AEGON Asset Management

RESPONSIBLE INVESTMENT

Our progress on active ownership and solutions in 2022

Aegon Asset Management is the global investment management brand of Aegon N.V. See disclosures for more detail.
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This document summarizes Aegon Asset Management's approach to responsible investing and active ownership across our fixed income, real assets, multi-asset and equities investment platforms within the various Aegon Asset Management affiliates. The activities and processes described herein are not applicable, or not applicable to the same degree, across all affiliates or all strategies. Please refer to the specific product documentation as you consider investing with us.

Beyond borders™

2022 at a glance

The responsible investment landscape continues to evolve with climate action the primary focus for many industry participants and considerable regulatory change taking place to address perceived greenwashing.

At Aegon Asset Management (Aegon AM) much of our focus in 2022 was on managing climate-related risks and accelerating the low-carbon transition, areas that are increasingly integral to our investment and stewardship processes. We also continued to develop and launch innovative responsible investment solutions for our clients. This included evolving our Short-Dated Investment Grade Bond Strategy[1] to focus on the transition to a net-zero global economy. The strategy is now known as the Aegon Global Short Dated Climate Transition Strategy and we have classified it under Article 8 of the European Union's Sustainable Finance Disclosure Regulation.

We maintained our comprehensive active ownership[2] program with a special focus on the heaviest emitters of greenhouse gases across fixed income portfolios. Our prioritization of responsible investment was further reflected in the steady progress of important capacity-building projects during the year. We also enhanced our materiality framework for the analysis of ESG risks in the credit research process[3]. And we strengthened our policies and procedures to better align with new regulatory requirements.

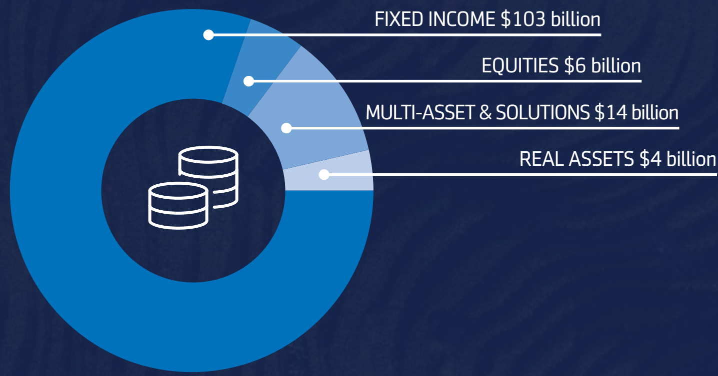
Within Aegon AM's Global Real Assets platform, we formalized our ESG program, updated our ESG questionnaires and continue to engage with borrowers and partners on ESG data collection.

We also began multiple initiatives which have carried into 2023 including climate risk assessment, the development of additional impact solutions, and increasing our ESG reporting capabilities for clients.

In this report we detail Aegon AM's responsible investing developments during 2022.

1. Advised and/or sub-advised by Aegon AM UK.
2. Active Ownership is not applicable to all asset classes or affiliates.
3. This is a general description of the firm's ESG process. It may not be applied to every holding in a given strategy.

ASSETS UNDER MANAGEMENT[4]



$127 billion
in RI solutions

397
issuers engaged[5]

832
contact points

19
dedicated RI team members

13 **Investor initiatives collaborated**

52
Fund ESG reports published

CLIMATE GOALS

at least 40% **of AuM aligned to net-zero objectives by 2025**

4. Aegon AM, as of December 31, 2022. Assets under management/advisement excludes joint ventures
5. Please see the Disclosure section for important additional information regarding engagements.
Aegon AM has updated the methodology of reporting the number of engagements undertaken and will state the number of contact points with issuers going forward. Previously reported numbers were based on manual groupings of these contact points. The 2021 figure is restated to reflect this change. The 2021 baseline for contact points is 685.

Contents

Our year in responsible investing

Our purpose is to help people live their best lives through active and engaged investment, so they can meet their financial objectives and help foster a healthy and vibrant world for all.

At Aegon AM, we are committed to embedding responsible investment practices helping to ensure a better long-term future for our clients and society.

As the world tackles the challenges of climate change, the role of the investment industry is crucial. We must focus on opportunities to generate positive, sustainable outcomes for investors, society and the environment. This means offering clients investment solutions which direct capital to issuers that can best tackle these challenges.

Across Aegon AM, we have taken steps to ensure we continue to fulfil our responsibilities as active investors; to widen the choice of sustainability focused products for our clients; and to improve the tools and data we use to build portfolios, all while considering the environmental impact of our own business operations.

In our commitment to deliver an industry-leading responsible investing proposition for our clients, we launched a first wave of comprehensive ESG reports. These provide greater transparency and will help our clients to better understand the ESG impacts of the portfolios we manage on their behalf.

In collaboration with others, we seek to achieve real positive results. Our work with other aligned investors through the Climate Action 100+ programme has demonstrated the power of collaborative engagement, while our participation in alliances such as the Net Zero Asset Managers Initiative and the Institutional Investors Group on Climate Change are key to fostering global change.

In 2022, we welcomed several new sustainable finance regulation initiatives in the European markets, which aim to enhance and standardize asset manager disclosures around sustainability. These initiatives will help to improve the transparency of information across the investment industry and help our clients work towards their sustainability and financial objectives.

We have also progressed in our diversity, equity and inclusion (DE&I) strategy. We are encouraged by the progress we made against our gender balance aspirations across the globe as we exceeded our ambition to reach 35% of women in senior management roles by the end of 2022. To increase the impact of our strategy we plan to capture wider diversity data. This will enable us to measure beyond gender diversity and review our actions through a broader intersectional lens. Within our annual survey of employees, we saw a positive increase in responses to questions on DE&I, confirming that while we have more to do, there is positive recognition of our progress in building a fair and inclusive company.

We hope you find this report useful and welcome your feedback on how we can go further and faster on our responsible investing journey.

Bas NieuweWeme
CEO

Stephen Jones
Global CIO Fixed Income, Multi-Asset & Solutions and Equities

Lara Osterhaus
Global Head of Real Assets

Brunno Maradei
Global Head of Responsible Investment

Climate change: A key focus area

Climate change presents long-term risks to companies, the industries in which they operate and society. As a global financial institution, we aim to deliver returns responsibly and with acceptable levels of risk. Integrating climate risk into our research processes is a critical part of this.

Aegon AM is a member of the Net Zero Asset Managers Initiative, a global coalition of asset managers committed to supporting the goal of net zero greenhouse gas ('GHG') emissions by 2050.

We support investments aligned with this net-zero emissions target and are collaborating with our clients on decarbonization, helping them to achieve their own climate ambitions.

Find out more in our Climate Change Action Plan.

In 2022, we established our interim targets on the path to net zero. By 2025, we aim to have at least 40% of our affiliated assets under management aligned to net zero objectives.

To achieve this target, we are increasing our capacity to analyze climate risks, developing investment strategies with a credible pathway to net zero, engaging with a wide range of companies to encourage adoption of science-based reduction targets, and ensuring we can better report our analyses to clients.

at least 40% of AuM aligned to net-zero objectives by 2025

Helping to address the climate challenge

Climate solutions

Through our sustainable and climate transition strategies, we are committed to investing in climate solutions and companies which are leading the transition to net-zero.

Investment restrictions

According to client preferences, utilize scientific research to aid investment decisions where an activity or company's business model is incompatible with a low-carbon world.

Thought-leading research

The integration of climate change considerations into our investment research is supported by rigorous analysis and data.

Active ownership

As active managers, we believe our role is to understand how companies will transition, track the credibility of their commitments, and engage with them to track progress.

Collaboration

We see value in collaborating with other like-minded investors and stakeholders to help our clients with their active ownership objectives.

Not all products are available to all investors or in all jurisdictions. Strategies are generally offered through locally licensed affiliates. Certain capabilities may not be open to new investors.
The Climate Change Action Plan summarizes Aegon Asset Management's approach to responsible investing and active ownership across our fixed income, multi-asset and equities investment platforms within the various Aegon Asset Management affiliates.

Incorporating climate change in fixed income

Climate change and the transition to net zero are increasingly important themes for investors and it is broadly accepted that significant action is required to reduce greenhouse gas (GHG) emissions. As regulatory, societal and investment pressures drive greater awareness of climate-related risks, we are seeing growing scrutiny from regulators and asset owners of climate-related exposures. This raises the question of how climate change risk can be incorporated within investment analysis and help build more resilient fixed income portfolios.

1. Leader	Ready for a low carbon future and actively driving the net-zero transition
2. Prepared	Policies, targets and actions aligned toward progress on net-zero
3. Transitioning	Demonstrating awareness of transition but a mixed degree of alignment
4. Unprepared	Policies, targets and actions misaligned or unaware of required transition
5. Laggard	Unprepared for a low carbon future and actively working against climate goals

Assessing climate transition risk

Our global responsible investing team have built a forward-looking research framework that identifies companies with robust and credible plans to transition towards a low carbon economy. Our analysis goes beyond historic emissions to form a forward-looking view of a company's transition readiness[6].

The base assessment focuses on three aspects: An understanding of a company's current level of GHG emissions; their historic GHG emissions reductions; and their overall management policies towards climate transition.

We determine each sector's ability to influence the energy transition and categorize these into low and high influence sectors. Rather than focus on 'impact' — which can have many definitions — we use the concept of 'influence'.

High-influence sectors are those which have a greater ability to influence the transition to a low carbon economy and the achievement of global climate goals. We identify these through a mixture of GHG emissions data, ESG metrics and expert opinion.

This influence can be as a result of their operational emissions, for example electric utilities, or emissions from the products they sell, for example oil and gas or more indirectly through their ability to influence the activities of others, for example banks.

Rather than simply exclude high-influence sectors from portfolios, our research aims to identify those companies that have robust and credible plans to transition towards a low carbon economy.

Companies in high-influence sectors are then subject to a further sector specific adjustment where the analysis focuses on the key climate issues for each sector, whether that is their direct operational emissions or emissions from products and/or supply chain. In these sectors, it is important to understand the idiosyncratic issues faced by companies and tailor our climate analysis accordingly. As part of these analyses we evaluate a company's strategy to transition to a low carbon economy.

6. There is no guarantee that the assessment of a company as a leader, as prepared or as transitioning will continue or that positive results will be obtained from investment in the securities of such companies.

Iain Buckle
Head of Credit UK
Co-manager of the Aegon Global Short Dated Climate Transition Fund

Rory Sandilands
Co-manager of the Aegon Global Short Dated Climate Transition Fund

Ritchie Thomson
Senior Responsible Investment Associate

> **"Climate change and the transition to net zero are increasingly important themes for investors and it is broadly accepted that significant action is required to reduce greenhouse gas emissions."**

What makes a company's transition plan credible?

The first step to a credible transition plan is robust target setting. We expect to see companies make a commitment to Net Zero by 2050 at the latest as well as set short and medium term GHG reduction targets aligned to science-based sector-specific decarbonisation pathways.

Having assessed the strength of the GHG reduction targets, companies should clearly set out the actions and levers they intend to use to meet their targets. A truly credible plan should go beyond simply identifying these actions and should set meaningful milestones, timelines and KPIs in terms of how much each is expected to reduce emissions by and by when, and evidence that sufficient funds are being invested in the plan. **In particular, transition plans should focus on absolute emissions reductions rather than offsets.**

Fixed income considerations

Investment grade fixed income issuance is dominated by financial companies. Although they typically have very low carbon footprints, from an operational perspective, they play a very important role in financing sectors that may be exposed to climate risks. Understanding the financials and what they are doing regarding climate change is therefore very important for fixed income.

In addition, private companies make up a fairly material part of the credit universe. This can pose a challenge from a data quality perspective as climate-related disclosure from private companies is typically not as comprehensive. Engagement can also be a challenge as a bond investor, given the lack of economic ownership and voting rights, so we need to look closely at how we engage with companies on climate transition matters. Given our wider equity and multi-asset capabilities, we can also benefit from our firmwide engagement activities.

Portfolio implementation

For climate transition focused portfolios, our research is designed to feed through into climate-related guidelines that guide portfolios towards net-zero alignment. We set out guidelines with key milestones, guiding the portfolio to steadily improve the exposure to those companies which are better prepared for the transition to a net-zero economy. At the outset we place a limit on a portfolio's exposure to companies that are laggards or unprepared for transition to net zero. Our ability to hold such companies diminishes over time.

We set these guidelines to reflect a reasonable pace of transition and encompass issuers from all sectors. They have also been designed to be compatible with emerging net-zero market frameworks, such as those from the Paris Aligned Investment Initiative and the Net-Zero Asset Owner Alliance.

We have implemented the climate transition framework in our Global Short Dated Climate Transition Strategy, although it is designed to be applicable across the maturity, geographic and credit-quality spectrum and within other asset classes. Going forward we should therefore be able to build other investment strategies using this framework according to client demand.

> **Our climate transition analysis is designed to feed through into climate-related guidelines for portfolios.**

Engaging companies to address climate risk

We carry out a significant number of individual and collaborative engagements related to climate change with the aim of reducing climate change related risk and improving outcomes within our clients' portfolios. As part of our engagement strategy, we challenge portfolio companies to set science-based greenhouse gas (GHG) reduction targets and expect them to work towards these with ambitious decarbonization plans.

We engage with public companies on a regular basis, prioritizing the top GHG emitters, and discuss progress towards their targets and the realization of the 2015 Paris Agreement as the key international commitment to the climate transition.

Furthermore, through our support for and participation in Climate Action 100+, we collaborate extensively with other investors to increase our voice and promote a standardized approach to addressing climate risk.

Engaging with investee companies on climate transition

Climate remains a high priority for our engagement activity. We focus on public companies that are the biggest contributors to the problem and engage to ensure they are measuring, monitoring, and setting challenging targets to meet the goals set out in the 2015 Paris Agreement. Our responsible investment team conducts these engagements directly with public companies, as well as in partnership with Aegon AM's research analysts and portfolio managers.

Given the scale of the challenge, it is advantageous to join collaborative initiatives to ensure that we are influencing as many companies as possible. For example, we engaged with a UK utility company alongside a group of other investors who are also members of CA100+. The focus of the engagement was to work with the company on the introduction of short-term targets and ensure their external climate policy is in line with the Paris Agreement. Our goal is to encourage the company towards emissions reductions, better climate governance and stronger disclosures.

This engagement has been ongoing for several years and the feedback through the lead investor is that the company is responsive and committed to meeting the high climate-related ambitions expressed by its shareholders. The company has a history of hitting its targets and continued to improve in 2022, in particular raising their score on the CA100+ net zero benchmark with respect to long-term GHG reduction targets, and in aligning their capital expenditure plans with their long-term GHG reduction targets.

Climate Action 100+

Please see the Disclosure section for important additional information regarding engagements.

Responsible investment solutions

We segment our responsible investment solutions into five categories, as set out in the table below. These solutions serve as building blocks that can be tailored to create customized client strategies.

Exclusions and ethical	Best-in-class ESG	Climate transition	Sustainable	Impact investing
Identify companies to exclude usually based on their activities and led by client preferences.	Select companies with relatively superior ESG profiles based on financially material ESG issues.	Select companies better prepared to manage climate risks.	Select companies better aligned to sustainable economic activities or the Sustainable Development Goals.	Select projects, borrowers or issuers able to demonstrate measurable social or environmental impact.

Our **Ethical Equity Strategy**[7] was launched in 1989. It is distinguished by a clear set of client-led exclusions, shaped through a formal interaction with clients every two years. The strategy has been managed by Audrey Ryan since 1999, so it also benefits from exceptional continuity of management.

Our **European ABS Strategy**[8] invests in asset-backed securities across various sub-sectors, including collateralized loan obligations, residential mortgage-backed securities, auto ABS, commercial mortgage-backed securities, and consumer loan ABS. Our proprietary ESG analysis enables us to focus on collateral pools, originators or countries of collateral which are positively impacted by effective ESG practices. We categorize each security into one of five ESG risk categories and securities selected must be in one of the three lowest ESG risk categories.

The research framework analyses several ESG aspects specific to each ABS sub-sector, such as the percentage of electric vehicles in a car loan securitization.

Launched in April 2016, our **Global Sustainable Equity Strategy**[7] invests in sustainable growth companies that have a positive impact on a sustainable challenge facing humanity or the planet today. The strategy offers a high-conviction growth-focused portfolio of 35-45 companies, with each position aligned to at least one of six sustainability themes: Climate change; eco solutions; resource efficiency; sustainable growth; inclusion; and health & wellbeing.

Launched in summer 2022, Our **Global Short Dated Climate Transition Strategy**[7] favours investments in companies with robust, credible plans to transition towards a net zero economy. Using a proprietary research framework we assess climate transition readiness and classify issuers on a scale of 1-5 from 'leader' to 'laggard', based on their preparedness for the climate transition and net-zero alignment.

Multifamily impact in real assets

In 2022, we enhanced our Multifamily Real Assets Strategy to include the design and implementation of energy efficiency business plans on new acquisitions. Renamed **US Multifamily Impact**[9], the strategy seeks to significantly reduce energy consumption, with a target of 30% reduction in energy usage at each property.

Our business plans are customized for each building, covering factors such as lighting, mechanical systems, insulation, energy monitoring systems, tenant education, appliances and fixtures, and the use of renewables. The result is a solution that can optimize energy reduction and projected incremental return. As of December 31, 2022, we had invested in three assets utilizing our energy business plans. In one property, where we are nearing completion of the energy business plan, we have started to experience energy savings over a weather-adjusted baseline of 25-35% prior to activation of our on-site solar improvements and completion of lighting upgrades. Additionally, water efficiency upgrades have resulted in a 45% reduction in usage over baseline in early-2023.

7. Advised and/or sub-advised by Aegon AM UK. 8. Advised and/or sub-advised by Aegon AM NL. 9. Advised and/or sub-advised by Aegon Real Assets US.

The above is not an exhaustive overview of all strategies of Aegon AM that promote environmental or social characteristics or that have a sustainable investment objective. Not all products are available to all investors or in all jurisdictions. Strategies are generally offered through locally licensed affiliates. Certain capabilities may not be open to new investors.

ESG advisory services

ESG advisory services[10] are an integral part of our investment advice to fiduciary clients. We support clients in the process of integrating their responsible investment principles and ESG-related risks into the investment cycle. Effective responsible investment policies rely on comprehensive frameworks. The investment framework should reflect the investment beliefs of the investor and its stakeholders.

We believe that the first step towards designing a sound responsible investment policy lies in incorporating the client's views on responsible investment into their governing principles. Many institutional investors have already drawn up statements on how they approach responsible investment. What we have often seen in recent years, however, is that some investors feel their guidelines become obsolete as societal norms progress ever faster. This makes investors think about how to redefine their ambitions and beliefs as responsible investing continues to evolve. We provide ongoing support to help clients stay up-to-date in an ever-changing environment.

Strategic asset allocation is a compass for the long-term investment policy. We employ scenario analyses to offer clients insights into the (tail) risks they are exposed to under specific circumstances. We provide clients that use our services with the possibility to choose their own assumptions or to develop custom thematic risk scenarios on ESG megatrends they find of particular importance.

All the elements of the strategic investment policy, from strategic asset allocation to risk management elements come together in the portfolio construction phase of the investment cycle. Several components of the RI policy can play a role in this phase. Institutional investors increasingly define specific goals. Objectives such as carbon reduction targets, ESG credentials of a portfolio, or the contribution to climate change mitigation, can potentially influence the benchmark and strategy for specific or all asset classes. We show our clients the potential consequences of their choices and advise on an optimal implementation.

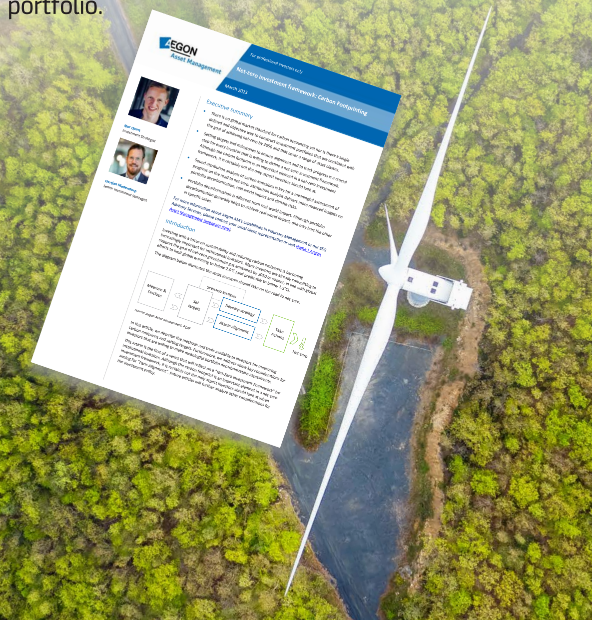
We continue to guide clients in making choices by developing responsible investment roadmaps with interim goals to help achieve long-term objectives. We provided input for strengthening the risk management framework of our clients by identifying and measuring ESG risks material to their portfolios. Multiple clients asked us to measure and analyze the performance of their portfolio against their responsible investment objectives. This led several clients to implement changes to their portfolio to be better positioned towards achieving their long-term objectives.

10. ESG advisory services are offered to fiduciary clients in the Netherlands. ESG analysis and reporting is subject to appropriate or meaningful data coverage. Depending on the portfolio's holdings, the ESG data may or may not have sufficient coverage or provide relevant information.

Net-zero investment framework: Carbon foot printing

Investors committed to achieving net-zero greenhouse gas emissions by 2050 may benefit from taking a holistic approach to creating their investment portfolios. Setting targets and milestones to track progress is crucial, but investors may also need to consider more than just carbon metrics and use a forward-looking approach to align their portfolios with the Paris Agreement. Sound attribution analysis of carbon emissions is key, as portfolio decarbonization itself is not necessarily equivalent to real-world impact. By considering all these factors, investors can increase the likelihood of achieving their net-zero commitments and creating real-world change.

In this **article** we dive deeper into methods available to investors for measuring and assessing the carbon footprint of their portfolio.



Content not available in all jurisdictions.

ESG integration

Examples of ESG factors we may consider in our investments, depending on their materiality to the issuer's key activities and operational practices:

Environmental

Greenhouse gas emissions
Water and wastewater impacts
Hazardous materials and air quality
Biodiversity impacts
Material sourcing
Product design and lifecycle management

Social

Human rights and stakeholder engagement
Data privacy
Product safety and sales practices
Health and safety
Labor management
Supply chain management

Governance

Governance structure
Accounting practices
Remuneration
Business ethics, fraud and corruption

Making ESG integration work across asset classes

ESG integration means incorporating financially-material ESG factors into our investment analysis to better understand risk and uncover potential opportunities. In 2022, we continued to enhance our practices to support the integration of financially-material ESG factors in investment analysis. Integration methods vary across and within asset classes.

ESG integration in fixed income

ESG data has improved tremendously in recent years; however, data gaps and challenges remain for fixed income investors. Despite the complexities, innovative solutions are emerging. Just as active asset managers form their own credit views, we think it is essential to conduct internal ESG research. At Aegon AM, we do not make decisions based on external ESG data alone. Rather, we combine external data with our analysts' expertise to address information gaps and form an independent view of an issuer's ESG profile. This ESG analysis can be used to help inform a comprehensive assessment of the investment and/or guide portfolio construction for ESG-focused portfolios.

Corporate bonds

In 2022, our responsible investment and credit research teams collaborated to reinforce their view on material ESG factors within our fundamental research process. They created an ESG framework that identifies and standardizes the economically-relevant ESG factors for each sector. This ensures we consistently evaluate ESG factors for each sector across investment grade and high yield bonds. Our responsible investment team began this process with the Sustainability Analysis Accounting Board (SASB) materiality matrix and inputs from ESG research providers to build a framework of all ESG factor exposures for each sector. This framework was then discussed with our credit research team and calibrated to reflect their credit and sector expertise.

This framework eliminates potential distractions and allows us to focus on the key factors that can adversely or positively affect an issuer's credit quality. Furthermore, the proprietary framework helps us to adjust our view on future material ESG factors and not rely on an external methodology that can change for a multitude of reasons. We utilize external research providers as valuable inputs to our ESG integration process. Although not all of the information they provide is pertinent to a bond investor, it helps to inform a more well-rounded view of ESG factors.

The firm's research teams may incorporate ESG-related factors into their analysis as applicable to their asset class and the output may differ as warranted.

Sovereign debt

Our proprietary ESG scoring methodology collates multiple data sources to identify material ESG factors and the level of risk a country faces, considering its development profile. The result is a proprietary ESG score for each sovereign entity which can help contextualize ongoing ESG issues and their materiality as well as recent ESG trends in that country. We then use this information as an input to our qualitative ESG research integration process which underpins our sovereign ESG assessments.

We blend quantitative and qualitative perspectives with our combined sovereign expertise and historical experience. This enables us to arrive at an informed and independent assessment which incorporates the possible effects that ESG issues could have on a sovereign's ability and willingness repay its debt which is paramount in sovereign analysis.

Structured credit

We have a proprietary customized methodology whereby we assess environmental, social and governance factors of a credit's collateral, its originator and the country of collateral. We engage with issuers and collateral managers to obtain the necessary disclosures to inform our assessment. We choose the ESG factors for the analysis based on the relevance of each factor to a particular sector. For example, in auto asset-backed securities, environmental scores may include the percentage of electric cars in the collateral asset pool. The outcome of the assessments determine the issue's allocation into one of five ESG risk categories.

ESG integration in equities

We explicitly consider ESG factors in our fundamental equity analysis, as we know they have the potential to materially impact both the financial performance and the valuation of our investee companies. Unless a fund is explicitly mandated to do so, we do not make ethical value judgements, nor do we impose ESG-related restrictions on the investment universe. Rather, the judgements we make within our traditional equity strategies reflect the extent to which we believe ESG issues impact a stock's investment case, either positively or negatively. Materiality is key here. To do that, our equity fund managers/analysts draw upon the expertise of our dedicated responsible investment team with whom they work closely.

The equity team assesses ESG considerations via a proprietary three-stage framework:

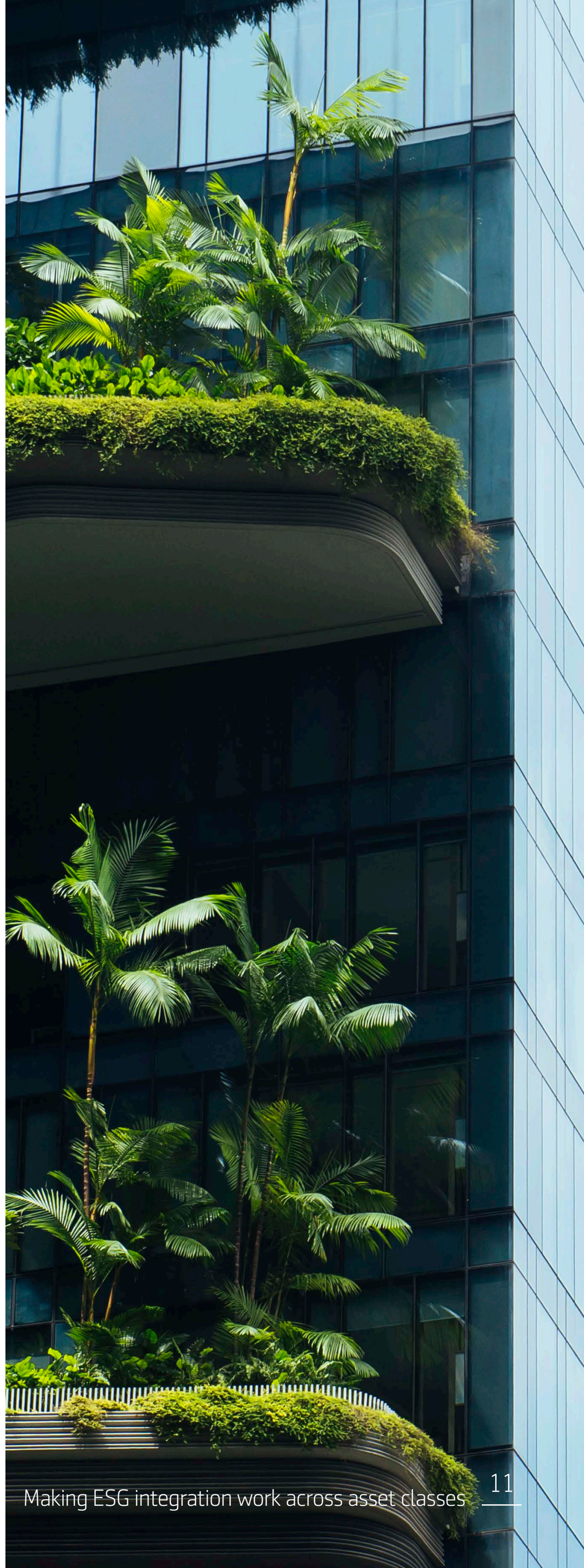
1. We identify the most important ESG factor impacts for a given company.
2. When evaluating a given ESG factor, we ultimately want to determine its level of significance relative to other considerations. What is the overall impact upon the investment proposition? Is it a headwind or a tailwind to business performance or valuation?
3. We then look at the direction of ESG change (ESG momentum) and a company's overall ESG profile. Is exposure to these ESG risks or opportunities changing in a positive or negative sense? Can we see improvement or deterioration? We believe this consideration is critical, as ESG cannot be viewed in a static manner, and as a firm we value and support ESG improvement over time.

ESG integration in real assets

We systematically integrate ESG factors into our real asset investment process. By considering ESG issues alongside other economic factors, our investment teams seek to identify financially-material ESG factors to arrive at an independent, comprehensive view of the investment.

During sourcing and underwriting, we screen properties for high-risk activities and any potential conflicts with our exclusion list. We review ESG factors during the due diligence provided by our engineering and environmental departments, as well as during insurance reviews, site inspections, appraisals, and sponsor reviews. We identify risks and potential mitigation measures and incorporate these within investment committee reviews.

Following approval, our due diligence teams perform a hand-off for each investment between the loan or acquisitions officers and our debt and equity asset management groups. This enables them to communicate monitoring and compliance requirements for ESG issues during the investment. Our asset management groups follow through on these requirements, as well as monitoring standard issues (such as flood insurance) and follow up with internal subject matter experts and/or third-party consultants, such as those in our legal and environmental and engineering departments as needed.



Active ownership and engagement

We believe that taking responsibility as an investor means being a truly active owner, whether as a shareholder or financier. We aspire to influence change by engaging with issuers, either bilaterally or as part of collective groups of like-minded investors. Our dialogue with issuers provides opportunities to highlight ESG risks, share sustainability concerns with management, promote growth in sustainable business lines, and advocate for changes that align with responsible investment priorities and client standards.

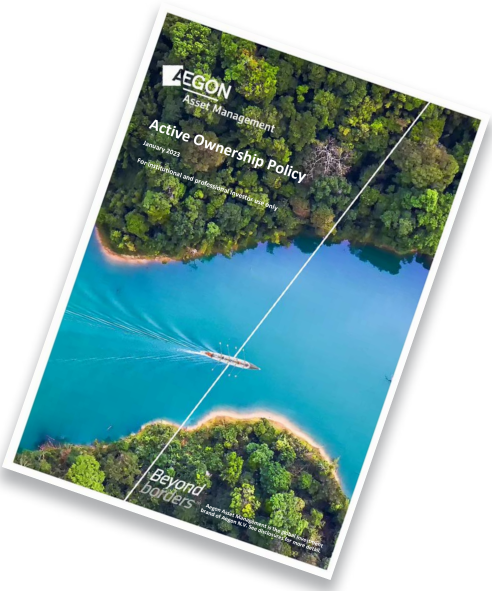
We believe that successful engagement can create new investment opportunities or strengthen the case for existing investments. Our engagement and other active ownership activities are not universal, instead, focusing on those issuers considered most appropriate. We recognize too that, despite our best intentions, not all engagements result in positive outcomes.

Why engage?

Our engagement efforts are focused on identifying and managing financially-material ESG-related investment risks. To that end, we:

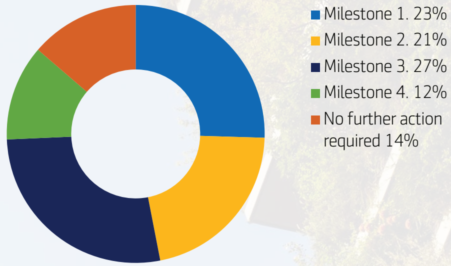
- Exercise our stewardship responsibilities on behalf of our clients;
- Build a more complete understanding of the companies in which we invest;
- Understand and mitigate investment risk; and
- Fulfill client expectations with respect to policies and standards applicable to specific products and portfolios.

Further details of our approach are outlined in our Active Ownership Policy.

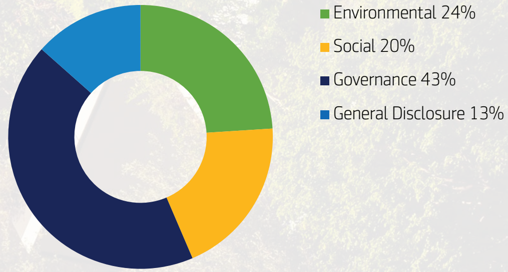


These figures represent all votes, including those voted on behalf of clients according to their own policy, across our corporate fixed income and listed equity portfolios.

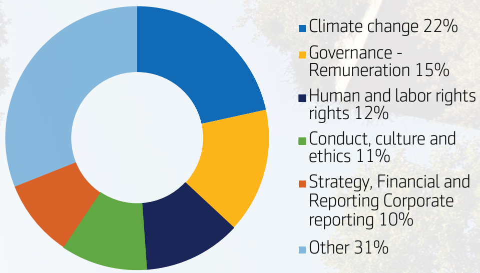
Engagement intensity



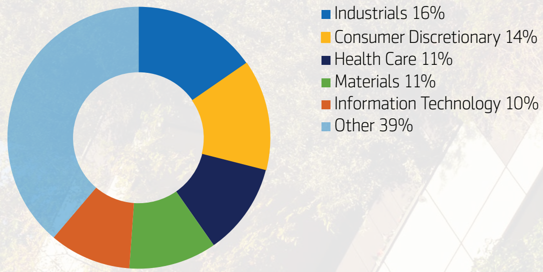
Engagement per theme



Engagement by topic



Engagement by sector



For definition of milestones, see next page.
Please see the Disclosure section for important additional information regarding engagements. As of 31 December 2022.
Percentages may not sum to 100 due to rounding.
Themes are divided according to the main issue. At times, there is more than one theme for an engagement.
Active Ownership is not applicable to all asset classes or affiliates. Engagement will occur with some, but not all, issuers where the manager deems it appropriate. More information is available upon request.

Our approach to engagement

Our objectives vary depending on the types of engagement.

For those where we are seeking to generate long-term value, we typically seek to:

- Improve a company's long-term financial performance; and
- Monitor, manage and help mitigate investment risk.

For engagements to support sustainability and impact research, or to support responsible investment solutions, we typically seek to:

- Better understand a company's corporate strategy, focus and business model;
- Improve ESG or impact disclosures;
- Maximize positive sustainability outcomes, including those related to the UN Sustainable Development Goals (SDGs); and
- Encourage the issuance of labeled bonds for the purpose of investment participation.

For engagements focused on compliance with standards, we typically:

- Set expectations for the company's management; and
- Set goals and timeframes to reach and meet compliance with the relevant policies.

In this section, we provide a selection of engagement highlights from 2022. While we do not name the companies, our aim is to show how our responsible investment team engages with corporate issuers across a range of topics. These case studies do not represent the full range of engagements, nor do all our engagement efforts lead to positive outcomes or material impacts on the investment strategies we manage. We recognize that corporate issuers can change their business practices for any number of reasons, which may or may not relate to our engagement efforts. The reader should also not assume that the companies described in our examples are or were held by all affiliates within Aegon AM.

Milestone one	We flag concerns with the investee
Milestone two	When a company/investee responds and dialogue begins
Milestone three	Once concrete steps have been taken to resolve our concerns, such as achievement of a commitment
Milestone four	When the engagement objective has been fully achieved and verified
No further action	In some cases, our assessment of the ESG issue at stake may change and we subsequently decide to no longer pursue the engagement

Please see the Disclosure section for important additional information regarding engagement and case studies.

Environmental

Target company
Engages in the provision of financial services

Objectives
We have been in discussion with the company on the issue of financed emissions, specifically coal financing, since early 2021. We learned the estimated size of the company's exposure and intention to reduce the extent of their coal-financing activities.

In early 2022, we requested an update on their progress to reduce coal-financing activities and focused on encouraging the company to accelerate its reduction and develop a clearly defined strategy for coal phase-out.

The company indicated that despite a positive trend, the transition from coal would take some time. As a partially state-owned enterprise, its principal market is domestic; a developing country where coal power is necessary to expand universal electricity supply.

The company's exposure to directly-financed coal is minimal, and while indirect coal-financing is more significant, it is still relatively small and well below Aegon AM's exclusion criteria for thermal coal power generation. Most importantly, the loan books exposure fell by roughly one-third year-on-year.

The company has established an ESG implementation strategy roadmap, with a sectoral policy on coal-financing which it anticipates publishing in 2023. It also shared its internal exclusion list which shows controls over what they finance.

This positive trend away from coal financing is aligned with the domestic country's 2060 net-zero target which focuses on accelerating the end of the operational period of coal power plants while building renewable energy infrastructure as one of the main alternatives.

Outcomes of engagement
- Roadmap has been established.
- The company joined the Partnership for Carbon Accounting Financials (PCAF) and is undergoing the process of mapping financed greenhouse gas emissions.
- The exposure continued to fall through 2022 and the bank has not written any new lines of credit for coal-fired plants or to coal mining, so we expect the exposure will continue to decrease as creditors continue to draw down their existing facilities.
- The company has completed mapping out Scope 3 emissions and anticipate sending a commitment letter to Science Based Targets initiative (SBTi) before the end of 2023.

PCAF
Partnership for Carbon Accounting Financials

Action
Regarding Milestone 3, the company has taken concrete steps to resolve our concerns. If the published plan proves to be as robust as we anticipate, we will move the engagement to Milestone 4, but monitor progress against the plan.

For illustrative purposes only. Specific sectors mentioned do not represent all sectors in which Aegon AM seeks investments. It should not be assumed that investments of securities in these sectors were or will be profitable. This information should not be relied upon for investment decisions.

Target company
Engages in the exploration, mining and processing of mineral resources

Objectives
2022 was the first year the company provided shareholders the opportunity to vote on its climate plan. Our aspiration was to encourage the company to strengthen its climate ambitions through both engagement and voting.

How we engaged
In 2022, the company sought shareholder approval for its Climate Action Plan, detailing its emissions targets and associated actions.

In 2021, the company made progress on its climate change aspirations by committing to a 50% reduction in Scope 1 and 2 emissions by 2030 and allocating US$7.5 billion to support meeting this target. However, the same ambition had not been applied to Scope 3 emissions.

We felt the company was lagging peers in this area. In 2022, Scope 3 emissions comprised 95% of its total carbon footprint. As such, we can expect it to be leading in its Scope 3 measurement and ambitions.

We sought the opinion of external expertise on the company's climate ambitions, as well as engaging with the company directly. This allowed us to form a balanced view on its progress and whether its commitments are sufficiently ambitious.

We came to the decision that abstaining on the approval of the Climate Action Plan was the most appropriate action. The company had made progress in numerous areas of its approach to climate management. However, it was still lacking in key climate disclosures, timelines and measurable targets around Scope 3.

Outcome of engagement
The Climate Action Plan received 84% support at the Annual General Meeting (AGM). There will be no further opportunity to vote on the climate plan until 2025.

Regarding Milestone 3, we will analyse the company's progress against the commitments it has already made and any further updates that strengthen its approach. While we do not have an opportunity to vote on its plan for some time, we will continue to engage with the company to encourage continuous improvement.

Target company
Global technology and engineering company

Objectives
To encourage the company to strengthen its environmental management

How we engaged
We arranged a call with the company's chief sustainability officer in May 2022. We requested that the company increase its environmental ambitions by both strengthening its existing targets and introducing further targets to address not only carbon, but also water and waste. We also encouraged the company to align its targets with the Science Based Targets initiative and introduce a net-zero ambition.

The company was very responsive and we had a productive conversation. In their following sustainability report (published June 2022), we were pleased to see the company announce numerous positive updates. A target to reach net-zero greenhouse gas (GHG) emissions across Scopes 1, 2 and 3 by 2045 compared to a 2021 baseline. In the near term, it also aims to reach net zero across operations for Scope 1 and 2 GHG emissions by 2030, following the SBTi Net-Zero Standard, and a 25% reduction in Scope 3 by 2030.

Outcome of engagement
Regarding Milestone 3, the company significantly raised its ambitions and improved its environmental management. There are still areas we would like to see stronger targets introduced, for example around water and waste management. We will continue to monitor and engage with the company.

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Social

Human capital management

Target company
Engages in the provision of construction and industrial equipment rental services

Objectives
We rated the company an 'improver' in mid-2022, having identified lagging diversity and inclusion (D&I) practices, based mainly on a drop off in female representation in the layers beneath the board. We engaged with the company to understand more about their current position and plans to improve their D&I representation.

How we engaged
We initiated engagement with the company in August 2022 after findings from our sustainability analysis indicated that they had promising diversity at board level, however in the layers beneath the board there was a large drop off.

The company provided the profile of clients within the markets in which it operates and the overall broader diversity picture at the company. With the end market operating in construction, the company said that it struggled to recruit female workers, which represented 12% of all staff and 21% of senior management.

Ethnic diversity, which is another area the company mentioned wanting to improve, is currently at 30%. The Company told us that it has established several initiatives, including a D&I task force that is focused on improving ethnic diversity throughout the organization, such as through a 'future leaders' mentorship programme.

The company has also set up female focus groups with the emphasis on increasing female representation throughout the organization. They have females in office and corporate roles, such as legal, finance and HR, although not many in mainstream operational roles. It also has various apprenticeship schemes, with the UK scheme the highest in the industry for female representation.

The company said it is too early to know if the initiatives are effective, however, it is a key focus for the company and board. It remains a key performance indicator for us and we will continue to follow up.

Outcomes of engagement
Better understanding of the organizational and market make-up.
Better understanding of the D&I initiatives installed.

Action
Regarding Milestone 3, we will continue monitoring D&I initiatives and outcomes.

Human and labour rights/human capital management

Target company
Engages in the retailing of jewelry and watches

Objectives
Following the outbreak of the war in Ukraine, the company withdrew from the Responsible Jewellery Counsel (RJC) in response to its lack of action in dealing with the Russian sanctions.

Our aim with the engagement was to understand the actions being taken to ensure the supply chain is adequately monitored for human rights abuses.

Upon reviewing the company, we noted from the gender pay gap reporting a stark reduction in the number of women in higher pay quartiles. The board had good representation so we wanted to understand why the rest of the organization was not reflecting positive gender diversity and whether this applied elsewhere.

How we engaged
We spoke directly to the chair on this matter, who gave reasonable assurances on auditing and offered a meeting with the new head of ESG to discuss. In the follow-up meeting, the company explained its actions to step-up the auditing of suppliers in the absence of RJC participation.

The company has started in-person audits and covered 5% of suppliers with no violations. It is steadily progressing through the others and has employed the services of Ecovadis to support this. The company also mentioned there had been a change of leadership in RJC and decisive action taken, so it may be possible to rejoin, although they would not solely rely on their auditing in the future.

On diversity, the new head of ESG had also noticed this issue and has made it a priority to obtain better reporting and to understand the fall in women in the organization, while implementing support networks to help reduce the attrition.

The staff survey has a high level of engagement at 86% and the company is working to analyze the results of that. This is a work-in-progress and they will report back.

Outcome of engagement
Comfort obtained that the gap formed by withdrawal from RJC has been filled.

Action
For supply chain Milestone 3, further monitoring to ensure the whole supply chain is being actively monitored and appropriate action taken.

For diversity Milestone 2, we will wait to hear on progress on diversity.

Biodiversity, pollution, waste, public health

Target company
Healthcare and agriculture chemical company

Objectives

The company was identified for potential non-compliance with UN Global Compact Principle 1 related to human rights. Engagement started in 2020 to understand how the company acts in relation to glyphosate-related mass tort litigation, continued use of glyphosate in its various products and related product stewardship and the company's relationship with regulators.

In addition, we also considered sustainability ambitions and governance regarding product safety and sustainability.

How we engaged
During engagement conversations in 2022, the company explained how it deals with glyphosate-related mass tort litigation and related claims.

Due in part, to pressure from lawsuits and regulators, it has decided not to offer glyphosate-based products to the US consumer market.

The company has also improved transparency regarding product stewardship and safety. However, it maintains that the use of glyphosate-based products is safe and does not pose any carcinogenic-related risks.

Several recent US court rulings in glyphosate-related mass tort litigation ruled in favor of the company.

It has formulated sustainability goals and organized strong oversight via an independent sustainability council. In its sustainability ambitions, the company focuses on climate objectives, contributing to more sustainable agriculture, supporting farmers in developing countries and access to basic medicines. It seeks to align its sustainability ambitions to the UN Sustainable Development Goals.

Aegon AM is positive regarding the increased transparency. However, most of the steps taken to provide enhanced transparency, product safety and to end the sales of glyphosate-based products to the US consumer market are driven by litigation and a desire to avoid future claims.

Although scientific studies show that alleged health risks associated with the use of glyphosate cannot be clearly demonstrated, the legal and social controversies are not expected to disappear soon.

In addition, the European Union is expected to decide in 2023 whether to renew the approval for the use of glyphosate.

The health and environmental considerations, along with continued litigation, will play a key role in the company's further assessment throughout 2023.

Outcomes of engagement
The company has shifted from the US consumer market, indicating only professional use will be considered, thereby reducing the risk of future glyphosate-based litigation.

With the recent US court rulings, the company also made good progress on settling some of the existing glyphosate-related cases and provision seems appropriate for future cases.

Action
Regarding Milestone 3, progress has been made but we are monitoring for further developments.

Governance

Strategy, financial and reporting - corporate

Target company
Information technology company

Objectives
One of our portfolios held a green bond issued by this company. Our engagement objective was to explain to the company the pitfalls in their allocation reporting and what improvements could be made in the next reporting cycle. We wanted to express our opinion on best practice reporting standards and urge the company to adopt at minimum some of these standards going forward.

How we engaged
We reached out to the investor relations department of the company and flagged our concerns on allocation reporting. They responded to our initial inquiry by providing links to their most recent Green Bond Report. Our responsible investment team reviewed the report and determined that it lacked details that are typically included in standard Green Bond Reporting. As a result, we responded to the company, outlining the shortcomings of their report.

Outcome of engagement
The company's investor relations team responded, stating that they do not have anything further to share about their green bond allocations, other than what they have published.

Since this was the second time our responsible investment team outlined the shortcomings of their report, resulting in no proposed changes or improvements, the engagement was closed. This also led our team to recommend divesting from their Green Bond because the company showed an inability to follow reporting standards. The position was sold shortly after that.

Remuneration

Target company
Engages in the operation of a chain of hotels, restaurants, and coffee shops

Objectives
In 2021, strike action was taken at several of the company's sites because of pay structures. This was largely driven by union action.

We sought to understand how the company was planning to improve employee pay and relations.

How we engaged
When we initially spoke to the company it was clear that there was a lack of policy and disclosure on the subject within the annual report.

It was interesting to obtain more detail around the profile of their employees and the fact that only 10% of the employees are unionised, through choice rather than any corporate pressure. This is a hospitality company and therefore a lot of their work is attractive to people seeking part-time jobs to fit around other aspects of their lives.

The subsequent report improved on the level of disclosure and the company has committed to pay more than the living wage that was announced in April 2022.

Further discussions with the chair highlighted the work they do in ensuring staff are paid fairly throughout the country. They took the decision to bring cleaning staff back in-house, as outsourcing had meant they had less control over pay.

Overall, it appears the company behaved responsibly throughout covid and the most recent conversation included the measures being put in place to ensure staff are well cared for during the current cost of living crisis.

Outcomes of engagement
Disclosure and policy improved.

The company has demonstrated an ability to pay more than living wage.

Action
Regarding Milestone 3, continue monitoring in light of the cost-of-living crisis.

Strategy, financial and reporting - corporate reporting

Target company
Mining and metal company focusing on sustainable steel production

Objectives
Leadership in Energy and Environmental Design (LEED) is the most widely used green building rating system in the world. The company operates the only LEED-certified steel mill, which utilizes less water and energy relative to industry peers. The company also utilizes scrap steel as the primary input to the production process, which can contribute to the circular economy and lower carbon emissions.

The company also issued green bonds to finance the expansion of its electric arc furnace steel mill. We engaged the company on the timing and completeness of its inaugural green bond reporting.

How we engaged
We reached out to the investor relations department and flagged our concern about the timing of allocation and impact reporting.

Outcome of engagement
Independence of the board was strengthened, with a new non-executive director appointed through the year, taking up the position of chair of the audit committee.

Action
On Milestone 3, the company responded to our initial inquiry by providing its Green Bond Report. Our responsible investment team reviewed the report and determined that it lacked details that are typically included in green bond reporting. As a result, we responded to the company, outlining the shortcomings of its report. The company thanked us for the constructive feedback and stated that our message was shared with the applicable members of their team who work closely on their reporting. Our team did not recommend to divest, although we will continue to monitor their reporting on an annual basis.

Strategy, financial and reporting - corporate reporting

Target company
Regulated electric, gas, and steam delivery

Objectives
We began engaging with the company during our labeled debt review. We found a general lack of reporting on its green bonds compared to other utility companies. Even though this was not its first issuance of green bonds, we found that no internal framework or report is published on their green bonds. We wanted to express our opinion on best practice reporting standards and urge the company to adopt at minimum some of these standards going forward.

How we engaged
During the call the company made it clear that it did find it worth the effort to disclose more information. In current market environments, they will issue no new green bonds.

If the company issues new green bonds in the future, it will review market standards and determine what disclosures to provide. The company does not currently plan to issue an internal framework and did not state it if was necessary for them to do so before issuing more labelled debt.

Finally, the company stated that it will not report the management of proceeds more transparently. As an active labeled debt investor these answers were unsurprising, although they also did not show confidence that they would enact any best practices in green bond issuance standards going forward. Indeed, we believe the company will continue to do the minimum to issue green bonds that continue to experience high demand from the buyers.

Outcome of engagement
Our responsible investment team recommended divesting, given the company's unwillingness to follow reporting standards. The position was sold shortly after.

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Voting

As active owners, we recognize that exercising our voting responsibilities and constructive long-term engagement with companies is vital to our role as an asset manager.

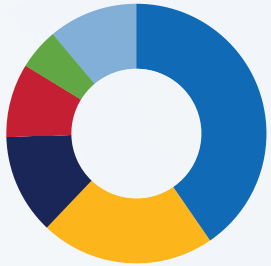
Our voting rights are used in the best interests of our clients. We exercise these rights for all holdings that are actively managed. This underpins our stewardship activities.

In 2022, we voted 3,899 meetings globally, up from 2,963 in 2021. The reason for this substantial increase is that it has been decided to vote all meetings for AIM B.V. going forward. The United States remains the largest voting market for Aegon AM with almost 900 meetings. Now, followed by China (585), Japan (370) and the UK (302).

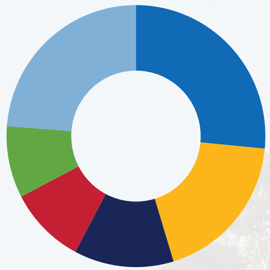
In the event Aegon AM casts a vote against or withholds a vote on a management proposal, we are prepared to explain the reasons for this voting behavior to the company's board either pro-actively or per company request. As with the votes against management, most of the shareholder proposals we supported were related to directors (i.e. election).

Aegon AM votes in accordance with the principles outlined in its **Active Ownership Policy**[11]. To the extent that the Active Ownership Policy is inconsistent with an Aegon AM affiliate's local legal requirements, that affiliate will adhere to its local requirements. Voting policies are reviewed regularly to ensure they reflect new regulations and the latest developments in the investment industry.

Breakdown of votes against management proposals[12]



Breakdown of votes on supported shareholder proposals[12]



4,593 votes against management

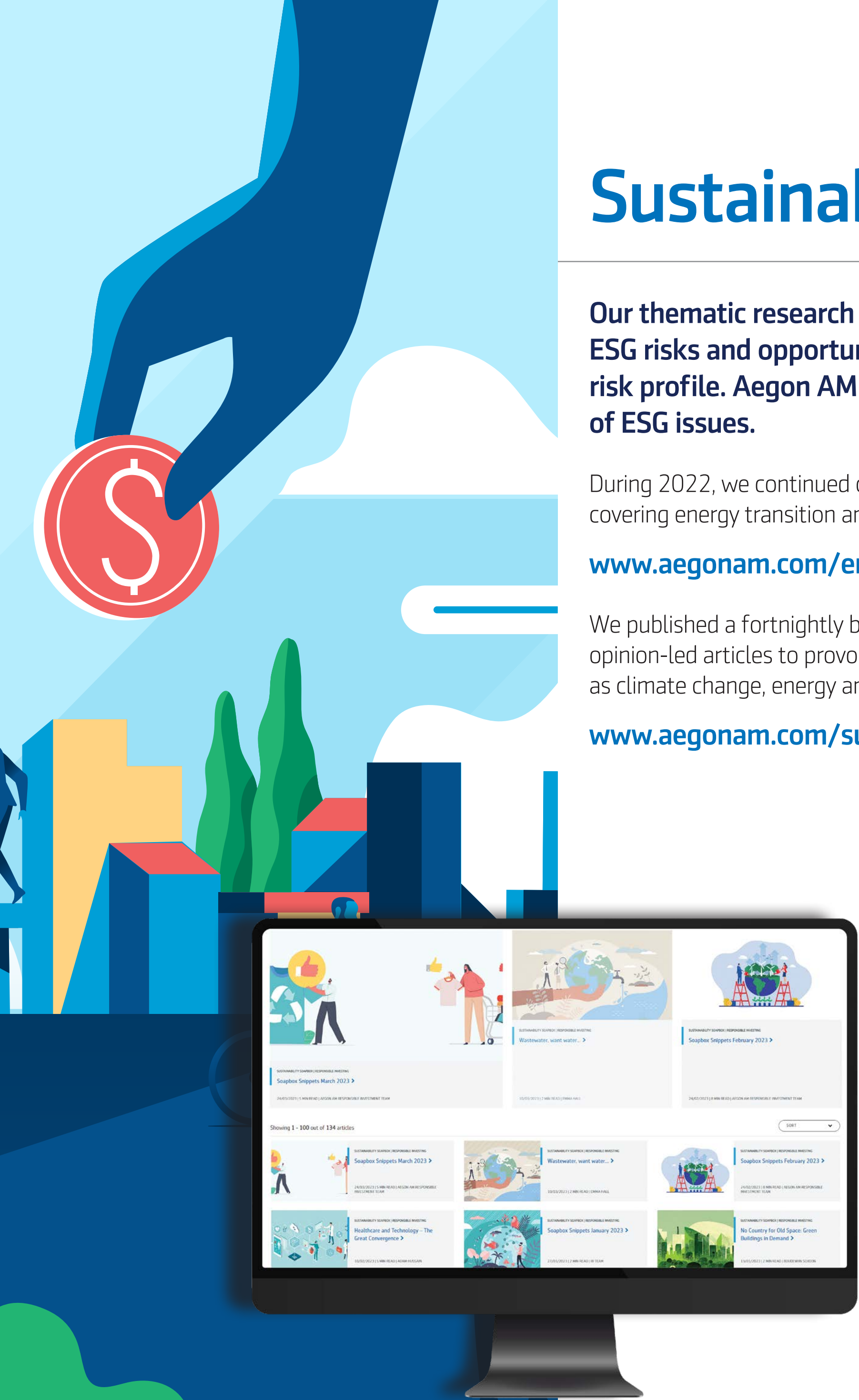
74% shareholder proposals supported

397 number of issuers engaged

All data as of December 31, 2022.

11. Active Ownership Policy available at: www.aegonam.com/globalassets/aam/responsible-investment/documents/aegon-am-active-ownership-policy.pdf

12. Breakdown of votes cast primarily reflects voting activity for Aegon AM UK and Aegon AM NL. Percentages may not sum to 100 due to rounding.



Sustainability insights

Our thematic research aims to enhance our understanding of the material ESG risks and opportunities that may impact a company's valuation and risk profile. Aegon AM produces insightful thematic research on a range of ESG issues.

During 2022, we continued our ESG Beyond Borders series of in-depth educational videos, covering energy transition and biodiversity.

www.aegonam.com/en/videos/esg-beyond-borders

We published a fortnightly blog on sustainable investing called Sustainability Soapbox with opinion-led articles to provoke thought and discussion. In 2022, we examined topics such as climate change, energy and diversity.

www.aegonam.com/sustainability-soapbox

Content not available in all jurisdictions.

About Aegon Asset Management

Aegon Asset Management is an active global investor. Our 380 investment professionals manage and advise on assets of $311 billion* for a global client-base of pension plans, public funds, insurance companies, banks, wealth managers, family offices and foundations.

We organize our investment capabilities around four focused platforms where we have deep asset-class expertise: fixed income, real assets, equities, and multi-asset & solutions. Each platform has dedicated teams, organized globally and committed to maximizing client benefit from their specialist areas.

By organizing our investment teams globally across four investment platforms, we harness our expertise and research resources across regional boundaries. We believe this enhances our performance potential and generates better investment outcomes for clients.

$311 billion
Total assets under management and advisement

Over 1,200
Employees serving clients worldwide

13
Locations across Europe, the Americas and Asia

All data as 31 December 2022.

A history of responsible investing

Key milestones for Aegon Asset Management

1987
Real Assets US closes first investment in low income housing tax credits

1989
Aegon AM UK launches first ethical strategy

2004
Aegon AM NL launches first multi-manager RI strategy

2007
Published first RI report

2010
Develops RI framework

Forms central, dedicated team

2011
Aegon AM becomes a member of PRI

2012
Selects ESG research provider

2013
Adopts ESG training for investment staff

2014
Aegon AM NL introduces carbon footprint analyses

2015
Integrates external ESG ratings into credit research reports

2016
Aegon AM UK launches first sustainable equity strategy

2017
Launches intensive ESG Next program to enhance ESG processes

2019
Aegon AM US launches dedicated ESG and sustainable fixed income strategies

Develops a proprietary ESG corporate research framework

Formalizes RI principles & develops common terminology

2020
Creates a global Responsible Investment Framework

Develops a proprietary ESG securitized credit research framework

2021
Formalizes proprietary ESG sovereign and equity research frameworks

Aegon AM becomes signatory to the Net Zero Asset Managers Initiative

2022
Launches international and US-focused sustainable equity strategies

Launches first fixed income climate transition strategy

Aegon AM Real Assets launches multifamily impact strategy

Formalization of ESG program in Real Assets

This information reflects certain milestones from one or more Aegon AM affiliates. Not every milestone is applicable, or applicable to the same degree, across all affiliates or strategies. Refer to strategy materials for details. Not all products are available to all investors or in all jurisdictions. Strategies are generally offered through locally licensed affiliates. Certain capabilities may not be open to new investors. Responsible investment approaches vary regionally. Aegon AM UK became a standalone signatory to PRI in 2008.

Disclosures

This material is provided by Aegon Asset Management (Aegon AM) as general information and is intended exclusively for institutional and wholesale investors, as well as professional clients (as defined by local laws and regulation) and other Aegon AM stakeholders.

The following Aegon affiliates are collectively referred to herein as Aegon Asset Management: Aegon USA Investment Management, LLC (Aegon AM US), Aegon USA Realty Advisors, LLC (Aegon RA), Aegon Asset Management UK plc (Aegon AM UK), and Aegon Investment Management B.V. (Aegon AM NL). Each of these Aegon Asset Management entities is a wholly owned subsidiary of Aegon N.V.

The assets under management/advisement described herein incorporates the entities within Aegon Asset Management as well as the following wholly or partially owned affiliates: Aegon Asset Management Holding B.V., Aegon Asset Management Spain, and joint-venture participations in Aegon Industrial Fund Management Co. LTD, and La Banque Postale Asset

Aegon Asset Management entities deliver services to, and share resources with, one another pursuant to applicable law as well as both global and local, policies, monitoring, and supervision. Personnel employed by a foreign Aegon Asset Management entity engaged in activity for, or through, a local Aegon Asset Management entity are subject to that local entity's applicable requirements and oversight. This may include the use of delegation arrangements and/or a participating affiliate arrangement (as this term is used by the U.S. Securities and Exchange Commission (SEC).

This document is for informational purposes only in connection with the marketing and advertising of products and services, and is not investment research, advice or a recommendation. It shall not constitute an offer to sell or the solicitation to buy any investment nor shall any offer of products or services be made to any person in any jurisdiction where unlawful or unauthorized. Any opinions, estimates, or forecasts expressed are the current views of the author(s) at the time of publication and are subject to change without notice. The research taken into account in this document may or may not have been used for or be consistent with all Aegon Asset Management investment strategies. References to securities, asset classes and financial markets are included for illustrative purposes only and should not be relied upon to assist or inform the making of any investment decisions.

The engagements and related case studies described herein are examples of how our RI team seeks to engage with corporate issuers. These case studies do not represent all examples of our engagement and not all attempted outreach by the RI team results in engagement with corporate issuers or in the level of engagement described herein. Further, not all engagements result in positive outcomes. Corporate issuers may change their business practices for any number of reasons that may or may not relate to the RI team engagement. The reader should not assume that the target companies described herein are or were held by all affiliates within Aegon AM.

The information contained in this material does not take into account any investor's investment objectives, particular needs, or financial situation. It should not be considered a comprehensive statement on any matter and should not be relied upon as such. Nothing in this material constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to any particular investor. Reliance upon information in this material is at the sole discretion of the recipient. Investors should consult their investment professional prior to making an investment decision. Aegon Asset Management is under no obligation, expressed or implied, to update the information contained herein. Neither Aegon Asset Management nor any of its affiliated entities are undertaking to provide impartial investment advice or give advice in a fiduciary capacity for purposes of any applicable US federal or state law or regulation. By receiving this communication, you agree with the intended purpose described above.

Past performance is not a guide to future performance. All investments contain risk and may lose value.

Responsible investing is qualitative and subjective by nature, and there is no guarantee that the criteria utilized, or judgement exercised, by any company of Aegon Asset Management will reflect the beliefs or values of any one particular investor. Responsible investing norms differ by region. There is no assurance that the responsible investing strategy and techniques employed will be successful. Investors should consult their investment professional prior to making an investment decision.

This document contains "forward-looking statements" which are based on Aegon AM's beliefs, as well as on a number of assumptions concerning future events, based on information currently available. These statements involve certain risks, uncertainties and assumptions which are difficult to predict. Consequently, such statements cannot be guarantees of future performance, and actual outcomes and returns may differ materially from statements set forth herein.

Aegon AM US is an affiliated solicitor and acts on behalf of Aegon AM UK with respect to the promotion of its strategies to US based Institutional Investors. Aegon AM UK is authorised and regulated by the Financial Conduct Authority (FRN: 144267) and is additionally a registered investment adviser with the United States (US) Securities and Exchange Commission (SEC). Aegon AM US and Aegon RA are both US SEC registered investment advisers. Aegon AM NL is registered with the Netherlands Authority for the Financial Markets as a licensed fund management company and on the basis of its fund management license is also authorized to provide individual portfolio management and advisory services in certain jurisdictions. Aegon AM NL has also entered into a participating affiliate arrangement with Aegon AM US. In China, Aegon Private Fund Management (Shanghai) Co., Ltd is regulated by the China Securities Regulatory Commission (CSRC) and the Asset Management Association of China (AMAC) for Qualified Investors only.

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