


Ethical Investment

Private Investors

 Helpdesk 0800 45 44 22 • www.aegonam.co.uk

The Ethical Fund Range

AEGON Asset Management offers investors a choice of three ethical funds. All are designed to meet the needs of clients who wish to make investment decisions based on strong ethical principles. The Ethical Equity Fund invests in UK equities, the Ethical Corporate Bond Fund invests in corporate bonds and the Ethical Cautious Managed Fund actively asset allocates between UK equities, fixed income and cash. All funds use highly selective investment criteria, and do not invest in any company whose activities could be considered harmful to society or the environment.

The ethical screening process evaluates the effects that certain companies' activities, products and services can have on society at large. Ethical funds avoid investment in companies that harm people, animals or the environment.

Screening Process

The funds do not invest in companies that:

Animal Welfare

- provide animal testing services or manufacture or sell animal-tested cosmetics or pharmaceuticals
- have any involvement in intensive farming
- operate abattoirs or slaughterhouse facilities
- are producers or retailers of meat, poultry, fish, dairy products or slaughterhouse by-products

Military

- manufacture armaments, nuclear weapons or associated strategic products

Nuclear Power

- provide critical services to, or own or operate, nuclear power facilities

Environment

- are involved in activities which are considered to be environmentally unsound, specifically covering the areas of PVC, ozone depleting chemicals, hazardous pesticides or which have been convicted of serious pollution offences

Political Donations

- have made political donations of more than £25,000 in the last year

Genetic Engineering

- have patented genes

Gambling

- have investments in betting shops, casinos or amusement arcades accounting for more than 10% of their total business

Alcohol

- derive more than 10% of their total business through involvement in brewing, distillation or sale of alcoholic drinks

Tobacco

- derive more than 10% of their business from the growing, processing or sale of tobacco products

Pornography

- provide adult entertainment services

Banks

- are corporate or international banks with exposure to large corporate or Third World debt

Oppressive Regimes

- operate in countries with poor human rights records, and which have no established management policies on human rights issues

Ethical Investment

Private Investors

 Helpdesk 0800 45 44 22 • www.aegonam.co.uk

Corporate Social Responsibility

AEGON Asset Management ensures that it understands what corporate social responsibility means for a particular industry. Our fund managers and analysts meet regularly with the management of the companies we invest in. Ongoing dialogue with senior company management ensures that in-depth consideration is given to all aspects of a company's activities.

Poor social and environmental practices can affect a company's financial performance, either through damage to a company's reputation or the payment of regulatory fines, compensation, damages or other liabilities. Our investment analysis considers the effect an industry has on the environment, the company's track record on social and environmental issues, and the geographic regions in which a company operates.

For AEGON Asset Management, corporate responsibility also means actively exercising our voting rights over the shares that we invest in. We follow the guidelines laid down by the Combined Code's principles of good governance and code of best practice. This incorporates the recommendations of the Cadbury, Greenbury and Hampel committees. In line with the Ethical Equity Fund's principles, special consideration is given to shareholder resolutions of an environmental or social nature. We also continue to monitor the material risk disclosures of UK companies, in line with the recommendations of the Association of British Insurers.

To improve our customer service, and for training purposes, your telephone conversations with us may be recorded.

Important Information:

The Ethical Equity, Ethical Corporate Bond and Ethical Cautious Managed Funds are sub-funds of the AEGON ICVC (an Open-Ended Investment Company). AEGON Asset Management UK plc is the Authorised Corporate Director of the company (ACD). AEGON Asset Management is a member of the UK Social Investment Forum. These funds are medium to long term investments. Fluctuations in interest rates and exchange rates will affect the capital value. The value of your investment, and any income you may receive from it, can go down as well as up as conditions in the relevant markets change. Yields are not guaranteed and you may not get back what you originally invested. Past performance is not a guide to future performance. You should read the Simplified Prospectus document carefully, particularly the section on Risk Factors. A copy of the Simplified Prospectus and Prospectus are available from our Investor Helpdesk on 0800 45 4422. AEGON Asset Management includes AEGON Asset Management UK plc (No 113505) and AEGON Investment Management UK Ltd (No 212159). Both are registered in Scotland and have their Registered Offices at AEGON House, Edinburgh Park, Edinburgh, EH12 9SA. AEGON Asset Management UK plc is authorised and regulated by the Financial Services Authority.