested in the main asset classes listed above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives may be used for efficient portfolio management (including hedging to reduce currency risk). Non-Sterling equity exposure may or may not be hedged back to Sterling to reduce currency risk.
Ethical Criteria:	In determining the range of potential investments, the Fund uses custom-defined ethical criteria and will be invested in a manner that adheres to the ethical criteria set out in Schedule One to Appendix D. The Fund's ethical criteria determines the initial investment universe and is designed to meet the needs of investors who wish to make investment decisions based on ethical principles.
Use of derivatives/repo transactions:	**Derivatives and forward transactions and/or repo transactions may be used for the purposes of Efficient Portfolio Management (including currency hedging) (as set out from page 58 onwards).** **It is not intended that the use of derivatives, forward transactions and/or repo transactions will raise the risk profile of the Fund nor result in**

	greater volatility. The use of repo transactions will not materially increase the risk profile. **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Comparator Benchmark: *Investment Association Mixed 20-60 Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds holding similar equity ranges. The above comparison should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares
Minimum Initial Lump Sum Investment:	Both Class B Shares £500
Minimum Initial Regular Savings Plan Investment:	Both Class B Shares £50 p/m
Minimum Subsequent Investment:	Both Class B Shares £100
Minimum Holding:	Both Class B Shares £250
Minimum Partial Redemption:	Both Class B Shares £100
Preliminary Charge:	Both Class B Shares 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares 0.75%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January

Ex-Dividend Date(s):	Annual: 1 August Interim: 1 November, 1 February, 1 May
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November (distribution of income to be made in advance on 30 September) Interim: 31 December, 31 March, 30 June
Additional power re government & public securities:	Not applicable.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to a mixture of UK equities and Sterling bonds, while pursuing an ethical investment policy which excludes unethical activity. Investors in this Fund should be comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Ethical Corporate Bond Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	The Fund operates an ethical screen which means that the Fund may not invest in particular industries and sectors. In all cases, the investments of the Fund will meet the Fund's predefined ethical criteria. The Fund will invest at least 80% in a portfolio of investment grade corporate bonds issued anywhere in the world. **Investment grade corporate bonds** are bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's) BBB- or higher by Standard & Poor's (S&P) or BBB- or higher by Fitch or their respective successors or equivalents. The Fund may also invest up to 10% in high yield corporate bonds issued anywhere in the world. **High yield corporate bonds** are considered by the investment manager to be bonds issued by companies whose credit rating is defined as Ba1 or below by Moody's or BB+ or below by Standard and Poor's or BB+ or below by Fitch or their respective successors or equivalents. High yield bonds also include non-rated instruments. Bond investments may be denominated in non-Sterling, up to a maximum of 20%. The Fund is actively managed and the ACD adjusts the Fund's credit exposure and duration (interest rate risk) based on an analysis of the prevailing economic and market conditions. Subject to its custom-defined ethical criteria, the Fund will also seek to achieve diversification across individual issuers and sectors when constructing the portfolio. To the extent that the Fund is not fully invested as set out above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Non-Sterling exposure will be hedged back to Sterling to reduce currency risk.
Ethical Criteria:	In determining the range of potential investments, the Fund uses custom-defined ethical criteria and will be invested in a manner that adheres to the ethical criteria set out in Schedule One to Appendix D. The Fund's ethical criteria determines the initial investment universe and is designed to meet the needs of investors who wish to make investment decisions based on ethical principles.
Use of derivatives:	**Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management (including currency hedging) (as set out from page 58 onwards). Derivatives may be exchange traded or Overthe Counter (OTC) derivatives.** **It is not intended that the use of derivatives will raise the risk profile of the Fund nor result in greater volatility.**

Benchmarks/Performance Measurement:	Primary Comparator Benchmark: *Investment Association Sterling Corporate Bond Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe and comprising ethical and non-ethically screened funds, demonstrating the value of the Fund's ethical screen against non-ethically screened funds.

	Other Market Comparator Benchmarks: *Iboxx Sterling Corporate & Collateralised Index* Comparison against this index would allow investors to determine the cost or benefit of investing ethically by comparing the Fund's performance against that of a representative but not identical universe of the Fund's potential investments which includes investments that have not been filtered using an ethical screen. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	As the Sub-fund does not use derivatives, it is not expected that there will be any leverage in the Fund.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares
Minimum Initial Lump Sum Investment:	Both Class B Shares: £500
Minimum Initial Regular Savings Plan Investment:	Both Class B Shares: £50 p/m
Minimum Subsequent Investment:	Both Class B Shares: £100
Minimum Holding:	Both Class B Shares: £250
Minimum Partial Redemption:	Both Class B Shares: £100
Preliminary Charge:	Class B Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares: 0.45%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August Interim: 1 November, 1 February, 1 May

Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November (distribution of income to be made in advance on 30 September) Interim: 31 December, 31 March, 30 June
Additional power re government & public securities:	Not applicable.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to the sterling corporate bond market while pursuing an ethical investment policy which excludes unethical activity. Investors in this Fund should be comfortable with a medium level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Ethical Equity Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	The Fund will invest at least 80% in equities of companies which are listed, quoted or traded in UK markets or which have their headquarters or a significant part of their activities in the UK but which may also be quoted on a regulated market outside of the UK. The Fund operates an ethical screen which means that the Fund may not invest in particular industries and sectors. In all cases, the investments of the Fund will meet the Fund's predefined ethical criteria. The Fund is actively managed and can invest in companies of any market capitalization (small, medium or large) and in a range of industry sectors, subject to the Fund's ethical criteria. The Fund will typically invest in publicly quoted companies although it will tend to have a bias towards small and medium companies. At any one time, the scope of investment may be themed by industry, size or style to take advantage of opportunities identified by the ACD. The Fund can also invest up to 20% in equities of non-UK companies. To the extent that the Fund is not fully invested in the main asset class listed above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives can be used for efficient portfolio management (including hedging to reduce currency risk). Non-Sterling exposure will typically not be hedged back to Sterling.
Ethical Criteria:	In determining the range of potential investments, the Fund uses custom-defined ethical criteria and will be invested in a manner that adheres to the ethical criteria set out in Schedule One of Appendix D. The Fund's ethical criteria determines the initial investment universe and is designed to meet the needs of investors who wish to make investment decisions based on ethical principles.
Use of derivatives:	**Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management (including currency hedging) (as set out from page 58 onwards).** **It is not intended that the use of derivatives will raise the risk profile of the Fund nor result in greater volatility.**
Benchmarks/Performance Measurement:	Comparator Benchmarks: *Investment Association All UK Companies Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe and comprising ethical and non-ethically screened funds, demonstrating the value of the Fund's ethical screen against non-ethically screened funds.

	FTSE All Share Index Comparison against this index will allow investors to determine the cost or benefit of investing ethically by comparing the Fund's performance against that of a representative but not identical universe of the Fund's potential investments which includes investments that have not been filtered using an ethical screen. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares
Minimum Initial Lump Sum Investment:	Class B Shares: £500
Minimum Initial Regular Savings Plan Investment:	Class B Shares: £50 p/m
Minimum Subsequent Investment:	Class B Shares: £100
Minimum Holding:	Class B Shares: £250
Minimum Partial Redemption:	Class B Shares: £100
Preliminary Charge:	Class B Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Class B Shares: 0.75%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August

Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November
Additional power re government & public securities:	Not applicable
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to UK equity stocks while pursuing an ethical investment policy which excludes unethical activity. Investors in this Fund should be comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as equities, bonds, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Sustainable Equity Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	The Fund will be invested in a concentrated portfolio (typically 35-45 stocks) consisting of equities of companies which may be listed, quoted or traded anywhere in the world and denominated in any currency which meet the Fund's predefined sustainability criteria. The Fund is actively managed and can invest in companies of any market capitalization (small, medium or large) and in any industry sector although will tend to have a bias towards small-medium companies. At any one time, the scope of investment may be themed by geography, industry, size or style to take advantage of opportunities identified by the ACD. The ACD places emphasis on growth-oriented companies with low debt and high returns on invested capital. All of the Fund's equity investments are subject to the ACD's sustainability criteria relevant to this asset class. The ACD will, firstly, apply an exclusionary screen to exclude investments which the ACD considers have a negative impact on society and/or the environment. The ACD then, through applying a detailed sustainability analysis, focusses on the equities of companies which are aligned with, or expected to contribute to the key sustainability characteristics considered as part of the ACD's sustainability analysis. The ACD will use a combination of external third party research and internal analysis in the application of its sustainability criteria To the extent that the Fund is not fully invested in the main asset class listed above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives can be used by the Fund for efficient portfolio management (including hedging to reduce currency risk). Non-Sterling exposure will typically not be hedged back to Sterling.
Sustainability Criteria:	In making investments for the Fund, the ACD shall adhere to the following sustainability criteria, which combine an exclusionary screen with fundamental analysis. **Exclusionary screen** The ACD first applies an exclusionary screen to the universe of investments. The Fund shall not be invested in equities of companies that fall within the exclusionary criteria set out in Section B of Schedule One to this Appendix D. **Sustainability analysis** Investments which pass the exclusionary screen and which the ACD then considers to be potential investments for the portfolio are then further subject to fundamental analysis by the ACD's Responsible Investment team. The ACD will identify the key ESG risks on a sector basis and positively screen companies accordingly. Fundamental ESG analysis will consider

	the nature of the products and services that a company provides and also the company's operational practices and standards. The reporting by companies of ESG data varies by region, sector and within sectors. High ESG impact sectors such as mining, oil & gas, automobiles and airlines 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 media) 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. Only companies which the positive screens identify as ESG sector "leaders" (companies that meet a large amount of the ACD's ESG criteria quantitatively and qualitatively) or "improvers" (companies where some environmental, social/or governance issues have been identified but in the ACD's view, the company is showing clear evidence of material improvement will be suitable for investment and inclusion in the Fund. **Other asset classes:** The ACD will not invest in CIS where the underlying securities do not meet the ACD's sustainability criteria. A sustainability assessment will not be performed on cash, foreign currency or currency forwards. A sustainability assessment will not be applied to derivatives that are used for hedging purposes. **Divestment:** The ACD may use its influence as an investor to try to ensure that the business activities of securities held in the fund continue to be consistent with the ACD's sustainability criteria. If an existing holding is identified as no longer meeting the ACD's sustainability criteria as a result of circumstances changing or the issuer not improving on the issues where the ACD had expected to see progress, then the ACD will sell out of the position as soon as is reasonably practicable and always whilst seeking best execution. Further details of the Aegon Responsible Investment Framework are available on the website at https://www.aegon.com/contentassets/3400edaa3c434c62be14bf0793f0d0f1/aegon-responsible-investment-policy-january-2020.pdf
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management (including currency hedging) (as set out from page 58 onwards).** **It is not intended that the use of derivatives will raise the risk profile of the Fund nor result in greater volatility.**
Benchmarks/Performance Measurement:	Comparator Benchmarks: *Investment Association Global Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. *MSCI ACWI Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow investors to

	judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison. The ACD also use the MSCI ACWI Index as a reference portfolio for the purpose of assessing the Fund's global exposure	
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.	
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.	
Share Classes:	Class B net accumulation Shares Class E net accumulation Shares Class S net accumulation Shares	
Minimum Initial Lump Sum Investment:	Class B Shares: Class E Shares: Class S Shares:	£500 €750 £100,000,000
Minimum Initial Regular Savings Plan Investment:	Class B Shares: Class S Shares:	£50 p/m Not applicable
Minimum Subsequent Investment:	Class B Shares: Class E Shares: Class S Shares:	£100 €200 £10,000,000
Minimum Holding:	Class B Shares: Class E Shares: Class S Shares:	£250 €400 £50,000,000
Minimum Partial Redemption:	Class B Shares: Class E Shares: Class S Shares:	£100 €200 £10,000,000
Preliminary Charge:	Class B Shares: Class E Shares: Class S Shares: The ACD may at its discretion from time to time waive the initial charge in whole or in part.	0.00% 5.50% 0.00%
Annual Management Charge:	Class B Shares: Class E Shares:	0.75% 1.50%

	Class S Shares: 0.40%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November
Additional power re government & public securities:	Not applicable
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to the global equity market and who are comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets e.g. bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a dailybasis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon High Yield Bond Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	At least 80% of the Fund will be invested in a portfolio of high yield corporate bonds issued anywhere in the world and denominated in any currency. **High yield corporate bonds** are considered by the investment manager to be bonds issued by companies whose credit rating is defined as Ba1 or below by Moody's or BB+ or below by Standard and Poor's or BB+ or below by Fitch or their respective successors or equivalents. High yield bonds also include non-rated instruments. The Fund is actively managed and the ACD will seek to achieve diversification across individual issuers, geographies and sectors when constructing the portfolio. To the extent that the Fund is not fully invested in high yield corporate bonds, the Fund may also invest in other transferable securities (including corporate debt and government and public securities denominated in any currency), collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives may be used for investment purposes, for example exposure to assets may be gained through the use of derivatives. Derivatives may also be used for efficient portfolio management (including hedging to reduce currency risk). 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.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and derivatives and forward transactions will be used to meet the investment objectives of the Fund (as set out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives.** **It is not intended that the use of derivatives and/or forward transactions will raise the risk profile of the Fund nor result in greater volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Comparator Benchmarks: *Investment Association Sterling High Yield Bond Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. *Bank of America Merrill Lynch Global High Yield Constrained Index (hedged to Sterling)*

	Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 50% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares Class S net accumulation Shares Class S net income Shares
Minimum Initial Lump Sum Investment:	Both Class B Shares: £500 Both Class S Shares: £100,000,000
Minimum Initial Regular Savings Plan Investment:	Both Class B Shares: £50 p/m Both Class S Shares: Not applicable
Minimum Subsequent Investment:	Both Class B Shares: £100 Both Class S Shares: £10,000,000
Minimum Holding:	Both Class B Shares: £250 Both Class S Shares: £50,000,000
Minimum Partial Redemption:	Both Class B Shares: £100 Both Class S Shares: £10,000,000
Preliminary Charge:	Both Class B Shares: 0.00% Both Class S Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares: 0.55% Both Class S Shares: 0.45%

Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August Interim: 1st day of each calendar month
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 31 August Interim: Final day of each month
Additional power re government & public securities:	Not applicable.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to the high yield bond market and who are comfortable with a medium level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Investment Grade Bond Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	At least 80% of the Fund will be invested in a portfolio of investment grade corporate bonds issued anywhere in the world in any currency. **Investment grade corporate bonds** are bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's) BBB- or higher by Standard & Poor's (S&P) or BBB- or higher by Fitch or their respective successors or equivalents. The Fund will seek to achieve diversification across individual issuers, geographies and sectors when constructing the portfolio. The Fund is actively managed, and the ACD adjusts the Fund's credit exposure and duration (interest rate risk) based on an analysis of the prevailing economic and market conditions. To the extent that the Fund is not fully invested in investment grade corporate bonds, the Fund may also invest in other transferable securities (including high yield corporate bonds), government and public securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. **High yield corporate bonds** are considered by the investment manager to be bonds issued by companies whose credit rating is defined as Ba1 or below by Moody's or BB+ or below by Standard and Poor's or BB+ or below by Fitch or their respective successors or equivalents. High yield bonds also include non-rated instruments. Derivatives may be used for investment purposes, for example exposure to assets may be gained through the use of derivatives. Derivatives may also be used for efficient portfolio management (including hedging to reduce currency risk). 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.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and derivatives and forward transactions will be used to meet the investment objectives of the Fund (as set out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives.** **It is not intended that the use of derivatives and/or forward transactions will raise the risk profile of the Fund nor result in greater volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	*Primary Comparator Benchmark:* *Investment Association Sterling Corporate Bond Peer Group*

	Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. Other Market Comparator Benchmark: *Iboxx Sterling Corporate & Collateralised Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.	
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.	
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.	
Share Classes:	Class B net accumulation Shares Class B net income Shares Class S net accumulation Shares Class S net income Shares	
Minimum Initial Lump Sum Investment:	Both Class B Shares: Both Class S Shares:	£500 £100,000,000
Minimum Initial Regular Savings Plan Investment:	Both Class B Shares: Both Class S Shares:	£50 p/m Not applicable
Minimum Subsequent Investment:	Both Class B Shares: Both Class S Shares:	£100 £10,000,000
Minimum Holding:	Both Class B Shares: Both Class S Shares:	£250 £50,000,000
Minimum Partial Redemption:	Both Class B Shares: Both Class S Shares:	£100 £10,000,000
Preliminary Charge:	Both Class B Shares: Both Class S Shares:	0.00% 0.00%

	The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares: 0.50% Both Class S Shares: 0.40%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August Interim: 1 November, 1 February, 1 May
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November (distribution of income to be made in advance on 30 September) Interim: 31 December, 31 March, 30 June
Additional power re government & public securities:	Not applicable.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to the investment grade bond market and who are comfortable with a medium level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Sterling Corporate Bond Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	At least 80% of the Fund will be invested in a portfolio of investment grade corporate bonds issued anywhere in the world. **Investment grade corporate bonds** are bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's) BBB- or higher by Standard & Poor's (S&P) or BBB- or higher by Fitch or their respective successors or equivalents. Up to 10% of the Fund may also be invested in high yield corporate bonds. **High yield corporate bonds** are considered by the investment manager to be bonds issued by companies whose credit rating is defined as Ba1 or below by Moody's or BB+ or below by Standard and Poor's or BB+ or below by Fitch or their respective successors or equivalents. High yield bonds also include non-rated instruments. Bond investments will be denominated in Sterling. The Fund will seek to achieve diversification across individual names and sectors when constructing the portfolio. The Fund is actively managed, and the ACD adjusts the Fund's credit exposure and duration (interest rate risk) based on an analysis of the prevailing economic and market conditions. To the extent that the Fund is not fully invested in investment grade and high yield corporate bonds, the Fund may also invest in other transferable securities, government and public securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives may be used for investment purposes, for example exposure to assets may be gained through the use of derivatives. Derivatives may also be used for efficient portfolio management.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and derivatives and forward transactions will be used to meet the investment objectives of the Fund (as set out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives.** **It is not intended that the use of derivatives and/or forward transactions will raise the risk profile of the Fund nor result in greater volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Primary Comparator Benchmark: *Investment Association Sterling Corporate Bond Peer Group*

	Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. Other Market Comparator Benchmark: *Iboxx Sterling Corporate & Collateralised Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 100% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares Class G gross accumulation Shares Class G gross income Shares Class S net accumulation Shares Class S net income Shares
Minimum Initial Lump Sum Investment:	Both Class B Shares: £500 Both Class G Shares: £2,000,000 Both Class S Shares: £100,000,000
Minimum Initial Regular Savings Plan Investment:	Both Class B Shares: £50 p/m Both Class S Shares: Not applicable
Minimum Subsequent Investment:	Both Class B Shares: £100 Both Class G Shares: £10,000 Both Class S Shares: £10,000,000
Minimum Holding:	Both Class B Shares: £250 Both Class G Shares: £1,000,000 Both Class S Shares: £50,000,000

Minimum Partial Redemption:	Both Class B Shares: £100 Both Class G Shares: £10,000 Both Class S Shares: £10,000,000
Preliminary Charge:	Both Class B Shares: 0.00% Both Class G Shares: 0.00% Both Class S Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares: 0.35% Both Class G Shares: 0.50% Both Class S Shares: 0.25%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August Interim: 1 November, 1 February, 1 May
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November (distribution of income to be made in advance on 30 September) Interim: 31 December, 31 March, 30 June
Additional power re government & public securities:	Not applicable.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to the sterling corporate bond market and who are comfortable with a medium level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon Strategic Bond Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	At least 80% of the Fund will be invested in a diverse portfolio of corporate bonds and government and public securities issued anywhere in the world and denominated in any currency, with proportions being flexibly adjusted at different stages of the economic and market cycle. The Fund may invest in aggregate a maximum of 40% of its Net Asset Value in high yield corporate bonds and emerging market bonds. **High yield corporate bonds** are considered by the investment manager to be bonds issued by companies whose credit rating is defined as Ba1 or below by Moody's or BB+ or below by Standard and Poor's or BB+ or below by Fitch or their respective successors or equivalents. High yield bonds also include non-rated instruments. **Emerging market bonds**. An "emerging market bond" is defined as a bond which is issued by: (1) a country, jurisdiction or territory comprised within, or a constituent of, any of the following indices: (a) J.P. Morgan Emerging Market Bond Index; (b) J.P. Morgan Corporate Emerging Markets Bond Index; or (c) J.P. Morgan Government Bond Index - Emerging Markets; or (2) any other country which the ACD deems to be an Emerging Market based on the ACD's evaluation of economic fundamentals such as economic growth rate, inflation rate and unemployment rate in a particular market, political developments and other specific factors the ACD believes to be relevant. The Fund will seek to achieve diversification across individual issuers, geographies and sectors when constructing the portfolio. The Fund is actively managed, and the ACD adjusts the Fund's credit exposure and duration (interest rate risk) basedon an analysis of the prevailing economic and market conditions. To the extent that the Fund is not fully invested in the main asset classes listed above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives may be used for investment purposes, for example exposure to assets may be gained through the use of derivatives. Derivatives may also be used for efficient portfolio management (including hedging to reduce currency risk). 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.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and derivatives and forward transactions will be used to meet the investment objectives of the Fund (as**

	set out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives. **It is not intended that the use of derivatives and/or forward transactions will raise the risk profile of the Fund nor result in greater volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Primary Comparator Benchmark: *Investment Association Strategic Bond Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. Other Market Comparator Benchmark: *Barclays Global Aggregate (hedged to Sterling) Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. *Sterling Over Night Index Average (SONIA) 1 Month* Comparison against this rate will allow investors to determine whether the Fund has delivered total returns in excess of cash. SONIA gives an indication of what a cash investment could have provided. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 50% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares Class S net accumulation Shares Class S net income Shares
Minimum Initial Lump Sum Investment:	Both Class B Shares: £500 Both Class S Shares: £100,000,000

Minimum Initial Regular Savings Plan Investment:	Both Class B Shares: £50 p/m Both Class S Shares: Not applicable
Minimum Subsequent Investment:	Both Class B Shares: £100 Both Class S Shares: £10,000,000
Minimum Holding:	Both Class B Shares: £250 Both Class S Shares: £50,000,000
Minimum Partial Redemption:	Both Class B Shares: £100 Both Class S Shares: £10,000,000
Preliminary Charge:	Both Class B Shares: 0.00% Both Class S Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares: 0.55% Both Class S Shares: 0.45%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August Interim: 1 November, 1 February, 1 May
Income Allocation Date(s):	Annual: 30 November (distribution of income to be made in advance on 30 September) Interim: 31 December, 31 March, 30 June
Additional power re government & public securities:	More than 35% and up to 100% of the Net Asset Value of the Scheme Property may be invested in the government & public securities listed in Appendix B.
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to global bond markets and who are comfortable with a medium level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon UK Equity Absolute Return Fund**
Investment Objective:	The investment objective is to achieve a positive absolute return over any 36 month period in all market conditions. 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.
Investment Policy:	The Fund invests in derivatives, such as contracts for difference, to gain exposure to equities of companies which are listed, quoted or traded in UK markets or which have their headquarters or a significant part of their activities in the UK but which may also be quoted on a regulated market outside of the UK. As a consequence of the Fund's extensive use of derivative contracts and the related requirement for the Fund to hold sufficient levels of highly liquid collateral, **a substantial proportion of the Scheme Property of the Fund will consist of cash, near cash and deposits**. The Fund can also invest directly in equities and equity indices. At least 90% of the Fund's exposure to companies/indices will be to UK companies and/or UK equity indices. The Fund may invest in, or gain derivative exposure to, companies of any market capitalization (small, medium or large) and in any industry sector. The Fund aims to achieve limited correlation with broad UK equity markets and looks to achieve lower volatility than UK equity markets (i.e. lower changes in value). The Fund is actively managed and at any one time, the scope of investment may be themed by industry, size or style to take advantage of opportunities identified. To the extent that the Fund is not fully invested in the main asset classes listed above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives can be used for investment purposes, for example exposure to assets may be gained through the use of derivatives (including long and short positions for the purposes of adjusting risk exposures). Derivatives may also be used for efficient portfolio management (including hedging to reduce currency risk). Non-Sterling exposure may or may not be hedged back to Sterling to reduce currency risk.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) and, in case of derivatives and forward transactions, to meet the investment objectives of the Fund (as set**

	out from page 58 onwards). Derivatives may be exchange traded or Over the Counter (OTC) derivatives. **The use of derivatives and forward transactions and/or repo transactions and/or stock lending transactions is not expected to materially impact the Fund's risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Comparator Benchmark: *Sterling Over Night Index Average (SONIA) 1 Month* Investors are invited to compare the Fund's performance against this index. Comparison against this rate will allow investors to determine whether the Fund has delivered total returns in excess of cash. SONIA gives an indication of what a cash investment could have provided. The above comparison should be performed over at least a 36 month period to provide the most appropriate comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 50% to 150% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares
Minimum Initial Lump Sum Investment:	Class B Shares: £500
Minimum Initial Regular Savings Plan Investment:	Class B Shares: £50 p/m
Minimum Subsequent Investment:	Class B Shares: £100
Minimum Holding:	Class B Shares: £250
Minimum Partial Redemption:	Class B Shares: £100
Preliminary Charge:	Class B Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Class B Shares: 0.80%

Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November
Additional power re government & public securities:	Not applicable
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking an absolute return through pooled exposure to the UK equity market and who are comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon UK Equity Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	At least 80% of the Fund will be invested in equities of companies which are listed, quoted or traded in UK markets or which have their headquarters or a significant part of their activities in the UK but which may also be quoted on a regulated market outside of the UK. The Fund is actively managed and, at any one time, the scope of investment may be themed by industry, size or style to take advantage of opportunities identified by the ACD. The Fund can invest in companies of any market capitalization (small, medium or large) and in any industry sector. The Fund can also invest up to 20% of its Net Asset Value in equities of non- UK companies. To the extent that the Fund is not fully invested in the main asset class listed above, the Fund may also invest in warrants, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives can be used for efficient portfolio management (including hedging to reduce currency risk.) Non-Sterling exposure will typically not be hedged back to Sterling.
Use of derivatives/repo/stock lending/transactions:	**Derivatives and forward transactions and/or repo transactions and/or stock lending transactions may be used for the purposes of Efficient Portfolio Management (including currency hedging) (as set out from page 58 onwards).** **It is not intended that the use of derivatives will raise the risk profile of the Fund nor result in greater volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Comparator Benchmarks: *Investment Association All UK Companies Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. *FTSE All Share Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow

	investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class B net income Shares Class E net accumulation Shares Class E net income Shares .
Minimum Initial Lump Sum Investment:	Both Class B Shares: £500 Both Class E Shares: €750
Minimum Initial Regular Savings Plan Investment:	Both Class B Shares: £50 p/m
Minimum Subsequent Investment:	Both Class B Shares: £100 Both Class E Shares: €200
Minimum Holding:	Both Class B Shares: £250 Both Class E Shares: €400
Minimum Partial Redemption:	Both Class B Shares: £100 Both Class E Shares: €200
Preliminary Charge:	Both Class B Shares: 0.00% Both Class E Shares: 5.50% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Both Class B Shares: 0.60% Both Class E Shares: 1.50%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January

Ex-Dividend Date(s):	Annual: 1 August
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November
Additional power re government & public securities:	Not applicable
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to the UK equity market and who are comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it isimportant to understand that the Fund should be viewed as a longer terminvestment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon UK Sustainable Opportunities Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	The Fund will be invested in a concentrated portfolio (typically 35-45 stocks) with at least 80% of the Fund consisting of equities of companies which are domiciled, incorporated or have significant operations in/exposure to the UK but which may also be quoted on a regulated market outside of the UK and which meet the Fund's predefined sustainability criteria. The Fund is actively managed and can invest in companies of any market capitalisation (small, medium or large) and in any industry sector although will generally have a bias towards small to medium companies. At any one time, the scope of investment may be themed by industry, size or style to take advantageof opportunities identified by the ACD. The ACD seeks to identify companies which, in the ACD's opinion, have undiscovered growth. This is supplemented by a selection of less mature smaller companies with long term growth potential and includes the flexibility to implement thematic views. All of the Fund's equity investments are subject to the ACD's sustainability criteria relevant to this asset class. The ACD will, firstly, apply an exclusionary screen to exclude investments which the ACD considers have a negative impact on society and/or the environment. The ACD then, applying a detailed sustainability analysis, focusses on the equities of companies which are aligned with, or expected to contribute to the key sustainability characteristics considered as part of the ACD's sustainability analysis. The ACD will use a combination of external third party research and internal analysis in the application of its sustainability criteria. The Fund can also invest up to 20% of its Net Asset Value in equities of non- UK companies (which, for the avoidance of doubt, require to meet the Fund's pre-defined sustainability criteria). To the extent that the Fund is not fully invested in the main asset class listed above, the Fund may also invest in warrants, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed bythe ACD or its affiliates), deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives can be used for efficient portfolio management (including hedging to reduce currency risk). Non-Sterling exposure will not typically be hedged back to Sterling.

Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions will be used for the purposes of Efficient Portfolio Management (as set out from page 58 onwards).** **It is not intended that the use of derivatives will raise the risk profile of the Fund nor result in greater volatility.**
Sustainability Criteria	In making investments for the Fund, the ACD shall adhere to the following sustainability criteria, which combine an exclusionary screen with fundamental analysis. **Exclusionary screen** The ACD first applies an exclusionary screen to the universe of investments. The Fund shall not be invested in equities of companies that fall within the exclusionary criteria set out in Section B of Schedule One tothis Appendix D. **Sustainability analysis** Investments which pass the exclusionary screen and which the ACD then considers to be potential investments for the portfolio are then further subject to sustainability analysis conducted by the ACD's Responsible Investment team. The ACD will identify the key ESG risks and opportunities on a sector basis and positively screen companies accordingly. Sustainability analysis will consider the nature of the products and services that a company provides and also the company's operational practices and standards. Companies' reporting of ESG data varies by region, sector and within sectors. High ESG impact sectors such as mining, oil & gas, automobiles and airlines 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 ESG impacts are less significant (for example, media) 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. Only companies which the sustainability analysis identifies as ESG "leaders" (companies that meet a large amount of the ACD's ESG criteria quantitatively and qualitatively) or "improvers" (companies where some environmental, social/or governance issues have been identified but in the ACD's view, the company is showing clear evidence of material improvement or has implemented a strategy to achieve this) will be suitable for investment and inclusion in the Fund. Other asset classes: The Fund will not invest in CIS where the underlying securities do not meet the ACD's sustainability criteria. A sustainability assessment will not be performed on cash, foreign currency or currency forwards, nor applied to derivatives that are used for hedging purposes. **Divestment:** The ACD may use its influence as an investor to try to ensure that the business activities of the issuers of securities held in the fund continue to be consistent with the ACD's sustainability criteria. If an existing holding is identified by the

	ACD's Responsible Investment team as no longer meeting the ACD's sustainability criteria as a result of circumstances changing or the issuer not improving on the issues where the ACD had expected to see progress, then the Responsible Investment team will downgrade the stock's sustainability rating to 'laggard' and the ACD will sell out of the position as soon as is reasonably practicable and always whilst seeking best execution. Further details of the Aegon Responsible Investment Framework are available on the website at: https://www.aegon.com/contentassets/3400edaa3c434c62be14bf0793f0d0f1/aegon-responsible-investment-policy-january-2020.pdf
Benchmarks/Performance Measurement:	Comparator Benchmarks: *Investment Association All UK Companies Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. *FTSE All Share Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the Fund's potential investments. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares Class S net accumulation Shares
Minimum Initial Lump Sum Investment:	Class B Shares: £500 Class S Shares: £100,000,000
Minimum Initial Regular Savings Plan Investment:	Class B Shares: £50 p/m Class S Shares: Not applicable
Minimum Subsequent Investment:	Class B Shares: £100 Class S Shares: £10,000,000
Minimum Holding:	Class B Shares: £250 Class S Shares: £50,000,000

Minimum Partial Redemption:	Class B Shares: £100 Class S Shares: £10,000,000
Preliminary Charge:	Class B Shares: 0.00% Class S Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Class B Shares: 0.75% Class S Shares: 0.40%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November
Additional power re government & public securities:	Not applicable
Historic performance:	Set out in Appendix E.
Profile of typical investor:	The Fund will target retail and institutional investors seeking pooled exposure to the UK equity market and who are comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Fund should be viewed as a longer term investment. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Name:	**Aegon UK Smaller Companies Fund**
Investment Objective:	The investment objective is to provide a combination of income and capital growth over any 7 year period.
Investment Policy:	At least 80% of the Fund will be invested in equities of smaller UK companies. UK companies are those which are listed, quoted or traded in UK markets or which have their headquarters or a significant part of their activities in the UK but which may also be quoted on a regulated market outside of the UK. Smaller companies are those which are in the bottom 10% by market capitalisation. The Fund is actively managed and, at any one time, the scope of investment may be themed by industry, size or style to take advantage of opportunities identified by the ACD. The Fund will place emphasis on stocks which deliver premium profit growth combined with positive earnings momentum. The Fund can also invest up to 20% of its Net Asset Value in equities of non- UK companies. To the extent that the Fund is not fully invested in the main asset class listed above, the Fund may also invest in other transferable securities, collective investment schemes (up to 10% of Net Asset Value and which may include schemes managed by the ACD or its affiliates), money market instruments, deposits and cash and near cash. It is intended that investment in any other collective investment schemes will be predominately in approved money market instruments. Derivatives can be used for efficient portfolio management (including hedging to reduce currency risk). Non-Sterling exposure will typically not be hedged back to Sterling.
Use of derivatives/repo/stock lending transactions:	**Derivatives and forward transactions and/or repo and/or stock lending transactions will be used for the purposes of Efficient Portfolio Management (including currency hedging) (as set out from page 58 onwards).** **It is not intended that the use of derivatives will raise the risk profile of the Fund nor result in greater volatility. The use of repo transactions and/or stock lending transactions will not materially increase the risk profile.** **The expected % of NAV of the Fund to be used for repo transactions is 0 – 20%.** **The expected % of NAV of the Fund to be used for stock lending transactions is 0 – 20%.**
Benchmarks/Performance Measurement:	Comparator Benchmarks: *Investment Association UK Smaller Companies Peer Group* Investors are invited to compare the Fund's performance against the performance of other funds within this Peer Group. Comparison of the Fund against this Peer Group will give investors an indication of how the Fund is performing compared with Funds investing in a similar but not identical investment universe. *Numis Smaller Companies (Excluding Investment Trusts) Index* Comparison against this index will allow investors to compare the Fund's performance against that of a representative but not identical universe of the

	Fund's potential investments. Comparison against this index will also allow investors to judge the active nature of the Fund against performance of an index which could reflect the performance of equivalent passive funds. The above comparisons should be performed over at least a 7 year period to provide the most useful long term comparison.
Anticipated Level of Leverage:	The level of leverage of the Fund (calculated as the sum of the notionals of the derivatives used by the Fund) under normal circumstances is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.
ISA:	It is intended that the Fund will be invested in a manner which aims to ensure that Shares in the Fund will constitute Qualifying Investments under the Individual Savings Regulations.
Share Classes:	Class B net accumulation Shares
Minimum Initial Lump Sum Investment:	Class B Shares: £500
Minimum Initial Regular Savings Plan Investment:	Class B Shares: £50 p/m
Minimum Subsequent Investment:	Class B Shares: £100
Minimum Holding:	Class B Shares: £250
Minimum Partial Redemption:	Class B Shares: £100
Preliminary Charge:	Class B Shares: 0.00% The ACD may at its discretion from time to time waive the initial charge in whole or in part.
Annual Management Charge:	Class B Shares: 0.75%
Charge for investment research:	None
Interim Accounting Period(s):	1 August to 31 January
Ex-Dividend Date(s):	Annual: 1 August
Income Allocation Date(s): (Also known as "Pay Date")	Annual: 30 November
Additional power re government & public securities:	Not applicable
Historic performance:	Set out in Appendix E.

Profile of typical investor:	The Fund is designed for retail and institutional investors seeking pooled exposure to UK smaller companies stocks and who are comfortable with a higher level of investment risk. In most cases, we expect the Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. While investors will normally be able to liquidate their holdings on a daily basis, unit prices will fluctuate and may fall significantly in value. Investors should have regard to both the Investment Objective and Policy of the Fund and the Risk Factors detailed in section 12 of this Prospectus. Investors are advised to consult with their professional advisers in respect of any investment decision.

Schedule One to Appendix D

Section A

Ethical Screening

The ACD employs EIRIS Services Limited ("EIRIS") to provide an ethical screening service in respect of **Aegon Ethical Cautious Managed Fund, Aegon Ethical Corporate Bond Fund and Aegon Ethical Equity Fund**.

The ACD shall, for a fee agreed between the ACD and EIRIS, which the ACD shall bear, obtain appropriate ethical advice from EIRIS involving monitoring the behaviour and activities of relevant companies according to the ethical criteria determined as applicable from time to time.

The present ethical criteria applied by the ACD mean that the above-named Funds will not invest in organisations which:

Alcohol	gain more than 10% of their total business through involvement in brewing, distillation or sale of alcoholic drinks.
Animal Welfare	provide animal testing services or which manufacture or sell animal-tested cosmetics or pharmaceuticals; have any involvement in intensive farming; operate abattoirs/slaughterhouse facilities; are producers or retailers of meat, poultry, fish, dairy products or slaughterhouse by-products.
Banks	are corporate and/or international banks with exposure to large corporate and/or third world debt.
Gambling	have investments in betting shops, casinos or amusement arcades which account for more than 10% of their total business.
Tobacco	make 5% or more of their business turnover from the growing, processing or sale of tobacco products.
Military	manufacture armaments or nuclear weapons or associated strategic products.
Nuclear Power	own or operate nuclear facilities.
Political Donations	have made political donations of more than 1% of revenues in the past 12 months.
Pornography	provide adult entertainment services.
Genetic Engineering	have patented genes.
Environment	(a) are involved in activities which are commonly held to be environmentally unsound – specifically covering the areas of PVC, Ozone Depleting Chemicals, hazardous pesticides; (b) have been convicted of serious pollution offences or are in breach of internationally recognised conventions on biodiversity, and companies in energy intensive industries which are not tackling the issue of climate change and hazardous chemicals; (c) are engaged in energy intensive industries which are not tackling the issue of climate change; (d) are engaged in coal mining and/or processing; or (e) are engaged in oil and gas exploration and/or production.
Oppressive Regimes	are operating in countries with poor Human Rights records, without established management policies on these issues with due regard to the nature of the activities that a company is undertaking.

Section B

Sustainable Screening

The ACD employs sustainability screening service in respect of **Aegon Sustainable Diversified Growth Fund, Aegon UK Sustainable Opportunities Fund and Aegon Sustainable Equity Fund.**

The present sustainability criteria applied by the ACD mean that the above-named Fund(s) will firstly apply an exclusionary screen and not invest in organisations which:

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 10% of revenue from gambling
Genetic modification	Firms which conduct genetic modification for agricultural policies
Tobacco	Firms which derive more than 10% 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
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

Appendix E Historic Performance

Past performance is not a guide to future performance. The value of your investment and any income from it may fall as well as rise and is not guaranteed.

The performance data presented here shows performance in 12 month periods to 31 December 2022, including performance of each Sub-Fund against performance of relevant Target or Comparator Benchmarks.

For an explanation of the relevant Target and Comparator Benchmarks, please refer to Appendix D.

Fund/Benchmark	**% Growth from 01/01/2022 to 31/12/2022**	**% Growth from 01/01/2021 to 31/12/2021**	**% Growth from 01/01/2020 to 31/12/2020**	**% Growth from 01/01/2019 to 31/12/2019**	**% Growth from 01/01/2018 to 31/12/2018**	**% Growth from 01/01/2017 to 31/12/2017**	**% Growth from 01/01/2016 to 31/12/2016**	**% Growth from 01/01/2015 to 31/12/2015**	**% Growth from 01/01/2014 to 31/12/2014**	**% Growth from 01/01/2013 to 31/12/2013**
Aegon Sustainable Diversified Growth Fund (B Acc share class)	**-15.20**	**6.73**	**10.49**	**13.18**	**-8.14**	**11.41**	**5.21**	**1.46**	**9.98**	**-0.93**
Target Benchmark: UK Consumer Price Index plus 3%(RPI+4)*	**18.00**	**11.09**	**4.86**	**6.25**	**7.19**	**7.88**	**6.19**	**5.05**	**5.98**	**6.65**
Aegon Diversified Monthly Income Fund (B Acc share class)	**-9.77**	**9.58**	**-1.69**	**18.28**	**-4.45**	**10.01**	**9.45**	**4.97**	**N/A**	**N/A**
Aegon Ethical Cautious Managed Fund (B Acc share class)	**-20.00**	**9.24**	**2.23**	**17.83**	**-10.39**	**8.48**	**3.09**	**7.21**	**6.64**	**N/A**
Comparator Benchmark: Investment Association Mixed 20-60 Peer Group Median	**-9.66**	**7.23**	**3.61**	**12.45**	**-5.17**	**6.98**	**10.25**	**1.64**	**5.70**	**N/A**
Aegon Ethical Corporate Bond Fund (B Acc share class)	**-17.99**	**-1.39**	**7.88**	**8.63**	**-1.89**	**4.48**	**8.13**	**1.22**	**10.22**	**0.55**
Comparator Benchmark: Investment Association Sterling Corporate Bond Peer Group Median	**-17.33**	**-1.93**	**7.86**	**9.54**	**-2.07**	**5.16**	**9.03**	**-0.09**	**10.49**	**0.98**

Aegon Ethical Equity Fund (B Acc share class)	**-22.41**	**16.27**	**-0.82**	**31.31**	**-17.41**	**13.51**	**-0.27**	**13.62**	**2.36**	**37.37**
Comparator Benchmark: Investment Association All UK Companies Peer Group Median	**-5.86**	**17.49**	**-7.75**	**21.91**	**-10.11**	**12.91**	**11.87**	**4.95**	**0.96**	**25.68**
Aegon Sustainable Equity Fund* (B Acc share class)	**-31.14**	**8.88**	**30.51**	**21.35**	**-11.60**	**26.36**	**20.34**	**4.42**	**11.45**	**23.97**
Comparator Benchmark: Investment Association Global Peer Group Median	**-10.16**	**19.15**	**13.02**	**22.39**	**-5.00**	**13.48**	**24.91**	**4.18**	**9.24**	**23.40**
Aegon High Yield Bond Fund (B Acc share class)	**-9.27**	**6.04**	**4.51**	**13.71**	**-2.24**	**5.32**	**7.74**	**-1.61**	**4.00**	**5.55**
Comparator Benchmark: Investment Association Sterling High Yield Bond Peer Group Median	**-11.08**	**4.27**	**4.64**	**11.16**	**-3.63**	**6.32**	**8.97**	**-0.54**	**1.42**	**6.53**
Aegon Investment Grade Bond Fund (B Acc share class)	**-17.44**	**-1.28**	**8.76**	**9.35**	**-3.82**	**6.79**	**8.40**	**1.20**	**10.82**	**2.38**
Comparator Benchmark: Investment Association Sterling Corporate Bond Peer Group Median	**-17.33**	**-1.93**	**7.86**	**9.54**	**-2.07**	**5.16**	**9.03**	**-0.09**	**10.49**	**0.98**
Aegon Sterling Corporate Bond Fund (B Acc share class)	**-17.29**	**-2.27**	**8.81**	**9.85**	**-2.35**	**5.14**	**8.07**	**0.48**	**9.31**	**3.23**
Comparator Benchmark: Investment Association Sterling Corporate Bond Peer Group Median	**-17.33**	**-1.93**	**7.86**	**9.54**	**-2.07**	**5.16**	**9.03**	**-0.09**	**10.49**	**0.98**
Aegon Strategic Bond Fund (B Acc share class)	**-15.24**	**1.84**	**15.81**	**10.25**	**-1.97**	**5.64**	**5.07**	**-1.15**	**3.43**	**4.16**
Comparator Benchmark: Investment Association Strategic Bond Peer Group Median	**-11.80**	**0.56**	**6.38**	**8.80**	**-2.17**	**5.54**	**6.44**	**0.07**	**5.37**	**4.26**

Aegon UK Equity Absolute Return Fund (B Acc share class)	**0.02**	**0.24**	**6.72**	**6.33**	**-3.74**	**-3.97**	**-3.14**	**2.48**	**4.20**	**6.14**
Comparator Benchmark: Sterling Over Night Index Average (SONIA) 1 Month	**1.25**	**0.06**	**0.21**	**0.72**	**0.61**	**0.30**	**0.41**	**0.51**	**0.50**	**0.49**
Aegon UK Equity Fund (B Acc share class)	**-11.56**	**16.49**	**-2.52**	**22.62**	**-14.94**	**11.58**	**8.53**	**8.73**	**2.58**	**21.63**
Comparator Benchmark: Investment Association All UK Companies Peer Group Median	**-5.86**	**17.49**	**-7.75**	**21.91**	**-10.11**	**12.91**	**11.87**	**4.95**	**0.96**	**25.68**
Aegon UK Sustainable Opportunities Fund (B Acc share class)**	**-26.45**	**13.61**	**5.46**	**33.39**	**-17.12**	**10.43**	**5.82**	**9.38**	**1.71**	**30.99**
Comparator Benchmark: Investment Association All UK Companies Peer Group Median	**-5.86**	**17.49**	**-7.75**	**21.91**	**-10.11**	**12.91**	**11.87**	**4.95**	**0.96**	**25.68**
Aegon UK Smaller Companies Fund (B Acc share class)	**-33.44**	**20.94**	**3.69**	**35.83**	**-16.12**	**30.26**	**-2.87**	**23.63**	**-2.67**	**40.89**
Comparator Benchmark: Investment Association UK Smaller Companies Peer Group Median	**-26.00**	**22.94**	**5.76**	**28.96**	**-12.64**	**28.15**	**7.93**	**17.17**	**-1.01**	**39.30**

Source: Lipper Hindsight, % growth, net of AMC.

- *****Aegon Sustainable Equity Fund formerly the Aegon Global Equity Fund changed its name and investment policy along with the inclusion of sustainability criteria to reflect change of strategy to include sustainable overlay with effect from 1 June 2021
- ****** Aegon UK Sustainable Opportunities Fund formerly the Aegon UK Opportunities Fund changed its name and investment policy along with the inclusion of sustainability criteria to reflect change of strategy to include sustainable overlay with effect from 28 July 2022
- ***** Aegon Sustainable Diversified Growth Fund changes its investment objective and target benchmark with effect from 1st April 2023 Prior to that date the fund used a different target and past performance prior to that date may appear differently**

Appendix F
Directors of the ACD and their main business activities not connected with the business of the ACD as at the date of this Prospectus

Stephen James Marshall Jones	Aegon Asset Management Limited Aegon Asset Management UK Holdings Limited
Kirstie Sarah MacGillivray	Aegon Asset Management Limited Aegon Asset Management UK Holdings Limited Kildalton Limited
Adrian John Charles Hull	Aegon Asset Management Limited Aegon Asset Management UK Holdings Limited The East Anglian Heights Trading Company Limited
Thomas J. Scherer (Non-Independent Non-Executive)	Pearl Holdings, Inc. I Pearl Holdings, Inc. II Aegon USA Asset Management Holding LLC Aegon USA Investment Management LLC Aegon USA Realty Advisors LLC
Mary Teresa Kerrigan (Non-Executive)	Just Group PLC Just Retirement Limited Partnership Life Assurance Company Limited The London Irish Centre New Ireland Assurance Company Prudential UK La Banque Postale Asset Management Holding Anavon DAC trading as Companion
Andrew John Mack (Non-Executive)	ICE Clear Europe Limited

Appendix G
Citibank UK Limited List of Delegates and Sub-Delegates

Country	Citibank NA (Global Custody London & Luxembourg global window)
Argentina	The branch of Citibank NA in the Republic of Argentina
Australia	Citigroup Pty. Limited
Austria	Citibank Europe plc
Bahrain	Citibank, N.A., Bahrain Branch
Bangladesh	Citibank, N.A., Bangladesh Branch
Belgium	Citibank Europe plc,
Bermuda	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Bermuda Limited
Bosnia-Herzegovina (Sarajevo)	UniCredit Bank d.d.
Bosnia-Herzegovina: Srpska (Banja Luka)	UniCredit Bank d.d.
Botswana	Standard Chartered Bank of Botswana Limited
Brazil	Citibank, N.A., Brazilian Branch
Bulgaria	Citibank Europe plc Bulgaria Branch
Canada	Citibank Canada
Chile	Banco de Chile
China B Shanghai	Citibank, N.A., Hong Kong Branch (For China B shares)
China B Shenzhen	Citibank, N.A., Hong Kong Branch (For China B shares)
China A Shares	Citibank China Co Ltd (China A shares)
China Hong Kong Stock Connect	Citibank, N.A., Hong Kong Branch
Clearstream ICSD	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria

Costa Rica	Banco Nacioanal de Costa Rica
Croatia	Privedna Banka Zagreb d.d.
Cyprus	Citibank Europe plc, Greece Branch
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Citibank Europe plc
Egypt	Citibank, N.A., Egypt
Estonia	Swedbank AS
Euroclear	Euroclear Bank SA/NV
Finland	Citibank Europe plc
France	Citibank Europe plc
Georgia	JSC Bank of Georgia
Germany	Citibank Europe plc
Ghana	Standard Chartered Bank of Ghana Limited
Greece	Citibank Europe plc, Greece Branch
Hong Kong	Citibank NA Hong Kong Branch
Hungary	Citibank Europe plc Hungarian Branch Office
Iceland	Islandsbanki hf
India	Citibank NA Mumbai Branch
Indonesia	Citibank, N.A., Jakarta Branch
Ireland	Citibank NA London Branch
Israel	Citibank, N.A., Israel Branch
Italy	Citibank Europe Plc
Jamaica	Scotia Investments Jamaica Limited
Japan	Citibank N.A. Tokyo Branch
Jordan	Standard Chartered Bank Jordan Branch
Kazakhstan	Citibank Kasaksthan JSC

Kenya	Standard Chartered Bank Kenya Limited
Korea (South)	Citibank Korea Inc.
Kuwait	Citibank NA Kuwait Branch
Latvia	Swedbank AS, based in Estonia and acting through its Latvian branch, Swedbank AS
Lithuania	Swedbank AS, based in Estonia and acting through its Lithuanian branch “Swedbank” AB
Luxembourg	only offered through the ICSDs- Euroclear & Clearstream
Macedonia	Raiffeisen Bank International AG
Malaysia	Citibank Berhad
Malta	Citibank is a direct member of Clearstream Banking, which is an ICSD.
Mauritius	The Hong Kong & Shanghai Banking Corporation Limited
Mexico	Banco Nacional de Mexico, SA
Morocco	Citibank Maghreb S.A.
Namibia	Standard Bank of South Africa Limited acting through its agent, Standard Bank Namibia Limited
Netherlands	Citibank Europe plc
New Zealand	Citibank, N.A., New Zealand Branch
Nigeria	Citibank Nigeria Limited
Norway	Citibank Europe plc
Oman	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G
Pakistan	Citibank, N.A. Pakistan Branch
Panama	Citibank NA Panama Branch
Peru	Citibank del Peru S.A
Philippines	Citibank, N.A., Philippine Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe plc

Qatar	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Middle East Limited
Romania	Citibank Europe plc, Dublin - Romania Branch
Russia	AO Citibank
Saudi Arabia	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Saudi Arabia Ltd.
Serbia	UniCredit Bank Srbija a.d.
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobocka zahranicnej banky
Slovenia	UniCredit Banka Slovenia d.d. Ljubljana
South Africa	Citibank NA South Africa Branch
Spain	Citibank Europe plc,
Sri Lanka	Citibank NA Sri Lanka Branch
Sweden	Citibank Europe plc, Sweden Branch
Switzerland	Citibank NA London branch
Taiwan	Citibank Taiwan Limited
Tanzania	Standard Bank of South Africa acting through its affiliate Stanbic Bank Tanzania Ltd
Thailand	Citibank, N.A.Bangkok Branch
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.S.
Uganda	Standard Chartered Bank of Uganda Limited
Ukraine	JSC Citibank
United Arab Emirates ADX & DFM	Citibank NA UAE
United Arab Emirates NASDAQ Dubai	Citibank NA UAE
United Kingdom	Citibank NA London Branch

United States	Citibank NA New York offices
Uruguay	Banco Itau Uruguay S.A.
Vietnam	Citibank NA Hanoi Branch