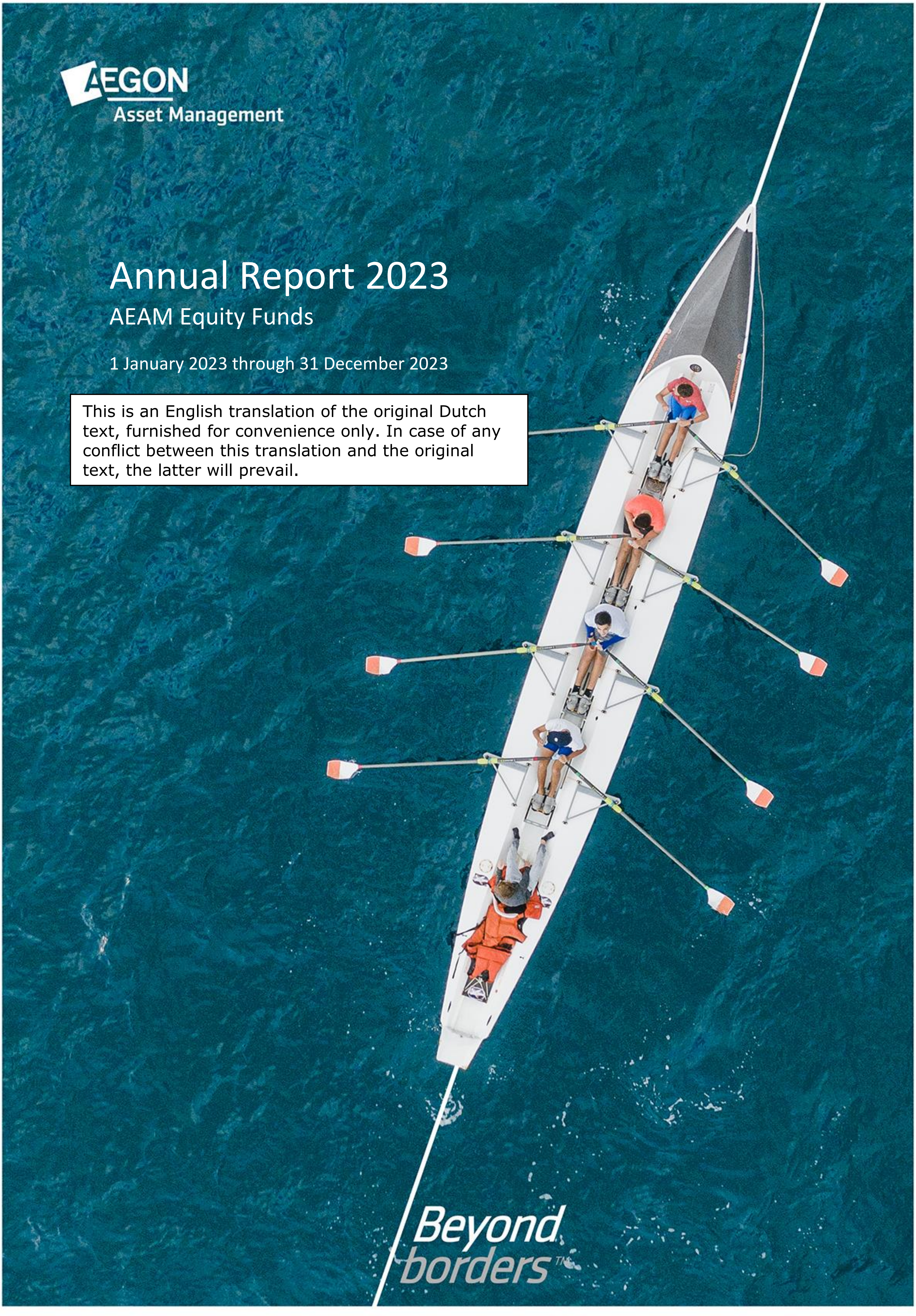
AEGON Asset Management

Annual Report 2023

AEAM Equity Funds

1 January 2023 through 31 December 2023

This is an English translation of the original Dutch text, furnished for convenience only. In case of any conflict between this translation and the original text, the latter will prevail.



Beyond borders™

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1 General information

Manager

Aegon Investment Management B.V. (AIM), established in The Hague, of which the board consist of:

- R.R.S. Santokhi (resigned as of 01/02/2024)
- O.A.W.J. van den Heuvel
- B. Bakker (resigned as of 01/06/2023)
- D.F.R. Jacobovits de Szeged (joined as of 19/09/2023)
- W.H.M. van de Kraats (joined as of 19/09/2023)
- T.E.J.F. Stassen (joined as of 19/09/2023)

Depositary

Citibank Europe Plc (Netherlands Branch), established in Schiphol, is appointed as the depositary of the fund.

Legal owner

Aegon Custody B.V. fulfils the role of legal owner. The board of Aegon Custody B.V. consists of AIM.

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The Netherlands

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9700 GC Groningen
Phone number: (050) 317 53 17

Website: www.aegonam.com

Independent auditor

PricewaterhouseCoopers Accountants N.V.
Thomas R. Malthusstraat 5
1066 JR Amsterdam
Postbus 90357
1006 BJ Amsterdam

Management and administration

The AEAM Alternative Funds do not employ any personnel and uses the services of AIM for management and administration. The personnel of AIM is legally employed by Aegon Nederland N.V.

Before the sale of Aegon Nederland to a.s.r., AIM employees were formally employed by Aegon Nederland N.V. Since the sale, AIM employees have been working for Aegon Employees Netherlands B.V.

Information memorandum
A prospectus has been prepared for this product and is available at www.aegonam.com. The prospectus contains information about the fund, the costs and the risks. As of 1 July 2023, the fund is included in the “AEAM Funds” prospectus.

Sale of Aegon Netherlands to a.s.r.
On 4 July 2023, the sale of Aegon Netherlands and the underlying assets by Aegon Group to a.s.r. was completed. Through this transaction, Aegon Group has acquired a strategic interest in a.s.r. with associated rights. AIM remains part of Aegon Group. The most important consequences of the transaction for the Manager and the funds are stated in the Related Parties section of the annual report.

Annual Report
The AEAM Equity Funds are offered jointly in one annual report. This annual report includes the annual accounts of the following funds:

- AEGON Equity Emerging Markets Index Fund;
- AEGON World Equity Fund (EUR);
- AEGON World Equity Index Fund (EUR);
- AeAM World Equity Index Fund (EUR);
- AeAM World Equity Fund (EUR);
- AEGON Diversified Equity Fund.

To improve the readability of this document, it has been decided to present the texts that are the same and applicable to all funds once and not to include them separately in each fund's financial statements. The annual report contains general information in chapter 1. The performance figures per fund are presented in the individual financial statements of the funds. Chapter 2 contains the manager's report with information that is common and applicable to each fund. Chapter 9 contains the principles of valuation and determination of the result and the calculation method of ratios and chapter 10 contains the other notes that apply to each fund.

Profile
The AEAM Equity Funds (‘the Funds’) are a series of open-ended mutual funds. The units are only available to professional investors within the meaning of the Wft.

Objective
The investment object of each fund is to invest the fund's assets for the benefit of the participants, as well as to have the invested capital stored and administered, as well as everything related to the foregoing, or may be conducive thereto.

Marketability
The securities to be acquired by the participants are registered and, unless redemption by the manager, are not transferable and may not be pledged or encumbered with any other limited right of any kind. The manager does not issue participation certificates.

Entry and exit

When issuing and purchasing units of the fund, the issue and purchase price of the units are increased by a surcharge or reduced by a discount compared to the calculated intrinsic value. These surcharges and deductions benefit the fund and serve in particular to cover transaction costs charged to the fund for the fund's investment transactions. These transaction costs consist of fees for broker costs such as research costs, settlement costs and fees for currency differences. The surcharges and discounts are determined periodically by the manager based on the actual costs charged for the transactions.

The current entry and exit fees can be found in the fund specifications.

Contrary to the previous, the fund manager is at all times authorized to charge the actual transaction costs. The fund manager is authorized to waive the transaction costs if and to the extent that withdrawals can be netted.

The entry and exit fee is fully credited to the fund and serves to cover the transaction costs caused by entry and exit. The entry and exit fees received by the fund are included in the income statement as a separate income category. The basis for entry and exit and the calculation of the market value per unit is the net asset value of the fund, as determined in the general terms and conditions.

2 Report of the Investment Manager

2.1. Economic developments

Economy 2023

On the economic front, prior to the beginning of 2023, there were many uncertainties. The economy was still recovering from the corona crisis, inflation was high, energy prices were very volatile and central banks had tightened monetary policy. There were many articles and discussions concerning the "landing" of the economy. There were clear scenarios for a so-called hard landing, where economies would fall into recession due to high inflation and rising interest rates.

Growth has surpassed forecasts by a wide margin a year later. In the US, GDP increased, while in Europe, despite the energy crisis, growth remained marginally positive. In China, however, growth was lower than expected. There, the real estate crisis lingers.

Although there have been significant improvements this year, high inflation was still a major concern for central banks. Energy prices dropped. Europe was successful in finding alternative sources of gas after the cessation of Russian imports. Furthermore, the OPEC+ cartel was unable to raise the price of oil further. Normalization of the supply chain, which was hampered by the pandemic, also contributed to the slowdown of inflation.

As recently as 2023, Central banks increased policy rates. However, in the fourth quarter, it appeared that inflation would fall more significantly. An unnecessary economic slowdown could result from central bankers maintaining high interest rates for an extended period of time.

United States: better than expected
The U.S. economy performed very well. There was no recession as was predicted, and US economic growth was better than anticipated. The economic growth was 2.4% on average, which was higher than growth in 2022. Inflation – which peaked in 2022 – slowly eased in 2023. By the end of 2023, the Federal Reserve was able to maintain monetary policy stability due to the normalization of inflation. Despite this, interest rates rose considerably in the United States in the first part of the year, but this did not result in a hard economic landing. The positive economic developments also had a positive effect on the labour market. In 2023, 2.5 million new jobs were created in the U.S., and unemployment was relatively low.

Considering that early in 2023 the biggest banking panic in 15 years was seen, this year’s growth was remarkable. A combination of losses on long-term debt caused by rising interest rates and poor financial policies, led to the collapse of several regional banks in the U.S. This quickly spilled over to Credit Suisse, which was eventually forced into rescue by UBS and the Swiss government.

Eurozone: lower growth
The situation in Europe, was similar to the United States, however there were also differences. The European economy was more affected by headwinds and economic growth slowed more sharply to around 0.5%. The industrial sectors – traditionally an important pillar of the European economy – were particularly affected. Inflation also fell in Europe, mainly because energy prices which had previously risen sharply normalised. The ECB raised interest rates significantly in the first part of 2023, but decided to keep rates unchanged later in the year. The energy crisis – which was previously seen as a major risk – had less of a negative impact than previously feared. Energy consumption was reduced and Europe was able to find alternatives. Nevertheless, this remains a negative factor for the European economy.

It is noteworthy that the German economy contracted in 2023, partly attributable to the industrial sector. Countries such as Italy and France performed better, and Spain in particular – with growth of more than 2% – reported strong growth. Dutch growth was around zero, and since there was negative growth in the first three quarters of the year, 2023 will go down in the books as a year with a slight technical recession.

Elsewhere in the world
In China, the economy performed poorly. The recovery of the Chinese economy started later than in other parts of the world, as the government kept the restrictions in place for longer. However, there was no strong rebound after the lifting of the restrictions. This was partly due to the problems in the real estate sector.

Economic conditions in Japan were reasonable with economic growth of around 2%. Nonetheless, Japan's economy has performed significantly less well since the pandemic in comparison to other developed countries. It was striking that the central bank maintained interest rates below zero percent, whereas in other regions of the world interest rates actually increased. The bank remains cautious about quelling rising inflation too quickly, as the country has been experiencing inflation that is too low for several decades.

Countries in Latin America had reasonable economic growth in 2023. Higher commodity prices facilitated the growth. However, political uncertainty and fiscal constraints posed an obstacle. Countries in South-East Asia benefited from the shifting of production chains due to the increased tensions between the US and China. India showed strong growth. However, the Indian economy is only 20% of the size of China, so this has a very limited effect on the global economy.

2.2. Financial markets

Shares

Europe
European stock markets had a volatile 2023, but ended the year on a positive note. Investors became increasingly convinced that the economy would not enter the feared deep recession. In addition, optimism about technological developments provided an additional boost to shares.

The good returns were surprising, especially due to the many crises during the year. For example, Credit Suisse had to be rescued by the Swiss government and UBS, there were tensions in the Middle East and the war in Ukraine continued. A weak Chinese economy and persistent inflation for most of the year also caused many concerns.

European stock markets were very low valued at the start of the year. Normally this is a good indicator of future returns. This also turned out to be the case this year. Investors were also very negative at the beginning of the year. The chance of a positive surprise is therefore high. This also happened. Corporate profits turned out to hold up better than feared. Companies proved to be able to pass on the high inflation, which meant that profits remained relatively strong.

The best performing sector was the Information Technology sector. The AI hype stimulated demand for semiconductors. Towards the end of the year, interest-rate sensitive sectors, such as real estate, also started to perform well due to falling interest rates. The financial sector also performed well in Europe as profits rose sharply due to higher interest rates. Defensive sectors generally lagged behind. The energy sector underperformed as oil and gas prices fell during the year.

North America
Risky assets staged an impressive turnaround in 2023, recovering much of their 2022 losses. Investors became increasingly convinced that the economy would make a soft landing, while optimism about technological developments provided an additional boost to equities.

Although most stock markets have achieved their best annual returns in recent years, the path to recovery has not been smooth. The regional banking crisis in the US in March, tensions in the Middle East in October, the ongoing conflict in Ukraine, a persistently weak Chinese economy and persistent inflation for most of the year caused a lot of volatility.

US stock markets ultimately had a very strong year. The large IT companies in particular performed unprecedentedly well. For a long time, returns were almost entirely driven by the seven largest companies. These “magnificent seven” were driven up by high expectations regarding the implementation of AI. In addition, some companies were penalized in 2022 due to concerns about the strength of their market position. After reporting sharply increased profits again, these concerns disappeared like snow in the sun.

The strong profit development was a particular surprise this year. Investors feared that high wage inflation would reduce profit margins. However, companies proved to be well able to pass on the high inflation, as a result of which corporate profits remained relatively strong.

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Asia including Japan
In 2023, Asian markets as a whole ended the year on a positive note, but the major exception was the Chinese market, which had a strongly negative result.

The Japanese stock market performed well in 2023. Partly due to the continued loose monetary policy, the Japanese Yen depreciated. As a result, Japanese exporting companies performed strongly. The high demand for semiconductors also provided an additional tailwind. The improved corporate governance in Japan also appears to be slowly having an effect on prices. However, the market continues to have a lower valuation than other developed countries.

The Chinese stock market had a very weak year. Due to the continued slowdown in the real estate sector, consumers remained cautious. In addition, the government has introduced regulations on several occasions that have had a negative impact on investors. The technology sector, among others, faced more government intervention. This has damaged investor confidence.

Taiwan's stock market reflects trends in the technology sector, given Taiwan's global importance in semiconductor manufacturing. High demand for semiconductors drove strong performance from major technology companies. The hype surrounding AI further accelerated this trend.

The South Korean stock market also benefited less from the rising sentiment. The market does have large technology companies, but they have less strong market positions. This makes them more cyclical.

The Asian stock markets are fairly unique due to the many differences in sector composition and economic policy. As a result, returns between markets can vary greatly.

Latin America
Latin American stocks achieved a positive return in 2023, just like most other stock markets.

The Latin American index consists largely – almost 60% – of Brazilian shares. These stocks achieved a positive return of approximately 14% in 2023 (measured in USD). The energy and telecom sectors performed best. The least performing sector was healthcare. The financial sector also had a strong year.

Equities from Mexico – with a weight in the index of around 30% – even slightly outperformed the Brazilian market with a return of more than 40%. In fact, all sectors performed strongly. Mexico is benefiting from rising tensions between the US and China. As a result, companies are moving their production from China to Mexico. The current economic policy also seems to be working better. The Mexican Peso has also appreciated in 2023.

Shares from Chile - with a weight of about 7% - performed the least.

Real estate

Global listed real estate
2023 was a volatile year for listed real estate, with a positive net result. The real estate sector was unable to keep up with the general stock market. The sector's results were dominated by the erratic movements of long-term interest rates; a strong start in 2023, followed by a weak and uncertain trajectory thereafter, with rising interest rates and inflation, falling prices and very little investment volume in the direct market. The last two months of the year were characterized by a strong recovery for listed real estate as a result of falling interest rates and inflation, which led to greater investor confidence.

Returns from listed shopping centres and hotels were very good for the second consecutive year, with investors having much more confidence in the profitability of both sectors. After years of headwinds, first due to online retail sales and later due to the corona pandemic, an equilibrium seems to have formed from which growth is visible again for the better players. Listed players with office real estate do not seem to enjoy this confidence and continue to generate negative returns, although a number of players with a lot of financing actually recovered very strongly when the priced-in costly recovery scenarios were considered less likely. Such a recovery 'rally' was also visible for high-funded apartment players.

Europe, where financing ratios are on average the highest and were considered less risky by the market at the end of the period, was therefore the strongest region, followed by the United States. Asia lagged behind the most and returned slightly negatively. The ongoing problems in China led to low investor confidence, which also had an impact on other nearby markets.

Commodities

Last year, commodities recorded a negative return in US dollars. Commodity markets started the first half of the year weakly. Economic activity in Western countries was dampened by higher interest rates, and China's economic recovery, after the abolition of the 'zero-Covid' policy, got off to a slower start than expected. As a result, demand for commodities lagged somewhat behind supply and prices fell.

The second half of the year started positively for commodity markets. In the third quarter, the US economy continued to perform somewhat stronger than expected, supporting the global economy. The energy sector in particular showed a strong recovery. Within the energy sector, the price of crude oil rose sharply in the third quarter. In addition to the positively surprising global economic activity, the OPEC+ countries implemented additional production restrictions, limiting supply. This combination resulted in steadily rising oil prices towards USD 100 per barrel. In the fourth quarter, economic figures started to weaken. In addition, stocks of various raw materials also started to rise, meaning that prices were unable to continue the recovery of the third quarter. Prices fell towards the end of the year.

These developments have led to a negative return on raw materials for the entire year.

2.3. Investment policy

The investment policy differs per fund. The key figures are included in the individual annual reports of the funds, and the investment policy, type of investments and the fund's benchmark are discussed.

2.4. Risk management

The fund manager has the responsibility to manage the financial risks of all funds. The fund manager has identified a number of financial risks, of which the most important are:

- Interest risk
- Currency risk
- Equity risk
- Commodity risk
- Inflation risk
- Concentration risk
- Credit risk
- Counterparty risk
- Liquidity risk
- Valuation risk
- Climate risk
- Leverage (a measure of the degree of the applied leverage)
- Operational risk
- Fraud risk

For each type of risk, risk criteria have been set in the form of restrictions in order to manage these risks. These restrictions are included in the fund mandates where they are tailored to the strategy of the fund. All restrictions are, where possible, monitored on a daily basis by the manager and by Citibank, which operates independently as depositary. Citibank has been appointed as depositary following the Alternative Investment Fund Managers Directive (AIFM-Directive) which requires managers to appoint an independent body to perform monitoring tasks.

If restrictions are exceeded, this is immediately discussed with the relevant stakeholders and actions are determined to resolve the exceedances as quickly as possible. All exceedances are reported periodically to all internal stakeholders including management and, if necessary, to all relevant external stakeholders.

Below is a description of the objectives and policies of the fund on risk management with respect to the use of financial instruments when managing risks. Also included is an explanation of the risk management measures that are in place.

Interest risk
Interest rate risk arises as a result of interests in fixed-income securities. Within the fund, interest rate risk is usually measured by duration. In these cases, interest rate risk (relative to a benchmark) is often mitigated by monthly hedging via interest rate derivatives (futures or interest rate swaps). This risk is measured as the deviation in years under or overweight from the duration benchmark.

This measure is not suitable for all funds, such as funds that focus on low interest rate risk (for example money market funds) or high interest rate risk funds such as liability matching funds. A mitigating measure for money market funds is to limit the maturity of the instruments. For liability matching funds, advanced measures such as key rate duration matching may be more appropriate.
In summary, the measures to manage interest rate risk are as follows:

- modified duration (relative or absolute);
- permitted maturities (money market funds);
- key rate duration (relative to the benchmark; liability matching funds).

Currency risk
In order to limit the currency risk, it is determined for each fund which currencies are allowed and whether the non-euro currencies must be hedged. The proposed currency risk control measure is to monitor the amount of non-euro exposure or the percentage hedged to the euro.

In summary, the measures to manage currency risk are as follows:
- allowed set of currencies;
- hedged percentage in euros or permitted percentage not in euros.

Equity risk
Equity risk is the risk that one of the investments will decrease in value as a result of the dynamics of the stock market. In addition, the equity risk depends on the regions or sectors in which it can be invested. Most funds are funds that invest in a specific region. This means that different types of sectors are allowed for each specific fund. Restrictions focus on maximum exposure in a specific region – as reported in the Concentration Risk section.

Equity investments are publicly traded equity, hedge funds or private equity that are each exposed to different kinds of equity risk. These risks are addressed in the overview of each fund together with the type of investments in which the fund is allowed to invest. The (operational) risks of trading in listed equity is partly mitigated by limiting the stock exchanges where equity can be traded.

In order to measure the total equity risk, a tracking error in relation to the chosen benchmark or beta restriction (to measure the risk in relation to the market) is also included.
In summary, the measure to manage equity risk is as follows:
- maximum tracking error or beta exposure.

Commodity risk
Commodity risk is the risk arising from trading financial instruments where the value is based on the value of a physical material (i.e. commodities). Commodities include agricultural products (e.g. cotton, oranges and grains), energy products (e.g. oil, natural gas and coal) and mineral products (gold, copper, etc.) and other products such as electrical energy.

In addition to the general market risk of a change in the price of the financial instruments which are used, the most important commodity risk arises from the nature of the commodities allowed in the fund. The measure is the amount of exposure per commodity type.

The operational risks inherent in certain commodity-related financial instruments is the risk of physical delivery. This risk is mitigated by not allowing positions to be held near a certain number of days before settlement and/or by allowing certain types of instruments.

In summary, the measures to manage commodity risk are as follows:
- allowed type of commodities (or exclusion list);
- permitted weighting (or deviation in the exposure from the benchmark) per commodity type.

Inflation risk
Inflation risk arises as a result of changes in a country's inflation level. This has an effect on various financial instruments, especially those with fixed coupons. This risk is already included in other risks mentioned above, such as interest rate risk or general market risk.

Although the inflation risk is largely mitigated when hedging the interest rate and general market risk, there is an additional risk that is considered inflation risk. This is the market risk of changes in the real interest rate over the inflation rate. This risk is only present in a fund where inflation-related products are allowed.
In summary, the measures to manage inflation risk are as follows:
- restrictions on permitted instruments in accordance with the fund's mandate;
- maximum exposure of inflation-related products, or maximum inflation delta.

Concentration risk
Concentration risk is the risk of exposure to idiosyncratic risk. This is the risk that an individual instrument can affect the risk of an entire fund, and is usually mitigated by asset allocation. The concentrations in the fund are measured from three different angles: concentration by issuer, concentration by country, and concentration by sector:
- concentration per issuer is measured by allocation. Concentration per issuer is managed by imposing absolute restrictions per issuer, whereby an issuer is considered as a single securitization consisting of several bonds. Restrictions per issuer may differ per rating, country, type, etc.;
- concentration per country is determined by the weighting in a specific country. Countries are defined as the country where the risk of the investment lies. Regions (Core-Eurozone, North America, Asia, etc.) are used for some funds. Regions are defined as a series of countries;
- concentration per sector is measured by the weighting of a particular sector.

The constraints on the three perspectives of concentration risk can be defined in an absolute or relative sense relative to the benchmark.
In summary, the measure to control concentration risk is as follows:
- monitoring the maximum exposure per sector/name/country based on absolute or relative (net) exposure.

Credit risk
Credit risk is the risk that a counterparty will not be able to meet its obligations as set out in the terms and conditions of a financial instrument. This risk could lead to a loss of principal or a significant widening of spreads when trading the market. The most commonly used measure of this risk is rating. This can be an internal Aegon rating or benchmark specific rating. Other measures such as credit spread or estimated default frequencies based on credit risk and option theory are considered, but will only be used in stress testing or scenario testing.

Credit risk is managed by imposing absolute limits based on rating or relative exposure to the benchmark.

The above restrictions are controlled on the basis of the assigned rating per purchase or the current date. A potential breach as a result of an adjustment of the rating of a particular instrument, or as a result of market value developments, will not immediately lead to a mandate being exceeded. The mandate should determine how much time is allowed to sell this exposure of the fund if there are restrictions on the fund. In addition, in such case, a restriction will be imposed on additional purchases of the particular rating classification.
In summary, the measure to manage credit risk is as follows:
- monitoring the maximum exposure per rating based on absolute or relative exposure (with possibility of temporary extension of the maximum exposure due to downgrades).

Counterparty risk
Counterparty risk is the risk that a counterparty in an (Over The Counter) derivative transaction cannot meet its contractual obligations. This risk is present in funds where OTC derivatives may be traded. A first measure of risk is the counterparty default risk, measured by the counterparty's rating. In addition, all of our OTC derivatives have daily exchange of collateral and thus the counterparty risk is largely mitigated. Only for highly leveraged funds with OTC positions, the residual risks can be material. In those cases, there may be a risk that if a counterparty defaults, the derivative position will have to be replaced. For this we monitor the maximum exposure per counterparty and there is a limitation for the minimum rating of the OTC counterparty.

Enforcing strict legal regulations, using International Swaps and Derivatives Association (ISDA) contracts and Credit Support Annexes (CSAs) reduces the operational risks involved in the exchange of collateral and settlement.

Liquidity risk
Liquidity risk is the risk that the fund will not be able to trade a position quickly enough at a reasonable price. The risk is related to the size of the fund and individual holdings compared to the size and marketability of the assets in the portfolio.

AIM has an appropriate liquidity management system which includes procedures to monitor the liquidity risk of each fund and to ensure that the fund's liquidity is aligned with its underlying liabilities.

The liquidity management system:

- maintains a level of liquidity in a fund commensurate with the underlying liabilities, which is based on an assessment of the relative liquidity of the underlying assets in the market, taking into account the time taken to liquidate the assets and the value against which the assets can be liquidated;
- monitors the liquidity profile of the fund's portfolio. This takes into account the possible marginal contribution of the individual assets that could have a material effect on liquidity, as well as the material debts and liabilities that the fund may have in relation to the underlying liabilities. For these purposes, AIM takes into account the profile of the investor base, including the nature of the investors, the relative size of the investments and the exit conditions;
- where the fund invests in externally managed funds (fund-of-fund structure) or is managed by an external asset manager, AIM monitors the liquidity management approach adopted by the managers of the other funds. This includes conducting periodic reviews to monitor changes in the withdrawal provisions of these underlying funds;
- implements procedures to assess the quantitative and qualitative risks of positions and intended investments that have a material effect on the liquidity of the fund's portfolio;
- implements the tools and arrangements necessary to manage the liquidity risk of each fund. The fair treatment of all participants in relation to each fund must be considered.

Climate Risk

Climate risk includes both physical climate risk and transition climate risk. Physical climate risk arises from weather-related events whereas transition climate risk is associated with the move to a low-carbon economy. Climate risk can have a financial impact on the AAM funds on account of climate risk exposure from underlying investments in companies and countries. AAM measures the financial impact of climate risk by developing the climate scenario analysis skill to help better understand climate risk and how to ultimately respond to it. This includes the development of applications where the financial impact of climate risk will be quantified and analyzed using climate-adjusted valuations and risk metric models.

Leverage

Leverage is expressed as the ratio between the fund's exposure and the fund's net asset value. The leverage in the fund is calculated in two different ways: the gross method and the liability method. Both methods are prescribed by Alternative Investment Fund Managers Directive (AIFMD).

The gross method:

- excludes from the calculations the value of the cash and cash equivalents and the highly liquid investments in euro of the fund that can immediately be converted into cash and cash equivalents, subject to an insignificant risk of changes in value and provide a yield not exceeding the yield on three months high-quality government bonds;
- converts derivative positions (using specific conversion methods) to the equivalent position of the underlying assets;
- excludes loans that are cash borrowings for which the amount due is known;
- includes exposures due to reinvested cash borrowings, expressed as the higher of the market value of the investments or the total amount of borrowed cash; and
- includes positions in repo- or reverse repo transactions and security lending arrangements.

The commitment method:

- converts derivatives positions (using specific conversion methods) to their equivalent position in the underlying assets, provided certain criteria are met;
- takes into account clearing and hedging arrangements (also under certain conditions);
- calculates the exposure created by the reinvestment of loans and borrowings, when the reinvestment increases the exposure of the fund; and
- excludes derivatives that are used for currency hedging purposes.

Each fund has leverage restrictions that are monitored like other investment restrictions. In the case of investments in third party funds (defined as non-Aegon Asset Management (AAM) funds, but funds managed by AAM subsidiaries) the leverage in the funds managed by third parties is not included in the leverage calculations of the fund of fund structure .

Risk limits management

Risk limits management is undertaken to ensure that the risk profile of the fund can be effectively monitored. The Dutch authority for the financial market (AFM) receives a message if there is a mismatch between the risk profile of the fund and the risk limits or when there is a substantial risk that such a mismatch might occur. The match between the risk limits and risk profile is checked at least annually.

For every type of financial risk, applicable measures are defined to manage these risks. The most appropriate measures may vary per fund, based on the strategy of the fund. For the selected measures, appropriate risk limits are set, which are actively monitored. This will ensure that the fund act within their mandates.

To provide for an efficient and effective risk management process, the risk measures and the resulting risk limits meet the following principles:

- Quantitative limits are measurable;
- Restrictions or limits have clear definitions;
- Measures are chosen in such a way that the measurements and monitoring can be automated;
- Multiple restrictions with a similar objective are avoided, except when there is a legitimate reason;
- Each fund has limits for all identified risks, and
- Restrictions are designed to reduce complexity, hence a restriction per type of risk instead of combining different types of risks to a restriction.

The risk limits of the fund are monitored on a daily basis. Monitoring consists of the calculation of the control variables for each of the fund, comparison of the internal and external risk limits and the escalation of overruns within the organisation.

The calculation for most limits is delegated to Citibank. In its role as depositary and fund administrator, Citibank has full transparency on the funds, for which Citibank checks the compliance of the limits and performs relevant calculations within their systems. AIM receives warnings (breaches of internal limits) and infringements (breaches of external limits) with all applicable data and validation checks. All limits are checked by AIM and are reported in an overview of warnings and breaches.

These warnings and breaches are analysed and different processes are followed depending on the materiality of the warning or breach. Immaterial warnings are usually resolved within few days and are only reported to the portfolio manager if they remain outstanding for a longer period. Material warnings are reported to the portfolio manager for validation of the warning and to verify the solution. High risk problems are immediately reported to the Chief Investment Officer (CIO). On a weekly basis, all outstanding material warnings and breaches are internally reported to, among others, the management. On a monthly basis, the Risk Control Committee is informed on all the warnings and breaches, including the status or the solution.

During the reporting year, there were no breaches of restrictions.

Operational risk management

The fund manager has defined operational risk as follows: "The risk of a loss as result of inadequate or failing internal processes, people and systems or external events". The fund manager has designed a comprehensive framework for the definition and classification of risks and the organisation of risk management activities.

The operational risk management policy includes the strategy and the objectives for the operational risk management and the processes that the fund manager has designed to achieve these objectives. The objectives for operational risk management (ORM) are:

- all major operational risks are identified, measured, evaluated, prioritised, managed, monitored and treated in a consistent and effective way throughout the organisation;
- appropriate and reliable tools for risk management (including the main risk indicators, database with risk events, risk & control self-assessments, monitoring reviews, and stress and scenario tests) are used to support management reporting, decision-making and assessment of required (reserve) capital;
- all directors, management and staff are responsible for managing the operational risks in line with the roles and responsibilities; and
- key stakeholders timely receive a reliable confirmation that the organisation manages its activities for the important operational risks.

Risk management by the fund manager
AIM has organized the risk management governance according to the Three Lines of defence Model. This model distributes the responsibilities, the tasks and the set of instruments and measures needed to be 'in control'. This model ensures independent monitoring of the risk management activities in the organization by the risk management, compliance and internal audit function.

- First Line of defence

The first line of defence is executed by the line organization. They are responsible for the performance of the primary operational processes. Many of the risk management measures are embedded in these processes and provide reasonable assurance that the processes are performed properly. Common used control measures are, for example, the segregation of duties, the four-eyes principle and reconciliations.

The monitoring of positions and the related investment risks takes place on the level of the total client portfolios, the investment portfolios and the individual external asset managers.

- Second Line of defence

The second line is formed by the Enterprise Risk Management (ERM), Portfolio Risk Management (PRM), Portfolio Risk Control (PRC) and Compliance. The task of the second line is to identify, record and monitor AIM's operational, investment portfolio and compliance risks and to test, advise and support the line organization in risk management. The risk management and compliance officers undertake activities to strengthen the risk culture within AIM, monitor that management actually takes its responsibilities and enter into a dialogue about this with management.

- Third Line of defence

Internal Audit forms the Third Line of defence. This department is completely independent. Internal Audit has the mandate to assess all processes in the first and second line.

Operational risks of the Fund
The risks are identified based on the Risk Control Self-Assessment (RCSA). An effective set of control measures limits the risk of exceeding the risk tolerances for the operational risk. The most important operational risks and the risk management with regards to the multi-manager funds are:

- Inadequate selection of external managers resulting in underperforming managers which may cause incidents. This can lead to operational losses and reputational damage.

Control measures
Risks in relation to the selection process are managed by means of a robust and intensive selection process aimed at appointing high-quality managers for each asset class and subclass worldwide. Important selection criteria include: the investment philosophy used, the investment process, the personnel and organization, performance and opportunities for diversification. There are strict procedures for documenting the outcomes of the due diligence investigation into external managers and the resulting opinion, the confirmation of selected managers in the portfolio manager meeting and the authorization of a selected manager by the Manager Equities, Fixed Income & Commodities and the Chief Investment Officer (CIO). In addition, the process is tested by Operational Risk Management before the contract is signed.

- Inadequate drafting and conclusion of contracts (Investment Management Agreement or IMA) with the result that legal safeguards are insufficient and that there is insufficient insight into the performance (qualitative and quantitative) of the manager to be able to make proper adjustments. This can lead to operational losses and reputational damage.

  Control Measures
  Risks related to the conclusion of contracts with external managers are managed because contracts are drawn up by expert lawyers on the basis of standard contracts. The IMA is always tested by the legal department.

- Unreliable execution of processes by the external manager resulting in underperformance, incidents and a lack of transparency. This can lead to operational losses and reputational damage.

  Control measures
  Risks are managed by monitoring the documentation of the investment management agreements, assessment of the external managers by the portfolio managers and an annual assessment of the assurance reports of the auditors of the external manager, Fund Administrator (Citibank), PRC department and department. This includes, amongst other things, checks on the performance of external managers (qualitative/quantitative), compliance breaches and fee notes. Portfolio managers continuously monitor the performance of the external managers on the basis of portfolio information, company news, attribution analyses and risk and return criteria. There is also a clear dismissal policy on the basis of qualitative and quantitative criteria.

The purpose of operational risk monitoring is to protect the investments of the customers of the fund manager, to ensure that customers are treated fairly and to ensure that the manager meets all his legal obligations. Risk monitoring also includes providing feedback to the company on the effectiveness of their operational management measures and comparing the current operational risk profile with the established risk tolerance. An important part is testing of internal controls to provide for an independent assessment of the adequacy of the design and the operational effectiveness of key operational management measures that have been established by the management. The outcome of this is reviewed by an independent auditor and reported in a ISAE3402 Type II statement. Furthermore, compliance of the policy of the fund manager and Aegon Group is monitored and any failures are reported to the responsible management.

Continuity management
The purpose of continuity management by the fund manager is to ensure the continuity of its activities, to establish trust, safeguarding of assets, to meet obligations, comply with the internal and external regulations and to prevent or mitigate damage and risk. The fund manager has taken measures to reduce the risk of a disruption of continuity to an acceptable level as much as possible.

The fund manager has taken measures to limit the risk of disruption to the continuity as much as possible to an acceptable level.

An acceptable level of risk is determined by striking a balance between the cost of risk mitigation measures and the value of the fund manager's assets. This will ensure that the fund manager maintains a prudent operational risk profile both under normal business conditions and under extreme circumstances resulting from unforeseen events.

Responsibility for the proper organization of continuity management has been assigned as part of the primary process. It is the responsibility of AIM’s Operational Risk Management department to independently ensure that this responsibility is properly fulfilled and performed.

Risk awareness and embedding within the organisation
The fund manager is well aware of the attention directed towards demeanour and conduct in regards to the risk management and compliance, the so called soft controls.

The policy is aimed at the fund manager complying to the statutory, administrative and societal norms. This entails that a breach, or the appearance of a breach, of valid law and legislation can affect trust adversely:

- while performing financial services and the ensuing commitments towards customers of the fund manager;
- in the financial markets wherein the fund manager operates.

Compliance to the external regulations has additionally been given shape by the composition of internal regulations. The various regulations that apply to the fund manager and/or her employees, are listed on the intranet and are available to all employees.

The customer is the point of focus and the know-your-customer rules have already been applied with the fund manager before it was recorded in the legislation and the provision of information receives ample attention, for example in the form of tailored customer reports.

To maintain confidence in the financial markets, the fund manager handles various procedures that, as per example, are focused on avoiding conflicts of interest and to ensure that no customers with a heightened level of integrity risk (for example due to money laundering or the financing of terrorism) are being admitted.

The fund manager additionally handles the procedures that guarantee that (international) sanction laws are being met. Sanctions could, for example, relate to certain persons, whose assets need to be frozen or to which no financial services should be given. Sanctions could also entail that no investments are allowed to be made in certain areas and/or instruments. When new sanctions are being issued or current sanctions are being altered, the compliance department will forward this information as quickly as possible to the relevant departments that apply such alterations in the portfolios.

An important part of the organizational embedding of risk management and compliance is, among others, the raising of awareness in regards to the relevant law and regulations and the monitoring of processes and procedures. The integrity risk of the fund manager is being controlled through internal guidelines, pre-employment screening, codes of conduct, e-learning modules for all employees and measures in the customer acceptation process. The compliance role plays an important part in the creation of the desired degree of risk awareness.

Fraud Risk

AIM runs the risk that its own employees and/or third parties will perform an intentional act using deception in order to obtain an unlawful or unlawful advantage. Fraud committed both internally and externally can lead to significant financial and reputational damage for AIM. In addition, the (financial) interests of its customers can be damaged by fraud.

Fraud risk is limited by various control measures present in the first line, such as authorization checks, system-enforced checks on payments, reconciliation checks and the automated segregation of duties for payment systems. All these control measures are periodically tested and evaluated and further monitored by the involvement of the second line (ERM, PRM, PRC and Compliance) and the third line (Internal Audit).

Among other things, training sessions for employees and conducting due diligence with regard to customers and business partners can restrict fraud risk .

Both fraud risks are managed through the anti-fraud program that applies within Aegon Group to all Aegon entities, including AIM B.V. This program contains specific key requirements that serve as a handle for managing fraud risks. For example, all Aegon entities must determine their tolerance for fraud-related damages, record fraud incidents and report them internally, and have procedures in place to say goodbye to customers, business partners and employees who have committed fraud.

SIRA is performed every year by the various Aegon Group entities. Compliance participated in this exercise once more in 2023 on behalf of AIM B.V with the intention of identifying and managing integrity risks. In the 1st phase, the focus was on gaining insight into the exposure of AIM B.V. to such risks through its strategy, customers, culture, business partners and products. In the 2nd phase, the integrity risk was assessed and valued. This has resulted in the valuation of integrity risks without the existence of control measures (inherent risk) and with the existence of control measures as they work in practice (residual risk).

One integrity risk that Compliance assumes with relation to AIM B.V. is fraud risk which has been assessed and valued within the SIRA 2023. This was done on the basis of various scenarios such as:

- Unauthorized transactions;
- Accounting fraud;
- Theft of goods (internally related);
- Forgery, impersonation and fraudulent applications;
- Fraudulent claims;
- Fraudulent invoices and theft of goods (externally related).

The inherent risk associated with the four fraud categories and the related scenarios has been assessed as outside the risk tolerance in the context of the SIRA 2023. However, given the existing control measures and their effectiveness in practice, the remaining risks in all four fraud categories have been assessed as below or within the risk tolerance. The valuation took place along two axes (1) the degree of probability that the risk will occur (2) the degree of impact on, among other things, AAM NL's business operations if the risk occurs. Specific controls were not taken into account when assessing inherent risk. The assessment of the residual risk took into account the specific controls as existing and operating in practice.

These are some examples of control measures that AIM B.V. has been determined to implement during the SIRA 2023 by Compliance:

- three lines of defense framework in which the second and third line advise, challenge and monitor the first line, also in terms of fraud risk management;
- cooperation with reputable external parties as custodian and/or administrator as laid down in agreements for the funds under management;
- the existence of relevant policy documents such as Whistleblower Policy, Code of Conduct, Code of Ethics, and Conflicts of Interest Policy, the use of which is encouraged and reviewed;
- the existence of reporting and escalation procedures where Compliance can report and explain incidents, deficiencies, defects, etc. including recommendation for remedial measures;
- the written recording of responsibilities and powers that ensure separation of functions.

DUFAS

AIM has joined the Dutch Fund and Asset Management Association (DUFAS).

GIPS

Aegon Investment Management B.V. also voluntarily complies with the Global Investment Performance Standards (GIPS). This GIPS verification of the investment funds is carried out annually by an external accounting firm. This has been done since the year 2000 with a positive final assessment. Aegon Investment Management B.V. thus meets the obligations set by GIPS and this underlines the reliability of the performance measurement of our investment funds.

2.5. Notes on the remuneration policy

Remuneration Policy
For the remuneration policy AIM, being part of Aegon N.V., is bound to the Aegon Group Global Remuneration Framework. This framework is designed in line with relevant laws and regulations, such as the Dutch law on remuneration policy for financial institutions. The Framework includes principles and guidelines for a careful, controlled and sustainable remuneration policy, that adheres to the strategic goals, HRM aspirations and core values of Aegon Ltd. This also meets the AIFMD requirements for the remuneration policy, including contributing to effective and efficient risk management and not encouraging taking more risks than allowed by the investment policy and fund terms and conditions. In situations of delegation of fund management after the AIFMD became effective, AIM monitors that the AIFMD or equivalent guidelines and restrictions for remuneration are in place. This framework is tested annually against laws and regulations, amended where necessary and presented to the Remuneration Committee of Aegon Group for approval. This body also monitors the remuneration of all AIM employees that have been designated as Material Risk Taker (MRT).

Transparency of remuneration rules in relation to the integration of sustainability risks
Alignment of the remuneration rules with sustainability risks is an important part of the AAM compensation program. AAM's global compensation rules encompass our global focus on integrating critical sustainability factors into multiple components of the variable compensation structure.

Performance indicators are a fundamental part of AAM's variable compensation program. In order to obtain an accurate representation of total performance from a long-term perspective, the remuneration rules contain limits on unadjusted financial performance indicators at both organizational and individual levels.

At the organizational level, the focus on sustainability is reflected by indicators that show the long-term sustainability of business results, including one, three and five year investment results, customer satisfaction and collaboration within and between teams.

Individual objectives ensure that all stakeholders have direct insight into how they contribute to AAM's strategy and sustainability goals. As an illustration, these indicators currently include components such as:

- A goal for all employees that includes core components of our culture, including accepting diversity of thought, demonstrating inclusive and respectful behavior, complying with company rules and successfully completing related training and adhering to risk management components.
- Professional objectives from an investor perspective including ensuring that ESG factors are considered in relation to each fund's risk and performance objectives while meeting responsibilities regarding client confidentiality.
- The board has individual goals regarding Inclusion & Diversity goals within the organization.

Our remuneration rules also outline management assessments that focus on risk alignment and the sustainability of business performance. Such assessments may result in a downward adjustment of variable remuneration elements. The assessments specifically include Bonus Malus provisions described in the remuneration rules.

Fixed remuneration
Fixed remuneration of AIM employees consists of the monthly salary, a flexible budget (including, among others, holiday allowance and 13th month allowance), pension allowance and other secondary employment terms that are customary in the Dutch market. AIM has different salary systems for employees under collective employment agreements (‘CAO gebonden posities’), portfolio managers and senior management positions. All three systems are reviewed annually on market conformity using various external market surveys on remuneration.

Variable remuneration
A selection of AIM employees is eligible for variable remuneration. This variable remuneration is an integral part of the total remuneration package. For the calculation of the annual budget for variable remuneration, a so called bonus pool method is used. This means that the size of the pool (in other words, the budget) is determined by comparing the actual results to the predetermined goals. This consists of a mix of long term and short term fund results, client satisfaction, profitability, sales figures, risk management and Aegon N.V. results. Granting of any variable remuneration, within the budget, is done based on individual performance. For granting of variable remuneration, based on the bonus pool and at individual level, the performance indicators consist for a maximum of 50% of non-risk adjusted financial performance indicators and for at least 50% of non-financial indicators.

In addition, employees that are not eligible for variable remuneration can, under strict conditions, be granted a variable remuneration.

Material Risk Taker (MRT)
On the basis of the AIFMD selection criteria, eleven internal positions have been qualified as MRT, of which seven are senior management positions. This concerns staff members of which professional activities have significant influence on the risk profile of AIM and/or the managed funds.

When qualifying for a certain fixed income and variable remuneration, no distinction is made between MRT and other employees. Different rules do, however, apply in the area of personal targets and payment of variable remuneration. The personal targets of Identified Staff are assessed in advance on the degree of risk control and are, where required, adjusted accordingly. In addition, in case of MRT variable remuneration is not paid in cash in one instalment. The initial 50% are paid directly in cash after the year of performance. The other 50% are paid directly in instruments, the so-called phantom shares. The phantom shares are subject to a holding period of three years. They are made available after that. Before each of these elements is paid, it is established whether there are still facts on the basis of which the variable remuneration should be adjusted downward. The phantom shares are linked to the fund performances of the main funds of the Manager. After allocation the shares are held for a year before they are settled and paid to the employee in cash.

Remuneration overview
The table below consists of the fixed remuneration (12 times the monthly salary, income tax, social security contributions, pension contributions and the flexible budget) and the variable remuneration granted to all employees and temporary employees of AIM in 2023. The amounts have been split to management, MRT and other employees.

Personnel compensation for the financial year 2023

Groups (amounts x € 1,000)	Number of personnel	FTE[1]	Fixed salary[2]	Variable remuneration
Board of directors	4	3	1,127	474
MRT	7	6	2,132	1,114
Other staff	425	385	45,245	5,415
Total AIM employees	**436**	**394**	**48,504**	**7,003**

Personnel compensation for the financial year 2022

Groups (amounts x € 1,000)	Number of personnel	FTE[1]	Fixed salary[2]	Variable remuneration
Board of directors	3	3	1,077	285
MRT	9	9	3,138	995
Other staff	457	393	42,972	4,667
Total AIM employees	**469**	**405**	**47,187**	**5,947**

(1) 1 FTE = 40 contractual hours per week
(2) This consists of twelve times the monthly salary and a fixed flexible budget (including, among others, holiday allowance and 13th month allowance).

The remuneration for the employees includes activities performed for Aegon Nederland N.V. Employees are not directly employed by or working exclusively for specific individual funds. The total remuneration has not been allocated to the individual funds, since the information required for this allocation is not readily available.

There are no employees for which the total remuneration is greater than 1 million euro.

The manager does not receive any compensation other than the predetermined management fee, which is a percentage of the net asset value. Therefore, there is no carried interest.

Delegated functions
In accordance with article 22 (2) (e) of the AIFMD, the manager is obligated to provide further details of the remuneration policy. This includes external parties to which portfolio management and risk management activities are delegated. For outsourcing relationships a proportionally effective remuneration policy is applicable. Aegon has, in accordance with AIFMD, tried to obtain the quantitative information from its external portfolio managers and risk managers. However, this information is not available at the required level. For a best estimate of the costs associated with the remuneration policy for these external portfolio managers and risk managers, we refer to the management fees charged. The management fees are disclosed in the annual report of the relevant Aegon funds.

2.6. Laws and regulations

The fund is subject to the regulatory supervision of the Dutch Act on Financial Supervision (Wet op het financieel toezicht).

The annual report is prepared in accordance with Title 9 of Book 2 of the Dutch Civil Code, the Dutch financial reporting standards (‘Richtlijnen voor de jaarverslaggeving’) and the Dutch Act on Financial Supervision (Wet op het financieel toezicht).

2.7. Voting policy and Responsible Investment Policy

Policy
Aegon Investment Management B.V. (AIM) is convinced that integrating Environmental, Social and Governance (ESG) aspects into the investment process contributes to a better risk-return profile of the investments. This is because a good ESG profile of the companies in the portfolio strengthens the robustness of the investment portfolio and can positively influence the investment return.

External managers are assessed on their ESG capabilities and practices. All managers are assessed and ESG performance and impact are monitored.

The policy is described in the Aegon AM NL Sustainability Risks and Impacts Policy, the Aegon AM Sustainability Risks and Impacts Policy Multi-Management Funds and formalized through the Fund's Terms & Conditions.

The Socially Responsible Investment policy consists of:

- Identify and monitor the main negative effects.
- Ensuring good governance. The process of AIM begins with an identification process in which investments are tested for compliance with global standards (e.g. the United Nations Global Compact Principles, the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises) and relevant international treaties and conventions. In addition to trying to identify companies that do not meet global standards, AIM also tries to identify companies that are at risk of violating global standards. Where necessary, AIM can take action to address poor governance.
- Excluding companies based on specific criteria.
- Active ownership, which means that AIM seeks to use its influence as a bondholder or shareholder to make changes and help mitigate certain negative effects. Voting at shareholders' meetings is also part of active ownership. AIM votes on all company meetings held as far as practicable.

AIM enters into discussions with the external asset manager about the investments that do not perform well with regard to the ESG criteria.

A complete overview of the responsible investment policy as well as the Aegon Responsible Investment Report can be downloaded from the manager's website www.aegon.nl.

Company exclusion
The AIM exclusion list is updated and established annually. Changes to the exclusion list are processed in the contracts with the external managers. Compliance monitoring takes place daily on compliance with the exclusion list.

The AIM exclusions list contains exclusions based on the following criteria:

- Controversial weapons based on the Controversial Weapons Radar (CWR) compiled by Sustainalytics. The following types are classified as controversial weapons: biological weapons, nuclear weapons, chemical weapons, anti-personnel mines, cluster munitions, depleted uranium and white phosphorus munitions (if controversial use).
- Companies involved in arms trade with countries:
  - Where an arms embargo by the UN Security Council, the US or the EU is in force, or any other relevant multilateral arms embargo;
  - That are part pf a war zone;
  - With a high risk for which the Dutch government applies a ‘presumption of denial’ when deciding on an export license.
- Coal mining companies that derive 5% or more of their turnover from the exploration, mining or refining of thermal coal. Companies that produce more than 20 million tons of thermal coal annually and are actively expanding exploration, mining or refining activities are also excluded, even if this is less than 5% of revenues.
- Companies that generate 5% or more of their revenue from thermal coal-fired electricity generation. Even if it represents less than 5% of revenues, businesses that have a coal-fired power generation capacity of more than 10 gigawatts and are actively expanding that capacity are also excluded.

- Companies that get 5% or more of their total oil-related production from tar sands. Pipeline operators who have significant involvement in the transportation of tar sands oil are also excluded
- Companies that derive 5% or more of their revenue from oil and gas exploration and production in offshore Artic regions.
- Tobacco companies. These are companies that generate more than 5% of their turnover from the production of tobacco and tobacco-related products.
- Companies that are non-compliant with UNGCP and have shown insufficient progress in the dialogue.
- Companies that earn 5% or more of their income from palm oil production and/or distribution.
- Companies that manage forests for wood production with FSC certification coverage from 75% or lower.
- Investments in Russian and Belarusian companies.

Country exclusion
Government loans from a number of countries whose government is subject to an arms embargo imposed by the United Nations Security Council, the United States or the European Union are excluded.

Sustainability
Funds falling within the scope of Article 8 or 9 of the SFDR
For each of the Funds categorised as falling within the scope of Article 8 or 9 of the SFDR (as described in the relevant Annex), the investment policy, as set out in the relevant Annex, describes how the Fund promotes relevant ESG characteristics taking into account a wide range of environmental characteristics, including climate objectives.

Information on the environmental or social characteristics of this financial product is available in the annex 'Periodic sustainability disclosures' of the relevant fund.
Other funds
Other fund Participants should note that with respect to each Fund, except those Funds which are categorised as falling within the scope of Article 8 of the SFDR (as set out in the relevant Annex), that the Fund's underlying investments do not take into account the EU criteria for environmentally sustainable economic activities.

Information on the environmental or social characteristics of this financial product is available in the annex 'Periodic sustainability disclosures' of the relevant fund.

Voting
Equity funds vote globally and vote at all meetings for which this is practically possible. Due to the large number of votes, AIM uses a specialized voting advice agency. This agency makes recommendations based on policies aimed at sustainability. For Dutch companies, the agency applies additional criteria that take into account the Dutch Corporate Governance Code, Dutch Stewardship Code and other relevant best practices. In principle, the recommendations are followed. In exceptional cases, AIM may decide to vote differently. AIM is transparent in this and the motives are explained.

In order to avoid the appearance of a conflict of interest, voting at Aegon NV's shareholders' meetings will be waived, in accordance with the Aegon AM Active Ownership Policy and the Conflict of Interest Policy.

2.8. General outlook

Shares

Europe
The outlook for stock markets is moderately positive. It seems likely that economic growth will remain low in Europe. However, it is likely that inflation will continue to fall sharply, allowing the central bank to cut interest rates.

The European market generates a relatively large share of its turnover in emerging countries. This was an advantage for a long time, due to the higher growth in these countries. This is also a risk due to rising geopolitical tensions. Particularly in China, the government is trying to favour domestic companies and patents of foreign parties are being violated. This is a dilemma for European companies.

The European market has less successful technology companies. As a result, profit growth will probably remain structurally low. However, the valuation of the European market is relatively attractive.

North America
The outlook for stock markets is moderately positive. It seems likely that economic growth will slow in the US. However, this delay is likely to be relatively mild. In addition, it appears that inflation will slowly decrease. In the short term, the slowdown could cause slight declines in profits. However, investors are looking further ahead, so this will not necessarily lead to a decline in the stock market.

However, investor sentiment is less negative, which means there is less room for positive surprises.
The US market has many very successful technology companies. In addition, it is well capable of creating and allowing new companies to flourish. We therefore expect strong returns in the long term.

Asia including Japan
The outlook for shares from Asian markets is very uncertain.

Investors are particularly concerned about the Chinese market. Not only is the economic slowdown negative, but the question to what extent investors are protected is also uncertain. The Chinese government appears to be intervening more and more in the economy.

The Japanese market is relatively cyclical, which means it remains dependent on global economic growth. However, Japanese companies have started to take the interests of investors more into account. This will have a positive effect on returns in the long term. Returns in Japan also depend heavily on the fluctuations of the Japanese Yen. These are influenced by monetary policy. If the central bank tightens policy, the currency will rise and the stock market will struggle.

The semiconductor industry also makes up a significant portion of the market capitalization of emerging markets. This sector in particular is very cyclical. Due to declining demand, this experienced a temporary dip in 2022 and 2023. However, demand is currently picking up strongly, partly due to the rise of AI. In the long term, we expect this sector to benefit from this.

Latin America
Outlook for Latin American equities is uncertain. Valuations are relatively attractive.

The political situation in Latin America remains unstable. Due to constantly changing economic policies, economic growth is lower than potential. However, the continent can benefit from the rising tensions between the US and China by attracting companies to the region.

The market has a relatively large number of raw material companies. These will move with the global cycle. In the long term, this is not a very profitable sector, because competitiveness can only be influenced by the cheapest production costs.

All in all, we expect limited returns in the Latin American market.

Real estate

Global listed real estate
From these levels, the prospects for real estate are still attractive compared to equities, but also still pricey compared to the valuation of corporate bonds. The interest rate drop at the end of 2023 appears to have been largely reflected in the prices. However, the current relationship between supply and demand for real estate appears to be and will remain healthy because little is being built due to increased construction and financing costs. Only the supply-demand ratio in office real estate seems risky, but this sector has become a relatively small part of the index. In addition, most companies worldwide are financed fairly conservatively compared to previous cycles. Unfortunately, this is less true for continental European real estate companies. Partly in view of the current reasonable valuation, the sector remains attractive in the longer term.

Commodities

In the coming period, we expect a further slowdown in economic growth in Western countries due to rising interest rates. However, geopolitical tensions with conflicts in Ukraine and the Middle East create additional uncertainty and may limit the supply of important energy-related commodities, which can cause upward price risks.

In the long term, we expect further demand for commodities. The global economy will have to move towards a sustainable world. As a result, the demand for commodities that support this trend will experience an upward demand, while the demand for fossil fuels will likely slowly decline. Any further increase in geopolitical tensions could cause additional volatility in commodity prices. Due to the geopolitical tensions and the uncertainty surrounding the economic growth path, we expect a lot of volatility in the near future and we will maintain a neutral positioning.

The Hague, 17 April 2024

The investment manager

Signed on behalf of Aegon Investment Management B.V. by:

O.A.W.J. van den Heuvel
D.F.R. Jacobovits de Szeged
W.H.M. van de Kraats
T.E.J.F. Stassen

3 Annual Report 2023 AEGON Equity Emerging Markets Index Fund

1 January 2023 through 31 December 2023

3.1. General information

Date of incorporation
The fund was established on 1 August 1993.

Profile
The fund is a fund for joint account (Dutch: “fonds voor gemene rekening”). The participations are only available to qualified investors (Dutch: “gekwalificeerde beleggers”) as defined in the Dutch Act on Financial Supervision (Dutch: “Wet op het financieel toezicht”).

Investment Policy
The fund invests according to a passive investment strategy, directly or indirectly, in shares of listed companies in developed and emerging equity markets around the world that are part of the MSCI Emerging Markets Net Index.

Objective
The investment policy is focused on tracking the benchmark as closely as possible.

Sustainability policy
We confirm that the environmental and social characteristics as stated in the prospectus at the beginning of the reporting period for this fund have been met.

Information about the environmental or social characteristics of this financial product is available in the appendix (Periodic sustainability commentary AEGON Equity Emerging Markets Index Fund), including information to which environmental objectives the investments of this fund contribute and how and to what extent the investments take place in economic activities that take into account the EU criteria for environmentally sustainable economic activities as set out in the EU taxonomy (2020/852). The “do no significant harm” principle only applies to the investments underlying this financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark
MSCI Emerging Markets Net Index.

Restrictions
Investment restrictions
The fund can invest in equities, equity funds, listed real estate and cash and cash equivalents. The freely available cash position, excluding the portion of the cash position associated with the fund's futures positions, must be between -5% and 5% of the fund's assets. Derivative financial instruments (derivatives): equity (index) futures, equity options, equity warrants, rights, contracts for difference, cross currency swaps, ETFs, total return swaps, currency futures, currency options and currency forward contracts.

Investment Strategies
The following maximum deviations from the benchmark are allowed:
- 2% at country level;
- 2% at sector level;
- 1.5% at company level;
- 0.5% in countries, sectors and companies that are not included in the benchmark (off-benchmark position).

In anticipation of a change in the composition of the benchmark, the fund can invest in a security that is not part of the benchmark for one week before the change of the benchmark. When the composition of the benchmark changes, an investment that is not included in the benchmark has to be sold within a week.

Counterparty
The minimum credit rating of counterparties for swaps is BBB.

Leverage
The permitted leverage, or the exposure resulting from using the permitted credit margin and/or entering into contracts in derivative financial instruments (in accordance with the method based on commitments made), is a maximum of 10% of the fund's assets. The permitted leverage, based on the gross method, is 150% of the fund's assets. These instruments (derivatives) are only used if this is in line with the realization of the fund objective, to hedge risks and/or for efficient portfolio management.

Short term deviations
Short term deviations from the above restrictions are possible due to large subscriptions to the fund or redemptions from the fund. Such deviations are brought back to the predetermined limits within a period of 10 business days.

Fiscal status
Private fund for common account
The fund is fiscally transparent, which means that the fund is not liable for corporate tax (or subject to any other tax on profits) and is not subject to dividend withholding tax. The assets, liabilities and results of the fund are directly allocated for tax purposes to the participants of the fund in proportion to their participation. Income or capital gains earned by a participant are regarded as income or capital gains made on the assets of the fund.

Dividend Policy
The fund does not distribute dividend. The earned income is reinvested.

3.2. Report of fund manager - investment policy

In 2023, the Aegon Equity Emerging Markets Index Fund achieved a return after costs of 5.65%. The return was -0.43% less than the benchmark, the MSCI Emerging Markets Net Index.

The fund follows the benchmark as closely as possible, so that the portfolio has many positions and a wide spread. Given the relatively small size of the fund and limited accessibility to markets, there is no complete replication of the benchmark, but the portfolio is optimized.

The fund is exposed to the same risks as the benchmark. These are market risk and currency risk. Because this fund is a passive fund that follows the benchmark as much as possible, a conscious decision has been made not to hedge currency risks and market risk. Derivatives are therefore not used. In addition, there is a selection risk due to the optimization, because not all shares from the benchmark are traded. This resulted in slight underperformance compared to the benchmark last year.

In 2023, Asian markets as a whole ended the year on a positive note, but the major exception was the Chinese market, which had a strongly negative result. The Chinese stock market had a very weak year. Due to the continued slowdown in the real estate sector, consumers remained cautious. In addition, the government has introduced regulations on several occasions that have had a negative impact on investors. The technology sector, among others, faced more government intervention. This has damaged investor confidence. Latin American shares, like most other stock markets, also achieved positive returns in 2023.

Outlook
The outlook for shares from Asian markets is very uncertain. Investors are particularly concerned about the Chinese market. Not only is the economic slowdown negative, but the question to what extent investors are protected is also uncertain. The Chinese government appears to be intervening more and more in the economy.

The semiconductor industry also makes up a significant portion of the market capitalization of emerging markets. This sector in particular is very cyclical. Due to declining demand, this experienced a temporary dip in 2022 and 2023. However, demand is currently picking up strongly, partly due to the rise of AI. In the long term, we expect this sector to benefit from this.

3.3. Key figures

Key figures	2023	2022	2021	2020	2019
Overview per participation[1]					
Changes in fair value	1.40	(4.05)	1.31	1.73	4.24
Other results	0.01	0.01	0.01	0.01	0.01
Total result	**1.41**	**(4.04)**	**1.32**	**1.74**	**4.25**
Management fee and other expenses	(0.15)	(0.15)	(0.17)	(0.14)	(0.14)
Net result	**1.26**	**(4.19)**	**1.15**	**1.60**	**4.11**
Net asset value (x € 1,000)	48,990	46,980	66,641	71,259	68,981
Outstanding number of participations	2,052,213	2,079,182	2,490,504	2,773,825	2,888,091
Net asset value per participation	23.87	22.60	26.76	25.69	23.88
Performance[2]					
Performance (net asset value)	5.65%	(15.56%)	4.16%	7.56%	20.48%
Performance benchmark	6.11%	(14.85%)	4.86%	8.54%	20.60%
Outperformance	(0.43%)	(0.82%)	(0.67%)		
Outperformance since inception	23.39%	23.92%	24.95%		
Annualised outperformance since inception	0.69%	0.73%	0.79%		

[1] Amounts per participation are based on the average number of participations during the year.
[2] The performance is the time weighted return after costs calculated on a daily basis. The outperformance figures are presented in 2021 for the first time, therefore no comparative figures included.

Financial statements 2023 AEGON Equity Emerging Markets Index Fund

3.4. Balance sheet as at 31 December

Balance Sheet			
(before appropriation of result) (amounts x € 1,000)	Reference	2023	2022
Assets			
Investments			
Investment funds		49,002	46,997
Total investments	3.7.2	**49,002**	**46,997**
Receivables			
Outstanding transactions in financial instruments		-	4,915
Issue of participations		1,894	-
Total receivables		**1,894**	**4,915**
Total assets		**50,896**	**51,912**
Liabilities			
Net asset value			
Net assets before result		46,423	57,043
Result for the year		2,567	(10,063)
Total net asset value	3.7.4	**48,990**	**46,980**
Investments			
Call money		113	70
Total investments	3.7.2	**113**	**70**
Short term liabilities			
Outstanding transactions in financial instruments		1,662	-
Redemption of participations		123	4,855
Other payables and liabilities	3.7.5	8	7
Total short term liabilities		**1,793**	**4,862**
Total liabilities		**50,896**	**51,912**

3.5. Profit and loss statement

Profit and loss statement			
(amounts x € 1,000)	Reference	2023	2022
Direct result			
Realised Investment results		2,111	2,361
Unrealized Investment results		739	(12,070)
Total indirect result	3.7.7	**2,850**	**(9,709)**
Total investment result		**2,850**	**(9,709)**
Other results			
Subscription and redemption fee	3.7.8	16	15
Total other results		**16**	**15**
Operating expenses			
Management fee		(283)	(351)
Service fee		(14)	(18)
Interest bank accounts		(2)	-
Total operating expenses	3.7.9	**(299)**	**(369)**
Net result		**2,567**	**(10,063)**

3.6. Cash flow statement

Cash flow statement			
(amounts x € 1,000)	Reference	2023	2022
Cash flow from investment activities			
Sales of investments		7,422	6,919
Net receipts/(payments) for call money transactions		43	(119)
Management fee paid		(282)	(349)
Service fee paid		(14)	(18)
Interest paid		(2)	-
Net cash flow from investment activities		**7,167**	**6,433**
Cash flow from financing activities			
Subscription		364	331
Redemptions		(7,547)	(6,780)
Received subscription and redemption fees		16	15
Net cash flow from financing activities		**(7,167)**	**(6,434)**
Net cash flow		**-**	**(1)**
Cash and cash equivalents opening balance		-	1
Cash and cash equivalents closing balance		**-**	**-**

3.7. Notes to the financial statements

3.7.1 General

The accounting principles and the method of calculating the ratios are included in chapter 9.

Comparison to the previous year
The accounting principles have remained unchanged in comparison to the previous year.

Going concern
The financial statements of the fund have been prepared on a going concern basis. This is based on the reasonable assumption that the fund is, and will be, able to continue its activities in the foreseeable future.

3.7.2 Investments

Movement schedule of investments		
(amounts x € 1,000)	2023	2022
Investment funds		
Opening balance	46,997	66,690
Purchases	1,662	-
Sales	(2,507)	(9,984)
Revaluation	2,850	(9,709)
Closing balance	**49,002**	**46,997**
Call money		
Opening balance	(70)	(189)
Net amount for transactions in call money	(43)	119
Closing balance	**(113)**	**(70)**

The distribution of the investment portfolio according to the method of valuation is shown below:

Investments by valuation method		
(amounts x € 1,000)	2023	2022
Derived from quoted market prices	48,889	46,927
Closing balance	**48,889**	**46,927**

3.7.3 Risks with respect to financial instruments

This paragraph shows the important risks associated with the investments of the fund.

Price risk
Price risk can be divided into:
- Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;
- Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors that exclusively apply to the individual instrument or the issuer thereof or by factors that influence all instruments that are traded in the market;
- Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The concept of price risk does not only comprise possibility of losses but also the possibility of gains.

Currency risk
The fund has indirect investments denominated in foreign currency through underlying investment funds. The fund is therefore exposed to significant currency risk.

Market risk
The fund only has investments in Aegon Investment Funds. As a result, the fund is indirectly exposed to significant market risk.

Portfolio overview

(amounts x € 1,000)	2023		2022	
Investment	**Amount**	**% of NAV**	**Amount**	**% of NAV**
AEGON Equity Emerging Markets Index Fund	49,002	100.0	46,997	100.0
Total as at 31 December	**49,002**	**100.0**	**46,997**	**100.0**

Interest rate risk
The fund does not invest in fixed income securities or bond futures and is therefore not exposed to significant interest rate risk.

Cash flow risk
Cash flow risk is the risk that future cash flows of a monetary financial instrument will fluctuate in size.

The fund does not invest in financial instruments with variable interest rates and is therefore not exposed to significant cash flow risk.

Credit risk
Credit risk is the risk that counterparties of investments cannot meet their obligations, causing the fund to incur a financial loss.

The amount which best represents the maximum credit risk of the fund is €1,894,000 (2022: €4,915,000).
The fund only invests a limited part of its assets in financial instruments exposed to credit risk and is therefore not exposed to significant credit risk.

Liquidity risk
Liquidity risk, also known as ‘funding risk’, is the risk that the fund is not able to meet the financial obligations associated with its financial instruments or redemptions by participants. Liquidity risk can, among others, occur from the inability to sell a financial asset in the short term for (an amount close to) its fair value.

The participations of the fund are traded on a daily basis. The fund invests in freely tradable listed securities through its underlying funds. As a result, the fund is not exposed to a significant liquidity risk.

3.7.4 Net asset value

Movement schedule net asset value

(amounts x € 1,000)	2023	2022
Net asset value participants		
Opening balance	46,980	66,641
Subscriptions	2,258	330
Redemptions	(2,815)	(9,928)
Closing balance	**46,423**	**57,043**
Net result for the year	**2,567**	**(10,063)**
Total net asset value as at 31 December	**48,990**	**46,980**

Movement schedule of participations	2023	2022
Opening balance	2,079,182	2,490,504
Subscriptions	94,983	13,574
Redemptions	(121,952)	(424,896)
Closing balance	**2,052,213**	**2,079,182**

Historical summary	2023	2022	2021
Net asset value (X € 1,000)	48,990	46,980	66,641
Number of participations outstanding (units)	2,052,213	2,079,182	2,490,504
Net asset value per participation in €	23.87	22.60	26.76
Performance (net asset value)	5.65%	(15.56%)	4.16%

3.7.5 Other payables

Other payables		
(amounts x € 1,000)	2023	2022
Management fee payable	8	7
Total as at 31 December	**8**	7

3.7.6 Profit and loss statement

The accounting principles and the method of calculating the ratios are included in chapter 9.

3.7.7 Indirect result

Changes in fair value of investments		
(amounts x € 1,000)	2023	2022
Realised price- and currency gains investment funds	2,111	2,361
Unrealised price- and currency gains investment funds	739	-
Unrealised price- and currency losses investment funds	-	(12,070)
Total as at 31 December	**2,850**	**(9,709)**

3.7.8 Subscription and redemption fee

The subscription and redemption fees are 0.20% of the transaction amount. The fees charged are entirely to the benefit of the fund.

3.7.9 Costs and fees

Transaction costs		
(amounts x € 1,000)	2023	2022
Investment funds	25	15
Total transaction costs within the fund	**25**	**15**

Management fee
The annual management fee amounts to 0.60%.

Service fee

The service fee is charged daily based on the net asset value of the fund at the end of the previous trading day. The service fee is 0.03% per year on the fund's assets up to € 500 million. A service fee of 0.025% applies to the fund assets of €500 million to €1.5 billion. A service fee of 0.02% applies to fund assets above € 1.5 billion.

Ongoing Charges Figure (OCF)

The overview below shows the costs during the year:

OCF		
(amounts x € 1,000)	2023	2022
Average net asset value	47,199	58,493
Total costs within the fund including fee sharing agreements	297	369
Accrued costs underlying Aegon investment funds	2	3
Accrued costs underlying external managed investment funds	12	16
Total costs	**311**	**388**
OCF	**0.66%**	**0.66%**

Turnover Ratio (TR)

The TR gives an indication of the turnover of the fund's investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions.

TR		
(amounts x € 1,000)	2023	2022
Purchases of investments	1,662	-
Sales of investments	2,507	9,984
Total investment transactions	**4,169**	**9,984**
Subscriptions	2,063	296
Redemptions	2,620	9,895
Total movements in participations	**4,683**	**10,191**
Average net asset value	47,199	58,493
TR	**0**	**0**

Other notes

The other notes are an integral part of the financial statements and are included in chapter 10.

3.7.10 Events after the balance sheet date

There have been no events after the balance sheet date that require further explanation.

4 Annual Report 2023 AEGON World Equity Fund (EUR)

1 January 2023 through 31 December 2023

4.1. General information

Date of incorporation
The fund was established on 1 December 2007.

Profile
The fund is a fund for joint account (Dutch: “fonds voor gemene rekening”). The participations are only available to qualified investors (Dutch: “gekwalificeerde beleggers”) as defined in the Dutch Act on Financial Supervision (Dutch: “Wet op het financieel toezicht”).

Investment Policy
The fund invests directly or indirectly in shares of listed companies in developed and emerging markets worldwide. The investment process aims to achieve capital growth through active management. The fund also invests in hedge funds that employ different investment strategies.

Objective
The investment policy is focused on achieving a higher total return than the benchmark.

Sustainability policy
We confirm that the environmental and social characteristics as stated in the prospectus at the beginning of the reporting period for this fund have been met.

Information about the environmental or social characteristics of this financial product is available in the appendix (Periodic sustainability commentary AEGON World Equity Fund (EUR)), including information to which environmental objectives the investments of this fund contribute and how and to what extent the investments take place in economic activities that take into account the EU criteria for environmentally sustainable economic activities as set out in the EU taxonomy (2020/852). The “do no significant harm” principle only applies to the investments underlying this financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark
MSCI All Country World Net Index (GBP, JPY, USD Hedged) (Customized).

Restrictions
The fund can (indirectly) invest in shares, equity funds, listed real estate, hedge funds and cash and cash equivalents. The freely available cash position must be between -5% and 5% of the fund's assets. Derivative financial instruments (derivatives): equity (index) futures, equity options, equity warrants, rights, contracts for difference, cross currency swaps, ETFs, total return swaps, currency futures, currency options and currency forward contracts. In addition, the Fund may use repo transactions. In this way, the Fund may also have fixed-income securities to meet collateral requirements (initial margin) in bilateral OTC derivative transactions.

Investment Strategies
The restrictions of the underlying funds apply for the part of the portfolio that is invested according to an active investment strategy. For the part of the portfolio that is invested according to a passive investment strategy, the following maximum deviations from the benchmark are allowed:
- 2% at country level;
- 2% at sector level;
- 1.5% at company level;
- 0.5% in countries, sectors and companies that are not included in the benchmark (off-benchmark position).

In the event of a change in the benchmark composition, the above restrictions may be temporarily exceeded, whereby these limits may be exceeded for a maximum of 1 month.

Counterparty
The minimum credit rating of counterparties for swaps is BBB.

Leverage
The permitted leverage, i.e. the exposure resulting from using the permitted credit facility and/or entering into contracts in derivative financial instruments (in accordance with the method based on commitments made), is a maximum of 50% of the fund's assets. The permitted leverage, based on the gross method, is 600% of the fund's assets. These instruments (derivatives) are only used if this is in line with the realization of the fund objective, to hedge risks and/or for efficient portfolio management.

Short term deviations
Short term deviations from the above restrictions are possible due to large subscriptions to the fund or redemptions from the fund. Such deviations are brought back to the predetermined limits within a period of 6 months.

Fiscal status
Private fund for common account
The fund is fiscally transparent, which means that the fund is not liable for corporate tax (or subject to any other tax on profits) and is not subject to dividend withholding tax. The assets, liabilities and results of the fund are directly allocated for tax purposes to the participants of the fund in proportion to their participation. Income or capital gains earned by a participant are regarded as income or capital gains made on the assets of the fund.

Dividend Policy
The fund does not distribute dividend. The earned income is reinvested.

4.2. Report of fund manager - investment policy

The Aegon World Equity Fund (EUR) achieved a return after costs of 18.99% in 2023. This means that the fund performed -0.26% less than the benchmark: the MSCI All Country World Net Index (GBP, JPY, USD Hedged). The investment policy focuses on beating the benchmark.

The fund invests in a number of active funds, which aim for an absolutely positive return. These active funds invest in different regions of the world. The other investments of the fund are 100% invested according to the benchmark. That is why it is the active funds that provide out- or underperformance with their absolute returns. The fund has market risk. The market risk is associated with investing in a product that is supposed to beat the benchmark, and is therefore not hedged. The fund has a selection policy for countries, regions and individual shares within the active funds. This means that the fund is exposed to selection risk. Since the fund invests in many different countries, the concentration risk is low. The active funds in which investments are made have limited liquidity. This creates a liquidity risk. This is limited by tightly managing the weightings of these funds within the AEGON World Equity Fund (EUR). The fund uses derivatives to hedge currency risk. Derivatives are also used within the active funds to achieve additional returns through a market-neutral strategy.

Despite major uncertainties ahead of 2023, economic conditions in 2023 were moderately positive. Economic growth in the US was stronger than expected and there was no recession as feared. The European economy suffered more from headwinds and economic growth fell faster to approximately 0.5%.

High inflation was still a major issue for central banks, but there were substantial improvements this year. Energy prices fell. Europe was successful in finding alternative sources of gas after the loss of Russian imports. The slowdown in inflation was also helped by the normalization of the supply chain that was disrupted during the pandemic. Central banks increased policy rates in 2023, thus continuing the policy that started in 2022. However, in the fourth quarter it became apparent that inflation would fall faster and the tightening policy was paused.

Financial markets generally responded positively to these developments. Stock markets had a good year. Equities in the United States in particular achieved high returns – led by the "Magnificent Seven" (important technology companies in the American index). Positive returns were also achieved in other regions, including Europe. The exception was the Chinese market. Concerns about the real estate sector and more restrictive regulations for technology companies led to a declining stock market.

Outlook
The outlook is highly dependent on economic growth, inflation rates and the actions of central banks. Financial markets have taken advantage of the relatively positive economic prospects. This increases the chance of disappointing developments. It does seem likely that productivity growth will be high due to rapid technological developments, allowing the economy to grow. Stock markets in particular will benefit from this.

4.3. Key figures

Key figures	2023	2022	2021	2020	2019
Overview per participation[3]					
Changes in fair value	3.94	(5.21)	4.68	2.36	3.98
Other results	-	0.01	0.01	0.02	0.01
Total result	**3.94**	**(5.20)**	**4.69**	**2.38**	**3.99**
Management fee and other expenses	(0.09)	(0.09)	(0.10)	(0.08)	(0.07)
Net result	**3.85**	**(5.29)**	**4.59**	**2.30**	**3.92**
Net asset value (x € 1,000)	332,558	312,459	450,496	489,349	481,200
Outstanding number of participations	13,858,516	15,493,265	17,714,681	23,469,686	25,762,043
Net asset value per participation	24.00	20.17	25.43	20.85	18.68
Performance[4]					
Performance (net asset value)	18.99%	(20.69%)	21.97%	11.63%	25.74%
Performance benchmark	19.30%	(17.39%)	21.32%	11.33%	24.70%
Outperformance	(0.26%)	(3.99%)	0.53%		
Outperformance since inception	(4.93%)	(4.68%)	(0.72%)		
Annualised outperformance since inception	(0.31%)	(0.32%)	(0.05%)		

[3] Amounts per participation are based on the average number of participations during the year.
[4] The performance is the time weighted return after costs calculated on a daily basis. The outperformance figures are presented in 2021 for the first time, therefore no comparative figures included.

Financial statements AEGON World Equity Fund (EUR)

4.4. Balance sheet as at 31 December

Balance Sheet (before appropriation of result) (amounts x € 1,000)	Reference	2023	2022
Assets			
Investments			
Investment funds		332,611	312,497
Total investments	4.7.2	**332,611**	**312,497**
Receivables			
Outstanding transactions in financial instruments		12,839	8,874
Outstanding transactions in financial instruments		246	554
Total receivables		**13,085**	**9,428**
Other assets			
Cash and cash equivalents	4.7.4	1	-
Total other assets		**1**	**-**
Total assets		**345,697**	**321,925**
Liabilities			
Net asset value			
Net assets before result		275,247	400,556
Result for the year		57,311	(88,097)
Total net asset value	4.7.5	**332,558**	**312,459**
Investments			
Call money		105	181
Total investments	4.7.2	**105**	**181**
Short term liabilities			
Payables to credit institutions	4.7.6	-	8
Redemption of participations		12,991	9,247
Other payables and liabilities	4.7.7	43	30
Total short term liabilities		**13,034**	**9,285**
Total liabilities		**345,697**	**321,925**

4.5. Profit and loss statement

Profit and loss statement			
(amounts x € 1,000)	Reference	2023	2022
Investment result			
Interest call money		2	-
Total direct result		**2**	**-**
Realised Investment results		17,142	47,951
Unrealised investment results		41,490	(134,648)
Total indirect result	4.7.9	**58,632**	**(86,697)**
Total investment result		**58,634**	**(86,697)**
Other results			
Subscription and redemption fee	4.7.10	59	125
Total other results		**59**	**125**
Operating expenses			
Management fee		(1,278)	(1,416)
Service fee		(98)	(109)
Interest bank accounts		(6)	-
Total operating expenses	4.7.11	**(1,382)**	**(1,525)**
Net result		**57,311**	**(88,097)**

4.6. Cash flow statement

Cash flow statement			
(amounts x € 1,000)	Reference	2023	2022
Cash flow from investment activities			
Purchases of investments		(6,231)	(8,298)
Sales of investments		40,784	98,497
Net receipts/(payments) for call money transactions		(76)	(682)
Interest received		2	-
Management fee paid		(1,266)	(1,410)
Service fee paid		(97)	(109)
Interest paid		(6)	-
Net cash flow from investment activities		**33,110**	**87,998**
Cash flow from financing activities			
Subscriptions		17,072	12,906
Redemptions		(50,232)	(101,038)
Received subscription and redemption fees		59	125
Net cash flow from financing activities		**(33,101)**	**(88,007)**
Net cash flow		**9**	**(9)**
Cash and cash equivalents opening balance		(8)	1
Cash and cash equivalents closing balance	4.7.6	**1**	**(8)**

4.7. Notes to the financial statements

4.7.1 General

The accounting principles and the method of calculating the ratios are included in chapter 9.

Comparison to the previous year
The accounting principles have remained unchanged in comparison to the previous year.

Going concern
The financial statements of the fund have been prepared on a going concern basis. This is based on the reasonable assumption that the fund is, and will be, able to continue its activities in the foreseeable future.

4.7.2 Investments

Movement schedule of investments		
(amounts x € 1,000)	2023	2022
Investment funds		
Opening balance	312,497	450,758
Purchases	6,231	8,298
Sales	(44,749)	(59,862)
Revaluation	58,632	(86,697)
Closing balance	**332,611**	**312,497**
Call money		
Opening balance	(181)	(863)
Net amount for transactions in call money	76	682
Closing balance	**(105)**	**(181)**

The distribution of the investment portfolio according to the method of valuation is shown below:

Investments by valuation method		
(amounts x € 1,000)	2023	2022
Derived from quoted market prices	332,506	312,316
Closing balance	**332,506**	**312,316**

4.7.3 Risks with respect to financial instruments

This paragraph shows the important risks associated with the investments of the fund.

Price risk
Price risk can be divided into:
- Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;
- Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors that exclusively apply to the individual instrument or the issuer thereof or by factors that influence all instruments that are traded in the market;
- Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The concept of price risk does not only comprise possibility of losses but also the possibility of gains.

Currency risk
The fund invests through underlying funds in investments denominated in foreign currencies. The underlying fund hedges the currency risk by means of forward exchange contracts and is therefore not exposed to a significant currency risk.

Market risk
The fund only has investments in Aegon Investment Funds. The fund is therefore indirectly exposed to a significant market risk.

Portfolio overview

(amounts x € 1,000)	2023		2022	
Investment	**Amount**	**% of NAV**	**Amount**	**% of NAV**
AEGON World Equity Beta Pool (EUR) (C)	332,611	100.0	312,497	100.0
Total as at 31 December	**332,611**	**100.0**	**312,497**	**100.0**

Interest rate risk
The fund does not invest in fixed income securities or bond futures and is therefore not exposed to significant interest rate risk.

Cash flow risk
Cash flow risk is the risk that future cash flows of a monetary financial instrument will fluctuate in size.

The fund does not invest in financial instruments with variable interest rates and is therefore not exposed to significant cash flow risk.

Credit risk
Credit risk is the risk that counterparties of investments cannot meet their obligations, causing the fund to incur a financial loss.

The amount which best represents the maximum credit risk of the fund is € 13,086,000 (2022: € 9,428,000).
The fund only invests a limited part of its assets in financial instruments exposed to credit risk and is therefore not exposed to significant credit risk.

Liquidity risk
Liquidity risk, also known as ‘funding risk’, is the risk that the fund is not able to meet the financial obligations associated with its financial instruments or redemptions by participants. Liquidity risk can, among others, occur from the inability to sell a financial asset in the short term for (an amount close to) its fair value.

The participations of the fund are traded on a daily basis. The fund invests in freely tradable listed securities through its underlying funds. As a result, the fund is not exposed to a significant liquidity risk.

4.7.4 Cash and cash equivalents

No restrictions on the use of cash and cash equivalents exist.

4.7.5 Net asset value

Movement schedule net asset value		
(amounts x € 1,000)	2023	2022
Net asset value participants		
Opening balance	312,459	450,496
Subscriptions	16,764	13,460
Redemptions	(53,976)	(63,400)
Closing balance	**275,247**	**400,556**
Net result for the year	**57,311**	**(88,097)**
Total net asset value as at 31 December	**332,558**	**312,459**

Movement schedule of participations		
	2023	2022
Opening balance	15,492,265	17,714,681
Subscriptions	770,010	635,562
Redemptions	(2,404,759)	(2,856,978)
Closing balance	**13,858,516**	**15,493,265**

Historical summary			
	2023	2022	2021
Net asset value (X € 1,000)	332,558	312,459	450,496
Number of participations outstanding (units)	13,858,516	15,493,265	17,714,681
Net asset value per participation in €	24.00	20.17	25.43
Performance (net asset value)	18.99%	(20.69%)	21.97%

4.7.6 Payables to credit institutions

Debts to credit institutions consist of short-term current account debts with the banker of the fund.

4.7.7 Other payables

Other payables		
(amounts x € 1,000)	2023	2022
Management fee payable	40	28
Service fee payable	3	2
Total as at 31 December	**43**	**30**

4.7.8 Profit and loss statement

The accounting principles and the method of calculating the ratios are included in chapter 9.

4.7.9 Indirect result

Changes in fair value of investments		
(amounts x € 1,000)	2023	2022
Realised price- and currency gains investment funds	17,142	47,951
Unrealised price- and currency gains investment funds	41,490	-
Unrealised price- and currency losses investment funds	-	(134,648)
Total as at 31 December	**58,632**	**(86,697)**

4.7.10 Subscription and redemption fee

The subscription and redemption fees are 0.08% of the transaction amount. The fees charged are entirely to the benefit of the fund. Until 1 Oktober 2023 the subscription and redemption fees amounted to 0.09%.

4.7.11 Costs and fees

Transaction costs		
(amounts x € 1,000)	2023	2022
Investment funds	42	107
Total transaction costs within the fund	**42**	**107**

Management fee
The annual management fee amounts to 0.39%.

Service fee
The service fee is charged daily based on the net asset value of the fund at the end of the previous trading day. The service fee is 0.03% per year on the fund's assets up to € 500 million. A service fee of 0.025% applies to the fund assets of €500 million to €1.5 billion. A service fee of 0.02% applies to fund assets above € 1.5 billion.

Ongoing Charges Figure (OCF)
The overview below shows the costs during the year:

OCF		
(amounts x € 1,000)	2023	2022
Average net asset value	327,474	362,524
Total costs within the fund including fee sharing agreements	1,376	1,525
Accrued costs underlying Aegon investment funds	22	(30)
Accrued costs underlying externally managed investment funds	148	407
Total costs	**1,546**	**1,902**
OCF	**0.47%**	**0.52%**

Turnover Ratio (TR)
The TR gives an indication of the turnover of the fund's investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions.

TR		
(amounts x € 1,000)	2023	2022
Purchases of investments	6,231	8,298
Sales of investments	44,749	59,862
Total investment transactions	**50,980**	**68,160**
Subscriptions	6,910	9,538
Redemptions	44,122	59,479
Total movements in participations	**51,032**	**69,017**
Average net asset value	327,474	362,524
TR	**0**	**0**

Other notes
The other notes are an integral part of the financial statements and are included in chapter 10.

4.7.12 Events after the balance sheet date
There have been no events after the balance sheet date that require further explanation.

5 Annual Report 2023 AEGON World Equity Index Fund (EUR)

1 January 2023 through 31 December 2023

5.1. General information

Date of incorporation
The fund was established on 23 February 2012.

Profile
The fund is a fund for joint account (Dutch: "fonds voor gemene rekening"). The participations are only available to qualified investors (Dutch: "gekwalificeerde beleggers") as defined in the Dutch Act on Financial Supervision (Dutch: "Wet op het financieel toezicht").

Investment Policy
The fund invests according to a passive investment strategy, directly or indirectly, in shares of listed companies in developed and emerging equity markets around the world that are part of the MSCI All Country World Net Index.

Objective
The investment policy is focused on following the benchmark as closely as possible.

Sustainability policy
We confirm that the environmental and social characteristics as stated in the prospectus at the beginning of the reporting period for this fund have been met.

Information about the environmental or social characteristics of this financial product is available in the appendix (Periodic sustainability commentary AEGON World Equity Index Fund (EUR)), including information to which environmental objectives the investments of this fund contribute and how and to what extent the investments take place in economic activities that take into account the EU criteria for environmentally sustainable economic activities as set out in the EU taxonomy (2020/852). The "do no significant harm" principle only applies to the investments underlying this financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark
MSCI All Country World Net Index (GBP, JPY, USD Hedged) (Customized).

Restrictions
Investment restrictions
The fund can invest in equities, equity funds, listed real estate and cash and cash equivalents. The freely available cash and cash equivalents position must be between -5% and 5% of the net asset value. Derivative financial instruments (derivatives) are also allowed, including: equity (index) futures, equity options, equity warrants, contracts for difference, cross currency swaps, ETFs, total return swaps, currency futures, currency options and forward contracts.

Investment Strategies
The following maximum deviations from the benchmark are allowed:
- 2% at country level;
- 2% at sector level;
- 1.5% at company level;
- 0.5% in countries, sectors and companies that are not included in the benchmark (off-benchmark position).

In the event of a change in the benchmark composition, the above restrictions may be temporarily exceeded, whereby these limits may be exceeded for a maximum of 1 month.

Counterparty
The minimum credit rating of counterparties for swaps is BBB.

Leverage
The permitted leverage, i.e. the exposure resulting from using the permitted credit facility and/or entering into contracts in derivative financial instruments (in accordance with the method based on commitments made), is a maximum of 10% of the fund's assets. The permitted leverage, based on the gross method, is 550% of the fund's assets. These instruments (derivatives) are only used if this is in line with the realization of the fund objective, to hedge risks and/or for efficient portfolio management.

Short term deviations
Short term deviations from the above restrictions are possible due to large subscriptions to the fund or redemptions from the fund. Such deviations are brought back to the predetermined limits within a period up to 10 working days.

Fiscal status
Private Fund for common account
The fund is fiscally transparent, which means that the fund is not liable for corporate tax (or subject to any other tax on profits) and is not subject to dividend withholding tax. The assets, liabilities and results of the fund are directly allocated for tax purposes to the participants of the fund in proportion to their participation. Income or capital gains earned by a participant are regarded as income or capital gains made on the assets of the fund.

Dividend Policy
The fund does not distribute dividend. The earned income is reinvested.

5.2. Report of fund manager - investment policy

The AEGON World Equity Index Fund (EUR) achieved a return after costs of 20.29% in 2023. The return was 0.83% higher than the benchmark: the MSCI All Country World Net Index (GBP, JPY, USD Hedged).

The fund follows the benchmark as closely as possible. The portfolio therefore has many positions and a wide spread. By optimizing the tax benefits in the fund, an outperformance compared to the benchmark can possibly be achieved, because the benchmark does not have these benefits.

The fund is exposed to the same risks as the benchmark. These are market risk and currency risk. As in the benchmark, currency risks are hedged in British pounds, Japanese yen and US dollars. The fund uses derivatives for this purpose. Because this fund is a passive fund and follows the benchmark as much as possible, a conscious decision has been made not to hedge the other currency risks and the market risk.

Despite major uncertainties ahead of 2023, economic conditions in 2023 were moderately positive. Economic growth in the US was stronger than expected and there was no recession as feared. The European economy suffered more from headwinds and economic growth fell faster to approximately 0.5%.

High inflation was still a major issue for central banks, but there were substantial improvements this year. Energy prices fell. Europe was successful in finding alternative sources of gas after the loss of Russian imports. The slowdown in inflation was also helped by the normalization of the supply chain that was disrupted during the pandemic. Central banks increased policy rates in 2023, thus continuing the policy that started in 2022. However, in the fourth quarter it became apparent that inflation would fall faster and the tightening policy was paused.

Financial markets generally responded positively to these developments. Stock markets had a good year. Equities in the United States in particular achieved high returns – led by the “Magnificent Seven” (important technology companies in the American index). Positive returns were also achieved in other regions, including Europe. The exception was the Chinese market. Concerns about the real estate sector and more restrictive regulations for technology companies led to a declining stock market.

Outlook

The outlook is highly dependent on economic growth, inflation rates and the actions of central banks. Financial markets have taken advantage of the relatively positive economic prospects. This increases the chance of disappointing developments. It does seem likely that productivity growth will be high due to rapid technological developments, allowing the economy to grow. Stock markets in particular will benefit from this.

5.3. Key figures

Key figures	2023	2022	2021	2020	2019
Overview per participation[5]					
Changes in fair value	4.72	(5.37)	5.05	2.66	4.45
Other results	-	0.01	0.01	-	0.02
Total result	**4.72**	**(5.36)**	**5.06**	**2.66**	**4.47**
Management fee and other expenses	(0.07)	(0.06)	(0.07)	(0.05)	(0.05)
Net result	**4.65**	**(5.42)**	**4.99**	**2.61**	**4.42**
Net asset value (x € 1,000)	152,710	137,728	208,848	200,660	183,963
Outstanding number of participations	5,504,770	5,972,102	7,351,039	8,566,598	8,824,259
Net asset value per participation	27.74	23.06	28.41	23.42	20.85
Performance[6]					
Performance (net asset value)	20.29%	(18.82%)	21.29%	12.36%	25.06%
Performance benchmark	19.30%	(17.39%)	21.32%	11.33%	24.70%
Outperformance	0.83%	(1.73%)	(0.02%)		
Outperformance since inception	1.38%	0.55%	2.32%		
Annualised outperformance since inception	0.12%	0.05%	0.23%		

[5] Amounts per participation are based on the average number of participations during the year.
[6] The performance is the time weighted return after costs calculated on a daily basis. The outperformance figures are presented in 2021 for the first time, therefore no comparative figures included.

Financial statements AEGON World Equity Index Fund (EUR)

5.4. Balance sheet as at 31 December

Balance Sheet (before appropriation of result) (amounts x € 1,000)	Reference	2023	2022
Assets			
Investments			
Investment funds		152,726	137,808
Total investments	5.7.2	**152,726**	**137,808**
Receivables			
Outstanding transactions in financial instruments		8,888	19,745
Issue of participations		-	162
Collateral receivables		-	640
Total receivables		**8,888**	**20,547**
Total assets		**161,614**	**158,355**
Liabilities			
Net asset value			
Net assets before result		125,147	176,664
Result for the year		27,563	(38,936)
Total net asset value	5.7.4	**152,710**	**137,728**
Short term liabilities			
Payables to credit institutions	5.7.5	35	675
Redemption of participations		8,857	19,943
Other payables and liabilities	5.7.6	12	9
Total short term liabilities		**8,904**	**20,627**
Total liabilities		**161,614**	**158,355**

5.5. Profit and loss statement

Profit and loss statement			
(amounts x € 1,000)	Reference	2023	2022
Direct result			
Interest bank accounts		15	2
Total direct result		**15**	**2**
Realised investment results		9,695	18,844
Unrealised investment results		18,258	(57,372)
Total indirect result	5.7.8	**27,953**	**(38,528)**
Total investment result		**27,968**	**(38,526)**
Other results			
Currency translation differences		(9)	15
Subscription and redemption fee	5.7.9	20	40
Total other results		**11**	**55**
Operating expenses			
Management fee		(344)	(409)
Service fee		(45)	(53)
Interest bank accounts		(27)	(3)
Total operating expenses	5.7.10	**(416)**	**(465)**
Net result		**27,563**	**(38,936)**

5.6. Cash flow statement

Cash flow statement			
(amounts x € 1,000)	Reference	2023	2022
Cash flow from investment activities			
Purchases of investments		(1,617)	(2,440)
Sales of investments		25,509	41,301
Net receipts/(payments) for call money transactions		-	(65)
Net receipts/(payments) for collateral		640	(339)
Interest received		15	2
Management fee paid		(341)	(406)
Service fee paid		(45)	(53)
Interest paid		(27)	(3)
Net cash flow from investment activities		**24,134**	**37,997**
Cash flow from financing activities			
Subscriptions		2,967	14,214
Redemptions		(26,472)	(52,941)
Received subscription and redemption fees		20	40
Net cash flow from financing activities		**(23,485)**	**(38,687)**
Net cash flow		**649**	**(690)**
Cash and cash equivalents opening balance		(675)	-
Currency translation results on cash and cash equivalents		(9)	15
Cash and cash equivalents closing balance	5.7.5	**(35)**	**(675)**

5.7. Notes to the financial statements

5.7.1 General

The accounting principles and the method of calculating the ratios are included in chapter 9.

Comparison to the previous year
The accounting principles have remained unchanged in comparison to the previous year.

Going concern
The financial statements of the fund have been prepared on a going concern basis. This is based on the reasonable assumption that the fund is, and will be, able to continue its activities in the foreseeable future.

5.7.2 Investments

Movement schedule of investments		
(amounts x € 1,000)	2023	2022
Investment funds		
Opening balance	137,808	208,934
Purchases	1,617	2,440
Sales	(14,652)	(35,038)
Revaluation	27,953	(38,528)
Closing balance	**152,726**	**137,808**
Call money		
Opening balance	-	(65)
Net amount for transactions in call money	-	65
Closing balance	**-**	**-**

The distribution of the investment portfolio according to the method of valuation is shown below:

Investments by valuation method		
(amounts x € 1,000)	2023	2022
Derived from quoted market prices	152,726	137,808
Closing balance	**152,726**	**137,808**

5.7.3 Risks with respect to financial instruments

This paragraph shows the important risks associated with the investments of the fund.

Price risk
Price risk can be divided into:
- Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;
- Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors that exclusively apply to the individual instrument or the issuer thereof or by factors that influence all instruments that are traded in the market;
- Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The concept of price risk does not only comprise possibility of losses but also the possibility of gains.

Currency risk
The fund invests through underlying funds in investments denominated in foreign currencies. The underlying fund hedges the currency risk by means of forward exchange contracts and is therefore not exposed to a significant currency risk.

Market risk
The fund only has investments in Aegon Investment Funds. The fund is therefore indirectly exposed to a significant market risk.

Portfolio overview				
(amounts x € 1,000)	2023		2022	
Investment	**Amount**	**% of NAV**	**Amount**	**% of NAV**
AEGON World Equity Alpha Beta Pool (EUR) (C)	152,726	100.0	137,808	100.0
Total as at 31 December	**152,726**	**100.0**	**137,808**	**100.0**

Interest rate risk
The fund does not invest in fixed income securities or bond futures and is therefore not exposed to significant interest rate risk.

Cash flow risk
Cash flow risk is the risk that future cash flows of a monetary financial instrument will fluctuate in size.

The fund does not invest in financial instruments with variable interest rates and is therefore not exposed to significant cash flow risk.

Credit risk
Credit risk is the risk that counterparties of investments cannot meet their obligations, causing the fund to incur a financial loss.

The amount which best represents the maximum credit risk of the fund is € 8,888,000 (2022: € 20,547,000).
The fund does not invest in financial instruments exposed to credit risk and is therefore not exposed to significant credit risk.

Liquidity risk
Liquidity risk, also known as ‘funding risk’, is the risk that the fund is not able to meet the financial obligations associated with its financial instruments or redemptions by participants. Liquidity risk can, among others, occur from the inability to sell a financial asset in the short term for (an amount close to) its fair value.

The participations of the fund are traded on a daily basis. The fund invests in freely tradable listed securities through its underlying funds. As a result, the fund is not exposed to a significant liquidity risk.

5.7.4 Net asset value

Movement schedule net asset value		
(amounts x € 1,000)	2023	2022
Net asset value participants		
Opening balance	137,728	208,848
Subscriptions	2,805	14,326
Redemptions	(15,386)	(46,510)
Closing balance	**125,147**	**176,664**
Net result for the year	**27,563**	**(38,936)**
Total net asset value as at 31 December	**152,710**	**137,728**

Movement schedule of participations		
	2023	2022
Opening balance	5,972,102	7,351,039
Subscriptions	108,215	601,913
Redemptions	(575,547)	(1,980,850)
Closing balance	**5,504,770**	**5,972,102**

Historical summary			
	2023	2022	2021
Net asset value (X € 1,000)	152,710	137,728	208,848
Number of participations outstanding (units)	5,504,770	5,972,102	7,351,039
Net asset value per participation in €	27.74	23.06	28.41
Performance (net asset value)	20.29%	(18.82%)	21.29%

5.7.5 Amounts owed to credit institutions

Debts to credit institutions consist of short-term current account debts with the banker of the fund.

5.7.6 Other payables

Other payables		
(amounts x € 1,000)	2023	2022
Management fee payable	11	8
Service fee payable	1	1
Total as at 31 December	**12**	**9**

5.7.7 Profit and loss statement

The accounting principles and the method of calculating the ratios are included in chapter 9.

5.7.8 Indirect result

Changes in fair value of investments		
(amounts x € 1,000)	2023	2022
Realised price- and currency gains investment funds	9,695	18,844
Unrealised price- and currency gains investment funds	18,258	-
Unrealised price- and currency losses investment funds	-	(57,372)
Total as at 31 December	**27,953**	**(38,528)**

5.7.9 Subscription and redemption fee

The subscription and redemption fees are 0.07% of the transaction amount. The fees charged are entirely to the benefit of the fund.

5.7.10 Costs and fees

Transaction costs		
(amounts x € 1,000)	2023	2022
Investment funds	19	39
Total transaction costs within the fund	**19**	**39**

Management fee
The annual management fee amounts to 0.23%.

Service fee
The service fee is charged daily based on the net asset value of the fund at the end of the previous trading day. The service fee is 0.03% per year on the fund's assets up to € 500 million. A service fee of 0.025% applies to the fund assets of €500 million to €1.5 billion. A service fee of 0.02% applies to fund assets above € 1.5 billion.

Ongoing Charges Figure (OCF)
The overview below shows the costs during the year:

OCF		
(amounts x € 1,000)	2023	2022
Average net asset value	150,068	177,333
Total costs within the fund including fee sharing agreements	391	462
Accrued costs underlying Aegon investment funds	3	7
Total costs	**394**	**469**
OCF	**0.26%**	**0.26%**

Turnover Ratio (TR)
The TR gives an indication of the turnover of the fund's investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions.

TR		
(amounts x € 1,000)	2023	2022
Purchases of investments	1,617	2,440
Sales of investments	14,652	35,038
Total investment transactions	**16,269**	**37,478**
Subscriptions	1,996	3,002
Redemptions	14,577	35,186
Total movements in participations	**16,573**	**38,188**
Average net asset value	150,068	177,333
TR	**0**	**0**

Other notes
The other notes are an integral part of the financial statements and are included in chapter 10.

5.7.11 Events after the balance sheet date

There have been no events after the balance sheet date that require further explanation

6 Annual Report 2023 AeAM World Equity Index Fund (EUR)

1 January 2023 through 31 December 2023

6.1. General information

Date of incorporation
The fund was established on 9 October 2014.

Profile
The fund is a fund for joint account (Dutch: "fonds voor gemene rekening"). The participations are only available to qualified investors (Dutch: "gekwalificeerde beleggers") as defined in the Dutch Act on Financial Supervision (Dutch: "Wet op het financieel toezicht").

Investment Policy
The fund invests according to a passive investment strategy, directly or indirectly, in shares of listed companies in developed and emerging equity markets around the world that are part of the MSCI All Country World Net Index.

Objective
The investment policy is focused on following the benchmark as closely as possible.

Sustainability policy
We confirm that the environmental and social characteristics as stated in the prospectus at the beginning of the reporting period for this fund have been met.

Information about the environmental or social characteristics of this financial product is available in the appendix (Periodic sustainability commentary AeAM World Equity Index Fund (EUR)), including information to which environmental objectives the investments of this fund contribute and how and to what extent the investments take place in economic activities that take into account the EU criteria for environmentally sustainable economic activities as set out in the EU taxonomy (2020/852). The "do no significant harm" principle only applies to the investments underlying this financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark
MSCI All Country World Net Index (GBP, JPY, USD Hedged) (Customized).

Restrictions
Investment restrictions
The fund can invest in equities, equity funds, listed real estate and cash and cash equivalents. The freely available cash and cash equivalents position must be between -5% and 5% of the net asset value. Derivative financial instruments (derivatives) are also allowed, including: equity (index) futures, equity options, equity warrants, contracts for difference, cross currency swaps, ETFs, total return swaps, currency futures, currency options and forward contracts.

Investment Strategies
The following maximum deviations from the benchmark are allowed:
- 2% at country level;
- 2% at sector level;
- 1.5% at company level;
- 0.5% in countries, sectors and companies that are not included in the benchmark (off-benchmark position).

In the event of a change in the benchmark composition, the above restrictions may be temporarily exceeded, whereby these limits may be exceeded for a maximum of 1 month.

Counterparty
The minimum credit rating of counterparties for swaps is BBB.

Leverage
The permitted leverage, i.e. the exposure resulting from using the permitted credit facility and/or entering into contracts in derivative financial instruments (in accordance with the method based on commitments made), is a maximum of 10% of the fund's assets. The permitted leverage, based on the gross method, is 550% of the fund's assets. These instruments (derivatives) are only used if this is in line with the realization of the fund objective, to hedge risks and/or for efficient portfolio management.

Short term deviations
Short term deviations from the above restrictions are possible due to large subscriptions to the fund or redemptions from the fund. Such deviations are brought back to the predetermined limits within a period up to 10 working days.

Fiscal status
Private fund for common account
The fund is fiscally transparent, which means that the fund is not liable for corporate tax (or subject to any other tax on profits) and is not subject to dividend withholding tax. The assets, liabilities and results of the fund are directly allocated for tax purposes to the participants of the fund in proportion to their participation. Income or capital gains earned by a participant are regarded as income or capital gains made on the assets of the fund.

Dividend Policy
The fund does not distribute dividend. The earned income is reinvested.

6.2. Report of fund manager - investment policy

The AEAM World Equity Index Fund (EUR) achieved a return after costs of 20.46% in 2023. The fund performed 0.97% better than the benchmark: the MSCI All Country World Net Index (GBP, JPY, USD Hedged). The investment policy focuses on beating the benchmark.

The fund follows the benchmark as closely as possible. The portfolio therefore has many positions and a wide spread. By optimizing the tax benefits in the fund, a large part of the outperformance compared to the benchmark is achieved, because the benchmark does not have these benefits.

The fund is exposed to the same risks as the benchmark. These are market risk and currency risk. As in the benchmark, currency risks are hedged in British pounds, Japanese yen and US dollars. Derivatives are used for this.

Despite major uncertainties ahead of 2023, economic conditions in 2023 were moderately positive. Economic growth in the US was stronger than expected and there was no recession as feared. The European economy suffered more from headwinds and economic growth fell faster to approximately 0.5%.

High inflation was still a major issue for central banks, but there were substantial improvements this year. Energy prices fell. Europe was successful in finding alternative sources of gas after the loss of Russian imports. The slowdown in inflation was also helped by the normalization of the supply chain that was disrupted during the pandemic. Central banks increased policy rates in 2023, thus continuing the policy that started in 2022. However, in the fourth quarter it became apparent that inflation would fall faster and the tightening policy was paused.

Financial markets generally responded positively to these developments. Stock markets had a good year. Equities in the United States in particular achieved high returns – led by the “Magnificent Seven” (important technology companies in the American index). Positive returns were also achieved in other regions, including Europe. The exception was the Chinese market. Concerns about the real estate sector and more restrictive regulations for technology companies led to a declining stock market.

Outlook

The outlook is highly dependent on economic growth, inflation rates and the actions of central banks. Financial markets have taken advantage of the relatively positive economic prospects. This increases the chance of disappointing developments. It does seem likely that productivity growth will be high due to rapid technological developments, allowing the economy to grow. Stock markets in particular will benefit from this.

6.3. Key figures

Key figures	2023	2022	2021	2020	2019
Overview per participation[7]					
Changes in fair value	3.44	(4.04)	3.73	2.65	3.21
Investment result	0.01	-	-	-	-
Other results	0.01	0.01	0.01	0.01	0.01
Total result	**3.46**	**(4.03)**	**3.74**	**2.66**	**3.22**
Management fee and other expenses	(0.07)	(0.06)	(0.06)	(0.05)	(0.05)
Net result	**3.39**	**(4.09)**	**3.68**	**2.61**	**3.17**
Net asset value (x € 1,000)	324,387	473,380	605,089	555,321	481,061
Outstanding number of participations	15,549,119	27,333,971	28,398,442	31,660,593	30,921,999
Net asset value per participation	20.86	17.32	21.31	17.54	15.56
Performance[8]					
Performance (net asset value)	20.46%	(18.72%)	21.48%	12.74%	25.40%
Performance benchmark	19.30%	(17.39%)	21.32%	11.33%	24.70%
Outperformance	0.97%	(1.60%)	0.13%		
Outperformance since inception	2.34%	1.36%	3.00%		
Annualized outperformance since inception	0.25%	0.16%	0.41%		

[7] Amounts per participation are based on the average number of participations during the year.
[8] The performance is the time weighted return after costs calculated on a daily basis. The outperformance figures are presented in 2021 for the first time, therefore no comparative figures included.

Financial statements AeAM World Equity Index Fund (EUR)

6.4. Balance sheet as at 31 December

Balance Sheet (before appropriation of result) (amounts x € 1,000)	Reference	2023	2022
Assets			
Investments			
Investment funds		324,061	468,487
Call money		1,665	3,784
Forward currency contracts		1,078	5,678
Total investments	6.7.2	**326,804**	**477,949**
Receivables			
Outstanding transactions in financial instruments		5,514	6,336
Issue of participations		-	4
Collateral receivables		-	4
Total receivables		**5,514**	**6,344**
Other Assets			
Cash and cash equivalents	6.7.4	-	18
Total other assets		**-**	**18**
Total assets		**332,318**	**484,311**
Liabilities			
Net asset value			
Net assets before result		247,691	588,067
Result for the year		76,696	(114,687)
Total net asset value	6.7.5	**324,387**	**473,380**
Investments			
Forward currency contracts		708	759
Total investments	6.7.2	**708**	**759**
Short term liabilities			
Redemption of participations		5,482	5,240
Collateral payable		1,710	4,900
Other payables and liabilities	6.7.6	31	32
Total short term liabilities		**7,223**	**10,172**
Total liabilities		**332,318**	**484,311**

6.5. Profit and loss statement

Profit and loss statement			
(amounts x € 1,000)	Reference	2023	2022
Direct result			
Interest call money		79	10
Interest bank accounts		81	2
Total direct result		**160**	**12**
Realised investment results		88,319	80,158
Unrealised investment results		(10,504)	(193,374)
Total indirect result	6.7.8	**77,815**	**(113,216)**
Total investment result		**77,975**	**(113,204)**
Other results			
Currency translation differences		68	(115)
Subscription and redemption fee	6.7.9	184	257
Total other results		**252**	**142**
Operating expenses			
Management fee		(985)	(1,199)
Service fee		(313)	(352)
Interest bank accounts		(233)	(74)
Total operating expenses	6.7.10	**(1,531)**	**(1,625)**
Net result		**76,696**	**(114,687)**

6.6. Cash flow statement

Cash flow statement			
(amounts x € 1,000)	Reference	2023	2022
Cash flow from investment activities			
Purchases of investments		(45,919)	(77,550)
Sales of investments		273,531	306,606
Net receipts/(payments) for call money transactions		2,119	(1,196)
Net receipts/(payments) for collateral		(3,186)	2,172
Interest received		160	12
Management fee paid		(986)	(1,196)
Service fee paid		(313)	(349)
Interest paid		(233)	(74)
Net cash flow from investment activities		**225,173**	**228,425**
Cash flow from financing activities			
Subscriptions		18,420	28,648
Redemptions		(243,863)	(257,197)
Received subscription and redemptions fees		184	257
Net cash flow from financing activities		**(225,259)**	**(228,292)**
Net cash flow		**(86)**	**133**
Cash and cash equivalents opening balance		18	-
Currency translation results on cash and cash equivalents		68	(115)
Cash and cash equivalents closing balance	6.7.4	**-**	**18**

6.7. Notes to the financial statements

6.7.1 General

The accounting principles and the method of calculating the ratios are included in chapter 9.

Comparison to the previous year
The accounting principles have remained unchanged in comparison to the previous year.

Going concern
The financial statements of the fund have been prepared on a going concern basis. This is based on the reasonable assumption that the fund is, and will be, able to continue its activities in the foreseeable future.

6.7.2 Investments

Movement schedule of investments		
(amounts x € 1,000)	2023	2022
Investment funds		
Opening balance	468,487	601,263
Purchases	45,919	46,663
Sales	(263,631)	(95,602)
Revaluation	73,286	(83,837)
Closing balance	**324,061**	**468,487**
Call money		
Opening balance	3,784	2,588
Net amount for transactions in call money	(2,119)	1,196
Closing balance	**1,665**	**3,784**
Forward currency contracts		
Opening balance	4,919	3,411
Closing positions	(9,078)	30,887
Revaluation	4,529	(29,379)
Closing balance	**370**	**4,919**

The distribution of the investment portfolio according to the method of valuation is shown below:

Investments by valuation method		
(amounts x € 1,000)	2023	2022
Derived from quoted market prices	326,096	477,190
Closing balance	**326,096**	**477,190**

The investment portfolio at year-end contains the following derivatives:

Forward currency contracts				
(amounts x € 1,000)				
Description	Expiration date	Contract Value in CUR bought	Contract value in CUR sold	Fair value in EUR
Bought EUR Sold JPY	31-1-2024	15,978	(2,580,850)	(657)
Bought EUR Sold GBP	31-1-2024	10,461	(9,093)	(20)
Bought EUR Sold USD	31-1-2024	187,885	(206,768)	957
Bought EUR Sold JPY	31-1-2024	935	(149,855)	(31)
Bought EUR Sold USD	31-1-2024	6,657	(7,282)	74
Bought EUR Sold GBP	31-1-2024	534	(461)	2
Bought EUR Sold USD	31-1-2024	8,910	(9,806)	45
Bought EUR Sold GBP	31-1-2024	243	(211)	-
Bought JPY Sold EUR	31-1-2024	57,641	(371)	-
Bought USD Sold EUR	31-1-2024	1,487	(1,345)	-
Total as at 31 December				**370**

6.7.3 Risks with respect to financial instruments

This paragraph shows the important risks associated with the investments of the fund.

Price risk

Price risk can be divided into:

- Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;
- Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors that exclusively apply to the individual instrument or the issuer thereof or by factors that influence all instruments that are traded in the market;
- Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The concept of price risk does not only comprise possibility of losses but also the possibility of gains.

Currency risk

The fund invests through underlying funds in investments denominated in foreign currencies. The fund hedges currency risk by means of currency forward contracts and is therefore not exposed to significant currency risk.

Breakdown portfolio by currency								
(amounts x € 1,000)			2023				2022	
Currency	Gross position	Hedging	Net position	% of NAV	Gross position	Hedging	Net position	% of NAV
Euro	325,996	229,886	555,882	171.4	470,399	325,318	795,717	168.1
U.S. dollar	(1,979)	(201,019)	(202,998)	(62.6)	(1,938)	(276,748)	(278,686)	(58.9)
Japanese yen	-	(17,229)	(17,229)	(5.3)	-	(26,065)	(26,065)	(5.5)
British pound	-	(11,256)	(11,256)	(3.5)	-	(17,586)	(17,586)	(3.7)
Total 31 December	**324,017**	**382**	**324,399**	**100.0**	**468,461**	**4,919**	**473,380**	**100.0**

Market risk

The fund only has investments in Aegon Investment Funds. The fund is therefore indirectly exposed to a significant market risk.

Portfolio overview				
(amounts x € 1,000)	2023		2022	
Investment	Amount	% of NAV	Amount	% of NAV
AEGON World Equity Beta Pool (P)	324,061	99.9	468,487	99.0
Total as at 31 December	**324,061**	**99.9**	**468,487**	**99.0**

Interest rate risk
The fund does not invest in fixed income securities or bond futures and is therefore not exposed to significant interest rate risk.

Cash flow risk
Cash flow risk is the risk that future cash flows of a monetary financial instrument will fluctuate in size.

The fund does not invest in financial instruments with variable interest rates and is therefore not exposed to significant cash flow risk.

Credit risk
Credit risk is the risk that counterparties of investments cannot meet their obligations, causing the fund to incur a financial loss.

The amount which best represents the maximum credit risk of the fund is € 8,257,000 (2022: € 15,824,000).
The fund only invests a limited part of its assets in financial instruments exposed to credit risk and is therefore not exposed to significant credit risk.

Liquidity risk
Liquidity risk, also known as 'funding risk', is the risk that the fund is not able to meet the financial obligations associated with its financial instruments or redemptions by participants. Liquidity risk can, among others, occur from the inability to sell a financial asset in the short term for (an amount close to) its fair value.

The participations of the fund are traded on a daily basis. The fund invests in freely tradable listed securities through its underlying funds. As a result, the fund is not exposed to a significant liquidity risk.

6.7.4 Cash

No restrictions on the use of cash and cash equivalents exist.

6.7.5 Net asset value

Movement schedule net asset value		
(amounts x € 1,000)	2023	2022
Net asset value participants		
Opening balance	473,380	605,089
Subscriptions	18,416	28,652
Redemptions	(244,105)	(45,674)
Closing balance	**247,691**	**588,067**
Net result for the year	**76,696**	**(114,687)**
Total net asset value as at 31 December	**324,387**	**473,380**

Movement schedule of participations	2023	2022
Opening balance	27,333,971	28,398,442
Subscriptions	958,755	1,480,963
Redemptions	(12,743,607)	(2,545,434)
Closing balance	**15,549,119**	**27,333,971**

Historical summary	2023	2022	2021
Net asset value (X € 1,000)	324,387	473,380	605,089
Number of participations outstanding (units)	15,549,119	27,333,971	28,398,442
Net asset value per participation in €	20.86	17.32	21.31
Performance (net asset value)	20.46%	(18.72%)	21.48%

6.7.6 Other payables

Other payables (amounts x € 1,000)	2023	2022
Management fee payable	23	24
Service fee payable	8	8
Total as at 31 December	**31**	**32**

6.7.7 Profit and loss statement

The accounting principles and the method of calculating the ratios are included in chapter 9.

6.7.8 Indirect result

Changes in fair value of investments (amounts x € 1,000)	2023	2022
Realised price- and currency gains investment funds	79,241	111,045
Unrealised price–and currency losses investment funds	(5,955)	(194,882)
Realised price- and currency gains forwards	43,356	53,399
Realised price- and currency losses forwards	(34,278)	(84,286)
Unrealised price- and currency gains forwards	-	1,508
Unrealised price- and currency losses forwards	(4,549)	-
Total as at 31 December	**77,815**	**(113,216)**

6.7.9 Subscription and redemption fee

The subscription and redemption fees are 0.07% of the transaction amount. The fees charged are entirely to the benefit of the fund.

6.7.10 Costs and fees

Transaction costs (amounts x € 1,000)	2023	2022
Investment funds	217	314
Total transaction costs within the fund	**217**	**314**

Management fee
The annual management fee amounts to 0.23%.

Service fee
The service fee is 0.08% per year on the fund's assets up to € 500 million. A service fee of 0.06% applies to the fund assets of €500 million to €1.5 billion. A service fee of 0.04% applies to fund assets above € 1.5 billion.

Ongoing Charges Figure (OCF)
The overview below shows the costs during the year:

OCF		
(amounts x € 1,000)	2023	2022
Average net asset value	428,406	519,640
Total costs within the fund including fee sharing agreements	1,298	1,551
Accrued costs underlying Aegon investment funds	1	4
Total costs	**1,299**	**1,555**
OCF	**0.30%**	**0.30%**

Turnover Ratio (TR)
The TR gives an indication of the turnover of the fund's investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions.

TR		
(amounts x € 1,000)	2023	2022
Purchases of investments	45,919	77,550
Sales of investments	272,709	95,602
Total investment transactions	**318,628**	**173,152**
Subscriptions	14,705	25,272
Redemptions	240,394	42,292
Total movements in participations	**255,099**	**67,564**
Average net asset value	428,406	519,640
TR	**15**	**20**

Other notes
The other notes are an integral part of the financial statements and are included in chapter 10.

6.7.11 Events after the balance sheet date

There have been no events after the balance sheet date that require further explanation

7 Annual Report 2023 AeAM World Equity Fund (EUR)

1 January 2023 through 31 December 2023

7.1. General information

Date of incorporation
The fund was established on 9 October 2014.

Profile
The fund is a fund for joint account (Dutch: “fonds voor gemene rekening”). The participations are only available to qualified investors (Dutch: “gekwalificeerde beleggers”) as defined in the Dutch Act on Financial Supervision (Dutch: “Wet op het financieel toezicht”).

Investment Policy
The fund invests, directly or indirectly, in shares of listed companies in developed and emerging equity markets around the world. The investment process aims to achieve capital appreciation through an active policy. This involves investing in hedge funds that can use different investment strategies.

Objective
The investment policy is aimed at achieving a higher total return than the benchmark.

Sustainability policy
We confirm that the environmental and social characteristics as stated in the prospectus at the beginning of the reporting period for this fund have been met.

Information about the environmental or social characteristics of this financial product is available in the appendix (Periodic sustainability commentary AeAM World Equity Fund (EUR)), including information to which environmental objectives the investments of this fund contribute and how and to what extent the investments take place in economic activities that take into account the EU criteria for environmentally sustainable economic activities as set out in the EU taxonomy (2020/852). The “do no significant harm” principle only applies to the investments underlying this financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark
MSCI All Country World Net Index (GBP, JPY, USD Hedged) (Customized).

Restrictions
Investment restrictions
The fund can invest in equities, equity funds, listed real estate and cash and cash equivalents. The freely available cash and cash equivalents position must be between -5% and 5% of the net asset value. Derivative financial instruments (derivatives) are also allowed, including: equity (index) futures, equity options, equity warrants, contracts for difference, cross currency swaps, ETFs, total return swaps, currency futures, currency options and forward contracts. In addition, the Fund may use repo transactions. In this way, the Fund may also have fixed-income securities to meet collateral requirements (initial margin) in bilateral OTC derivative transactions.

Investment Strategies
For the part of the portfolio that follows an active investment strategy, the restrictions of the underlying funds apply. For the part of the portfolio that follows a passive investment strategy, the following maximum deviations from the benchmark apply:

- 2% at country level;
- 2% at sector level;
- 1.5% at company level;
- 0.5% in countries, sectors and companies that are not included in the benchmark (off-benchmark position).

In anticipation of a change in the composition of the benchmark, the above restrictions may be temporarily exceeded, whereby these limits may be exceeded for a maximum of 1 month.

Counterparty
The minimum credit rating of counterparties for swaps is BBB.

Leverage
The permitted leverage, i.e. the exposure resulting from using the permitted credit facility and/or entering into contracts in derivative financial instruments (in accordance with the method based on commitments made), is a maximum of 50% of the fund's assets. The permitted leverage, based on the gross method, is 600% of the fund's assets. These instruments (derivatives) are only used if this is in line with the realization of the fund objective, to hedge risks and/or for efficient portfolio management.

Short term deviations
Short term deviations from the above restrictions are possible due to large subscriptions to the fund or redemptions from the fund. Such deviations are brought back to the predetermined limits within a period of 6 months.

Fiscal status
Private fund for common account
The fund is fiscally transparent, which means that the fund is not liable for corporate tax (or subject to any other tax on profits) and is not subject to dividend withholding tax. The assets, liabilities and results of the fund are directly allocated for tax purposes to the participants of the fund in proportion to their participation. Income or capital gains earned by a participant are regarded as income or capital gains made on the assets of the fund.

Dividend Policy
The fund does not distribute dividend. The earned income is reinvested.

Liquidation date
The last participant redeemed it’s shares from the fund on 31 January 2024. Due to the lack of participants, it was decided to close the fund on 1 March 2024. The texts written below regarding, among other things, the investment policy are written as they were applied during 2023.

7.2. Report of fund manager - investment policy

In 2023, the AEAM World Equity Fund (EUR) achieved a return after fees of 18.79%. The fund thus performed -0.28% less than the benchmark, the MSCI All Country World Net Index (GBP, JPY, USD Hedged). The investment policy focuses on beating the benchmark.

The fund invests in a number of active funds. The aim of these is an absolutely positive return. These active funds invest in different regions of the world. Since the other investments of the fund are 100% invested according to the benchmark, the absolute return of the active funds results in out- or underperformance.

The fund is exposed to the same risks as the benchmark. These are market risk and currency risk. As in the benchmark, currency risks are hedged in GBP, JPY and USD. Derivatives are used for this. Derivatives are also used within the active funds to achieve additional returns through a market-neutral strategy.

Despite major uncertainties ahead of 2023, economic conditions in 2023 were moderately positive. Economic growth in the US was stronger than expected and there was no recession as feared. The European economy suffered more from headwinds and economic growth fell faster to approximately 0.5%.

High inflation was still a major issue for central banks, but there were substantial improvements this year. Energy prices fell. Europe was successful in finding alternative sources of gas after the loss of Russian imports. The slowdown in inflation was also helped by the normalization of the supply chain that was disrupted during the pandemic. Central banks increased policy rates in 2023, thus continuing the policy that started in 2022. However, in the fourth quarter it became apparent that inflation would fall faster and the tightening policy was paused.

Financial markets generally responded positively to these developments. Stock markets had a good year. Equities in the United States in particular achieved high returns – led by the "Magnificent Seven" (important technology companies in the American index). Positive returns were also achieved in other regions, including Europe. The exception was the Chinese market. Concerns about the real estate sector and more restrictive regulations for technology companies led to a declining stock market.

Outlook

The outlook is highly dependent on economic growth, inflation rates and the actions of central banks. Financial markets have taken advantage of the relatively positive economic prospects. This increases the chance of disappointing developments. It does seem likely that productivity growth will be high due to rapid technological developments, allowing the economy to grow. Stock markets in particular will benefit from this.

The last participant redeemed it's shares from the fund on 31 January 2024. Due to the lack of participants, it was decided to close the fund on 1 March 2024.

7.3. Key figures

Key figures	2023	2022	2021	2020	2019
Overview per participation[9]					
Changes in fair value	3.46	(4.53)	4.31	2.22	3.30
Other results	0.01	0.01	0.05	0.01	0.01
Total result	**3.47**	**(4.52)**	**4.36**	**2.23**	**3.31**
Management fee and other expenses	(0.09)	(0.09)	(0.09)	(0.07)	(0.07)
Net result	**3.38**	**(4.61)**	**4.27**	**2.16**	**3.24**
Net asset value (x € 1,000)	108,129	125,161	181,472	337,153	293,380
Outstanding number of participations	5,342,005	7,356,620	8,457,777	19,197,019	18,810,674
Net asset value per participation	20.24	17.01	21.46	17.56	15.60
Performance[10]					
Performance (net asset value)	18.97%	(20.70%)	22.17%	12.61%	26.10%
Performance benchmark	19.30%	(17.39%)	21.32%	11.33%	24.70%
Outperformance	(0.28%)	(4.01%)	0.70%		
Outperformance since inception	(0.71%)	(0.43%)	3.72%		
Annualised outperformance since inception	(0.08%)	(0.05%)	0.51%		

[9] Amounts per participation are based on the average number of participations during the year.
[10] The performance is the time weighted return after costs calculated on a daily basis. The outperformance figures are presented in 2021 for the first time, therefore no comparative figures included.

Financial statements AeAM World Equity Fund (EUR)

7.4. Balance sheet as at 31 December

Balance Sheet			
(before appropriation of result) (amounts x € 1,000)	Reference	2023	2022
Assets			
Investments			
Investment funds		108,010	123,892
Call money		529	1,161
Forward currency contracts		366	1,480
Total investments	7.7.2	**108,905**	**126,533**
Receivables			
Outstanding transactions in financial instruments		40	42
Issue of participations		-	5
Total receivables		**40**	**47**
Other assets			
Cash and cash equivalents	7.7.4	1	2
Total other assets		**1**	**2**
Total assets		**108,946**	**126,582**
Liabilities			
Net asset value			
Net assets before result		88,928	158,558
Result for the year		19,201	(33,397)
Total net asset value	7.7.5	**108,129**	**125,161**
Investments			
Forward currency contracts		231	198
Total investments	7.7.2	**231**	**198**
Short term liabilities			
Collateral payable		570	1,210
Other payables and liabilities	7.7.6	16	13
Total short term liabilities		**586**	**1,223**
Total liabilities		**108,946**	**126,582**

7.5. Profit and loss statement

Profit and loss statement			
(amounts x € 1,000)	Reference	2023	2022
Direct result			
Interest call money		16	3
Interest bank accounts		9	-
Total direct result		**25**	**3**
Realised investment results		20,147	12,118
Unrealised investment results		(483)	(44,938)
Total indirect result	7.7.8	**19,664**	**(32,820)**
Total investment result		**19,689**	**(32,817)**
Other results			
Subscription and redemption fee	7.7.9	36	53
Total other results		**36**	**53**
Operating expenses			
Management fee		(409)	(519)
Service fee		(84)	(107)
Interest bank accounts		(31)	(7)
Total operating expenses	7.7.10	**(524)**	**(633)**
Net result		**19,201**	**(33,397)**

7.6. Cash flow statement

Cash flow statement			
(amounts x € 1,000)	Reference	2023	2022
Cash flow from investment activities			
Purchases of investments		(10,598)	(19,812)
Sales of investments		47,293	43,334
Net receipts/(payments) for call money transactions		632	(658)
Net receipts/(payments) for collateral		(640)	631
Interest received		25	3
Management fee paid		(407)	(516)
Service fee paid		(83)	(107)
Interest paid		(31)	(7)
Net cash flow from investment activities		**36,191**	**22,868**
Cash flow from financing activities			
Subscriptions		2,008	12,653
Redemptions		(38,236)	(35,572)
Received subscription and redemptions fees		36	53
Net cash flow from financing activities		**(36,192)**	**(22,866)**
Net cash flow		**(1)**	**2**
Cash and cash equivalents opening balance		2	-
Cash and cash equivalents closing balance	7.7.4	**1**	**2**

7.7. Notes to the financial statements

7.7.1 General

The accounting principles and the method of calculating the ratios are included in chapter 9.

Comparison to the previous year
The accounting principles have remained unchanged in comparison to the previous year.

Emphasis on discontinuity of the investment fund
The fund manager has decided to close the fund with effect from 1 March 2024. The annual accounts are therefore drawn up based on the discontinuity of the investment fund. The valuation principles are based on the same principles used in the past, taking into account any additional write-downs of assets and additional provisions. The liquidation principles of RJ 170 Chapter 2 have not been applied, since after the establishment of the investment fund, the manager decided to liquidate the investment fund. This liquidation has now been completed and the investment fund has fulfilled its obligations.

7.7.2 Investments

Movement schedule of investments

(amounts x € 1,000)	2023	2022
Investment funds		
Opening balance	123,892	180,780
Purchases	10,598	12,009
Sales	(45,127)	(43,375)
Revaluation	18,647	(25,522)
Closing balance	**108,010**	**123,892**
Call money		
Opening balance	1,161	503
Net amount for transactions in call money	(632)	658
Closing balance	**529**	**1,161**
Forward currency contracts		
Opening balance	1,282	777
Closing positions	(2,164)	7,803
Revaluation	1,017	(7,298)
Closing balance	**135**	**1,282**

The distribution of the investment portfolio according to the method of valuation is shown below:

Investments by valuation method

(amounts x € 1,000)	2023	2022
Derived from quoted market prices	108,674	126,335
Closing balance	**108,674**	**126,335**

The investment portfolio at year-end contains the following derivatives:

Forward currency contracts				
(amounts x € 1,000)				
Description	Expiration date	Contract Value in CUR bought	Contract value in CUR sold	Fair value in EUR
Bought EUR Sold JPY	31-1-2024	5,256	(849,048)	(216)
Bought EUR Sold GBP	31-1-2024	3,445	(2,994)	(6)
Bought EUR Sold USD	31-1-2024	61,964	(68,192)	315
Bought EUR Sold JPY	31-1-2024	281	(45,094)	(9)
Bought EUR Sold USD	31-1-2024	1,733	(1,896)	19
Bought EUR Sold GBP	31-1-2024	155	(134)	1
Bought EUR Sold ESD	31-1-2024	2,721	(2,976)	31
Bought JPY Sold EUR	31-1-2024	2,766	(18)	-
Bought EUR Sold USD	31-1-2024	984	(1,088)	-
Bought EUR Sold GBP	31-1-2024	148	(128)	-
Total as at 31 December				**135**

7.7.3 Risks with respect to financial instruments

This paragraph shows the important risks associated with the investments of the fund.

Price risk
Price risk can be divided into:
- Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;
- Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors that exclusively apply to the individual instrument or the issuer thereof or by factors that influence all instruments that are traded in the market;
- Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The concept of price risk does not only comprise possibility of losses but also the possibility of gains.

Currency risk
The fund invests through the underlying pool in investments denominated in foreign currencies. The fund covers it currency risk by means of forward exchange contracts and is therefore not exposed to significant currency risk.

Breakdown portfolio by currency								
(amounts x € 1,000)			2023				2022	
Currency	Gross position	Hedging	Net position	% of NAV	Gross position	Hedging	Net position	% of NAV
Euro	107,990	76,670	184,660	170.8	123,879	85,146	209,025	167.0
U.S. dollar	-	(67,033)	(67,033)	(62.0)	-	(72,442)	(72,442)	(57.9)
Japanese yen	-	(5,745)	(5,745)	(5.3)	-	(6,820)	(6,820)	(5.4)
British pound	-	(3,753)	(3,753)	(3.5)	-	(4,602)	(4,602)	(3.7)
Total 31 December	**107,990**	**139**	**108,129**	**100.0**	**123,879**	**1,282**	**125,161**	**100.0**

Market risk
The fund only has investments in Aegon Investment Funds. The fund is therefore indirectly exposed to a significant market risk.

Portfolio overview				
(amounts x € 1,000)	2023		2022	
Investment	**Amount**	**% of NAV**	**Amount**	**% of NAV**
AEGON World Equity Alpha Beta Pool (P)	108,010	99.9	123,892	99.0
Total as at 31 December	**108,010**	**99.9**	**123,892**	**99.0**

Interest rate risk
The fund does not invest in fixed income securities or bond futures and is therefore not exposed to significant interest rate risk.

Cash flow risk
Cash flow risk is the risk that future cash flows of a monetary financial instrument will fluctuate in size.

The fund does not invest in financial instruments with variable interest rates and is therefore not exposed to significant cash flow risk.

Credit risk
Credit risk is the risk that counterparties of investments cannot meet their obligations, causing the fund to incur a financial loss.

The amount which best represents the maximum credit risk of the fund is € 936,000 (2022: € 2,690,000).
The fund invests for a limited part of its assets in financial instruments that are sensitive to credit risk and is therefore not exposed to significant credit risk.

Liquidity risk
Liquidity risk, also known as 'funding risk', is the risk that the fund is not able to meet the financial obligations associated with its financial instruments or redemptions by participants. Liquidity risk can, among others, occur from the inability to sell a financial asset in the short term for (an amount close to) its fair value.

The participations of the fund are traded on a daily basis. The fund invests in freely tradable listed securities through its underlying funds. As a result, the fund is not exposed to a significant liquidity risk.

7.7.4 Cash and cash equivalents

No restrictions on the use of cash and cash equivalents exist.

7.7.5 Net asset value

Movement schedule net asset value		
(amounts x € 1,000)	2023	2022
Net asset value participants		
Opening balance	125,161	181,472
Subscriptions	2,003	12,658
Redemptions	(38,236)	(35,572)
Closing balance	**88,928**	**158,558**
Net result for the year	**19,201**	**(33,397)**
Total net asset value as at 31 December	**108,129**	**125,161**

Movement schedule of participations	2023	2022
Opening balance	7,356,620	8,457,777
Subscriptions	110,331	734,756
Redemptions	(2,124,946)	(1,835,913)
Closing balance	**5,342,005**	**7,356,620**

Historical summary	2023	2022	2021
Net asset value (X € 1,000)	108,129	125,161	181,472
Number of participations outstanding (units)	5,342,005	7,356,620	8,457,777
Net asset value per participation in €	20.24	17.01	21.46
Performance (net asset value)	18,97%	(20.70%)	22.17%

7.7.6 Other payables

Other payables (amounts x € 1,000)	2023	2022
Management fee payable	13	11
Service fee payable	3	2
Total as at 31 December	**16**	**13**

7.7.7 Profit and loss statement

The accounting principles and the method of calculating the ratios are included in chapter 9.

7.7.8 Indirect result

Changes in fair value of investments (amounts x € 1,000)	2023	2022
Realised price- and currency gains investment funds	17,982	19,921
Unrealised price – and currency gains investment funds	665	-
Unrealised price- and currency losses investment funds	-	(45,443)
Realised price- and currency gains forwards	10,816	12,868
Realised price- and currency losses forwards	(8,651)	(20,671)
Unrealised price- and currency gains forwards	-	505
Unrealised price- and currency losses forwards	(1,148)	-
Total as at 31 December	**19,664**	**(32,820)**

7.7.9 Subscription and redemption fee

The subscription and redemption fees are 0.08% of the transaction amount. The fees charged are entirely to the benefit of the fund. Until 1 Oktober 2023 the subscription and redemption fees amounted to 0.09%.

7.7.10 Costs and fees

Transaction costs (amounts x € 1,000)	2023	2022
Investment funds	50	60
Total transaction costs within the fund	**50**	**60**

Management fee
The annual management fee amounts to 0.39%.

Service fee
The service fee is 0.08% per year on the fund's assets up to € 500 million. A service fee of 0.06% applies to the fund assets of €500 million to €1.5 billion. A service fee of 0.04% applies to fund assets above € 1.5 billion.

Ongoing Charges Figure (OCF)
The overview below shows the costs during the year:

OCF		
(amounts x € 1,000)	2023	2022
Average net asset value	105,298	133,073
Total costs within the fund including fee sharing agreements	495	626
Accrued costs underlying Aegon investment funds	6	(14)
Accrued costs underlying externally managed investment funds	48	152
Total costs	**549**	**764**
OCF	**0.52%**	**0.57%**
Accrued performance fee externally managed investment funds	0.00%	(0.03%)

Turnover Ratio (TR)
The TR gives an indication of the turnover of the fund's investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions.

TR		
(amounts x € 1,000)	2023	2022
Purchases of investments	10,598	19,812
Sales of investments	47,291	43,375
Total investment transactions	**57,889**	**63,187**
Subscriptions	2,003	12,658
Redemptions	38,236	35,572
Total movements in participations	**40,239**	**48,230**
Average net asset value	105,298	133,073
TR	**17**	**11**

Other notes
The other notes are an integral part of the financial statements and are included in chapter 10.

7.7.11 Events after the balance sheet date

The last participant redeemed it's shares from the fund on 31 January 2024. Due to the lack of participants, it was decided to close the fund on 1 March 2024. The texts written below regarding, among other things, the investment policy are written as they were applied during 2023.

8 Annual Report 2023 AEGON Diversified Equity Fund

1 January 2023 through 31 December 2023

8.1. General information

Date of incorporation
The fund was established on 15 December 2015.

Profile
The fund is a fund for joint account (Dutch: "fonds voor gemene rekening"). The participations are only available to qualified investors (Dutch: "gekwalificeerde beleggers") as defined in the Dutch Act on Financial Supervision (Dutch: "Wet op het financieel toezicht").

Investment Policy
The fund invests, directly or indirectly, in marketable securities. Marketable securities include the following asset classes: shares, (indirect) real estate and commodities. The manager can assign other investment categories to the categories marketable securities, where the interests of the participant (amongst other risk and return) is guaranteed. As a result the fund is able to invest in new investment categories, instruments, techniques or structures, which the manager considers appropriate for achieving the objective and/or the investment policy of the fund.

This fund uses an active asset allocation policy. This means that the allocation of the asset classes within the marketable securities are not fixed. When allocating the investment portfolio the manager will consider the risk profile in relation to the expected return. It may occur that, for example, the percentage of shares or real estate in which the fund invests during the year is significantly higher or lower compared to the other years. This may be caused by a change in the market conditions, and thus the expected return and risk, for these investment categories. Active asset allocation can only be conducted if there is sufficient time to determine the allocation of asset classes and in addition, there is room to add new asset classes.

Part of the investment activities in the AEGON World Equity Beta Pool (EUR) (C) has been outsourced to Blackrock Advisors (UK) Ltd.

Objective
The investment policy aims at achieving risk reduction by diversifying across and within asset classes. The investment policy is also focused on achieving a higher total return than the benchmark.

Sustainability policy
We confirm that the environmental and social characteristics as stated in the prospectus at the beginning of the reporting period for this fund have been met.

Information about the environmental or social characteristics of this financial product is available in the appendix (Periodic sustainability commentary AEGON Diversified Equity Fund), including information to which environmental objectives the investments of this fund contribute and how and to what extent the investments take place in economic activities that take into account the EU criteria for environmentally sustainable economic activities as set out in the EU taxonomy (2020/852). The "do no significant harm" principle only applies to the investments underlying this financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark
- Category shares: 80% MSCI All Country World Net Index (GBP, JPY, USD Hedged) (Customized);
- Category real estate: 12% FTSE EPRA/NAREIT Global Net Index;
- Category commodities: 8% S&P GSCI Total Return Index EUR Hedged.

Restrictions

Investment restrictions

The fund invests in commercial securities and liquid assets. Derivative financial instruments (derivatives): equity (index) futures, equity options, equity warrants, rights, contracts for difference, cross currency swaps, ETFs, total return swaps, currency futures, currency options, non-deliverable forwards and currency forwards . In addition, the Fund may use repo transactions. In this way, the Fund may also have fixed-income securities to meet collateral requirements (initial margin) in bilateral OTC derivative transactions. The following restrictions apply to the asset allocation policy:

- Minimum 25% and maximum 100% of the fund's assets in shares
- Minimum 0% and maximum 40% of the fund's assets in real estate
- Minimum 0% and maximum 25% of the fund's assets in commodities

The freely available cash position must be between -5% and 5% of the fund's assets.

Leverage

The permitted leverage, i.e. the exposure resulting from using the permitted credit facility and/or entering into contracts in derivative financial instruments (in accordance with the method based on commitments made), is a maximum of 20% of the fund's assets. The permitted leverage, based on the gross method, is 900% of the fund's assets. These instruments (derivatives) are only used if this is in line with the realization of the fund objective, to hedge risks and/or for efficient portfolio management.

Short term deviations

Short term deviations from the above restrictions are possible due to large subscriptions to the fund or redemptions from the fund. Such deviations are brought back to the predetermined limits within a period up to 10 working days.

Fiscal status

Private fund for joint account

The fund is fiscally transparent, which means that the fund is not liable for corporate tax (or subject to any other tax on profits) and is not subject to dividend withholding tax. The assets, liabilities and results of the fund are directly allocated for tax purposes to the participants of the fund in proportion to their participation. Income or capital gains earned by a participant are regarded as income or capital gains made on the assets of the fund.

Dividend Policy

The fund does not distribute dividend. The earned income is reinvested.

8.2. Report of fund manager - investment policy

The AEGON Diversified Equity Fund achieved a return of 17.22% after costs in 2023, outperforming the benchmark by 1.81%; benchmark 80%: MSCI All Country World Net Index (GBP, JPY, USD Hedged) (Customized); 12%: FTSE EPRA/NAREIT Global Net Index; 8%: S&P GSCI Excess Return Index (Hedged) (Customized) + Euro overnight rate Index.

Despite major uncertainties ahead of 2023, economic conditions in 2023 were moderately positive. Economic growth in the US was stronger than expected and there was no recession as feared. The European economy suffered more from headwinds and economic growth fell faster to approximately 0.5%.

High inflation was still a major issue for central banks, but there were substantial improvements this year. Energy prices fell. Europe was successful in finding alternative sources of gas after the loss of Russian imports. The slowdown in inflation was also helped by the normalization of the supply chain that was disrupted during the pandemic. Central banks increased policy rates in 2023, thus continuing the policy that started in 2022. However, in the fourth quarter it became apparent that inflation would fall faster and the tightening policy was paused.

Financial markets generally responded positively to these developments. Stock markets had a good year. Equities in the United States in particular achieved high returns – led by the “Magnificent Seven” (important technology companies in the American index). Positive returns were also achieved in other regions, including Europe. The exception was the Chinese market. Concerns about the real estate sector and more restrictive regulations for technology companies led to a declining stock market.

Real estate stocks had a volatile year. The high interest rate is particularly negative for a capital-intensive sector such as real estate. However, due to falling interest rates at the end of the year, the return was ultimately positive in 2023.

Raw materials achieved a negative return. Despite attempts by the OPEC cartel to drive up prices, oil prices fell. This was mainly caused by higher than expected production from the US and South America.

The outlook is highly dependent on economic growth, inflation rates and the actions of central banks. Financial markets have taken advantage of the relatively positive economic prospects. This increases the chance of disappointing developments. It does seem likely that productivity growth will be high due to rapid technological developments, allowing the economy to grow. Stock markets in particular will benefit from this.

The fund handled the various risks as follows:

- Market risk: worldwide equity markets, listed real estate and commodities have fluctuating prices due to market developments.
- Currency risk: the fund invests in foreign listed real estate and, with this, the fund runs a currency risk.
- Concentration risk: the fund invests in multiple investment categories and uses the weights of the benchmarks as a guideline. Consequently, the spread has been good.
- Liquidity risk: the majority of the portfolio can be liquidated in 1 to 2 days. The liquidity risk is therefore limited.
- Interest rate risk: the fund does not invest in fixed-rate securities and as a consequence there is no interest rate risk.
- Cash flow risk: the management of cash flows is not a specific part of the portfolio management.

8.3. Key figures

Key figures	2023	2022	2021	2020	2019
Overview per participation[11]					
Changes in fair value	2.85	(3.06)	3.72	0.98	2.95
Other results	-	-	0.01	-	-
Total result	**2.85**	**(3.06)**	**3.73**	**0.98**	**2.95**
Management fee and other expenses	(0.03)	(0.03)	(0.03)	(0.02)	(0.02)
Net result	**2.82**	**(3.09)**	**3.70**	**0.96**	**2.93**
Net asset value (x € 1,000)	1,610,383	1,259,562	1,586,694	1,374,705	1,251,942
Outstanding number of participations	86,230,900	79,059,065	83,405,342	89,537,541	86,720,378
Net asset value per participation	18.68	15.93	19.02	15.35	14.44
Performance[12]					
Performance (net asset value)	17.22%	(16.25%)	23.91%	6.35%	24.89%
Performance benchmark	15.14%	(14.66%)	23.86%	4.98%	25.08%
Outperformance	1.81%	(1.87%)	0.04%		
Outperformance since inception	2.50%	0.68%	2.70%		
Annualised outperformance since inception	0.31%	0.10%	0.44%		

[11] Amounts per participation are based on the average number of participations during the year.
[12] The performance is the time weighted return after costs calculated on a daily basis. The outperformance figures are presented in 2021 for the first time, therefore no comparative figures included.

Financial statements AEGON Diversified Equity Fund

8.4. Balance sheet as at 31 December

Balance Sheet (before appropriation of result) (amounts x € 1,000)	Reference	2023	2022
Assets			
Investments			
Investment funds		1,610,468	1,259,652
Total investments	8.7.2	**1,610,468**	**1,259,652**
Receivables			
Outstanding transactions in financial instruments		829	43,682
Issue of participations		-	8
Total receivables		**829**	**43,690**
Other assets			
Cash and cash equivalents	8.7.4	1	1
Total other assets		**1**	**1**
Total assets		**1,611,298**	**1,303,343**
Liabilities			
Net asset value			
Net assets before result		1,395,532	1,518,345
Result for the year		214,851	(258,783)
Total net asset value	8.7.5	**1,610,383**	**1,259,562**
Investments			
Call money		725	5,203
Total investments	8.7.2	**725**	**5,203**
Short term liabilities			
Outstanding transactions in financial instruments		104	-
Redemption of participations		-	38,527
Other payables and liabilities	8.7.6	86	51
Total short term liabilities		**190**	**38,578**
Total liabilities		**1,611,298**	**1,303,343**

8.5. Profit and loss statement

Profit and loss statement			
(amounts x € 1,000)	Reference	2023	2022
Direct result			
Interest call money		27	-
Interest bank accounts		2	-
Total direct result		**27**	**-**
Realised investment results		55,420	49,968
Unrealised investment results		161,389	(306,483)
Total indirect result	8.7.8	**216,809**	**(256,515)**
Total investment result		**216,838**	**(256,515)**
Other results			
Subscription and redemption fee	8.7.9	372	280
Total other results		**372**	**280**
Operating expenses			
Management fee		(1,966)	(2,155)
Service fee		(352)	(383)
Interest call money		-	(3)
Interest bank accounts		(41)	(7)
Total operating expenses	8.7.10	**(2,359)**	**(2,548)**
Net result		**214,851**	**(258,783)**

8.6. Cash flow statement

Cash flow statement			
(amounts x € 1,000)	Reference	2023	2022
Cash flow from investment activities			
Purchases of investments		(317,476)	(158,772)
Sales of investments		226,426	189,028
Net receipts/(payments) for call money transactions		(4,478)	8,185
Interest received		29	-
Management fee paid		(1,936)	(2,138)
Service fee paid		(347)	(380)
Interest paid		(41)	(10)
Net cash flow from investment activities		**(97,823)**	**35,913**
Cash flow from financing activities			
Subscription		684,269	361,166
Redemptions		(586,818)	(397,358)
Received subscription and redemptions fee		372	280
Net cash flow from financing activities		**97,823**	**(35,912)**
Net cash flow		**-**	**1**
Cash and cash equivalents opening balance		1	-
Cash and cash equivalents closing balance	8.7.4	**1**	**1**

8.7. Notes to the financial statements

8.7.1 General

The accounting principles and the method of calculating the ratios are included in chapter 9.

Comparison to the previous year
The accounting principles have remained unchanged in comparison to the previous year.

Going concern
The financial statements of the fund have been prepared on a going concern basis. This is based on the reasonable assumption that the fund is, and will be, able to continue its activities in the foreseeable future.

8.7.2 Investments

Movement schedule of investments		
(amounts x € 1,000)	2023	2022
Investment funds		
Opening balance	1,259,652	1,586,981
Purchases	317,580	158,772
Sales	(183,573)	(229,586)
Revaluation	216,809	(256,515)
Closing balance	**1,610,468**	**1,259,652**
Call money		
Opening balance	(5,203)	2,982
Net amount for transactions in call money	4,478	(8,185)
Closing balance	**(725)**	**(5,203)**

The distribution of the investment portfolio according to the method of valuation is shown below:

Investments by valuation method		
(amounts x € 1,000)	2023	2022
Derived from quoted market prices	1,609,743	1,254,449
Closing balance	**1,609,743**	**1,254,449**

8.7.3 Risks with respect to financial instruments

This paragraph shows the important risks associated with the investments of the fund.

Price risk
Price risk can be divided into:

- Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in exchange rates;
- Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors that exclusively apply to the individual instrument or the issuer thereof or by factors that influence all instruments that are traded in the market;
- Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The concept of price risk does not only comprise possibility of losses but also the possibility of gains.

Currency risk
The fund invests through underlying funds in investments denominated in foreign currencies and is therefore exposed to a significant currency risk.

Market risk
The fund only has investments in Aegon Investment Funds. The fund is therefore indirectly exposed to a significant market risk.

Portfolio overview

(amounts x € 1,000)	2023		2022	
Investment	**Amount**	**% of NAV**	**Amount**	**% of NAV**
AEGON World Equity Alpha Beta Pool (EUR) (C)	1,371,040	85.1	1,038,474	82.4
AEGON Global Real Estate Pool	163,809	10.2	147,883	11.7
AEGON Global Commodity Pool (EUR)	75,619	4.7	73,295	5.8
Total as at 31 December	**1,610,468**	**100.0**	**1,259,652**	**100.0**

Interest rate risk
The fund indirectly invests in fixed income securities and bond futures through underlying investment funds and is therefore exposed to significant interest rate risk.

Cash flow risk
Cash flow risk is the risk that future cash flows of a monetary financial instrument will fluctuate in size.

The fund does not invest in financial instruments with variable interest rates and is therefore not exposed to significant cash flow risk.

Credit risk
Credit risk is the risk that counterparties of investments cannot meet their obligations, causing the fund to incur a financial loss.

The amount that best represents the maximum credit risk of the fund is € 830,000 (2022: € 43,691,000). Including the financial instruments sensitive to credit risk in the underlying investment funds, the amount that best represents the maximum credit risk of the fund is € 240,258,000 (2022: € 264,869,000).

The fund invests in financial instruments that are sensitive to credit risk and are therefore exposed to significant credit risk.

Liquidity risk
Liquidity risk, also known as ‘funding risk’, is the risk that the fund is not able to meet the financial obligations associated with its financial instruments or redemptions by participants. Liquidity risk can, among others, occur from the inability to sell a financial asset in the short term for (an amount close to) its fair value.

The participations of the fund are traded on a daily basis. The fund invests in freely tradable listed securities through its underlying funds. As a result, the fund is not exposed to a significant liquidity risk.

8.7.4 Cash and cash equivalents

No restrictions on the use of cash and cash equivalents exist.

8.7.5 Net asset value

Movement schedule net asset value		
(amounts x € 1,000)	2023	2022
Net asset value participants		
Opening balance	1,259,562	1,586,694
Subscriptions	684,261	361,174
Redemptions	(548,291)	(429,523)
Closing balance	**1,395,532**	**1,518,345**
Net result for the year	**214,851**	**(258,783)**
Total net asset value as at 31 December	**1,610,383**	**1,259,562**

Movement schedule of participations		
	2023	2022
Number of participations as at 1 January	79,059,065	83,405,342
Subscriptions	39,677,612	21,611,443
Redemptions	(32,505,777)	(25,957,720)
Number of participations as at 31 December	**86,230,900**	**79,059,065**

Historical summary			
	2023	2022	2021
Net asset value (X € 1,000)	1,610,383	1,259,562	1,586,694
Number of participations outstanding (units)	86,230,900	79,059,065	83,405,342
Net asset value per participation in €	18.68%	15.93	19.02
Performance (net asset value)	17.22%	(16.25%)	23.91%

8.7.6 Other payables

Other payables		
(amounts x € 1,000)	2023	2022
Management fee payable	73	43
Service fee payable	13	8
Total as at 31 December	**86**	**51**

8.7.7 Profit and loss statement

The accounting principles and the method of calculating the ratios are included in chapter 9.

8.7.8 Indirect result

Changes in fair value of investments		
(amounts x € 1,000)	2023	2022
Realised price- and currency gains investment funds	55,420	49,968
Unrealised price- and currency gains investment funds	170,966	8,615
Unrealised price- and currency losses investment funds	(9,577)	(315,098)
Total as at 31 December	**216,809**	**(256,515)**

8.7.9 Subscription and redemption fee

The subscription and redemption fees are 0.09% of the transaction amount. The fees charged are entirely to the benefit of the fund. Until 1 Oktober 2023 the subscription and redemption fees amounted to 0.10%.

8.7.10 Costs and fees

Transaction costs		
(amounts x € 1,000)	2023	2022
Investment funds	269	301
Total transaction costs within the fund	**269**	**301**

Management fee
The annual management fee amounts to 0.15%.

Service fee
The service fee is charged daily based on the net asset value of the fund at the end of the previous trading day. The service fee is 0.03% per year on the fund's assets up to € 500 million. A service fee of 0.025% applies to the fund assets of €500 million to €1.5 billion. A service fee of 0.02% applies to fund assets above € 1.5 billion.

Ongoing Charges Figure (OCF)
The overview below shows the costs during the year:

OCF		
(amounts x € 1,000)	2023	2022
Average net asset value	1,307,658	1,434,653
Total costs within the fund including fee sharing agreements	2,319	2,538
Accrued costs underlying Aegon investment funds	23	60
Total costs	**2,342**	**2,598**
OCF	**0.18%**	**0.18%**

Turnover Ratio (TR)
The TR gives an indication of the turnover of the fund’s investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions.

TR		
(amounts x € 1,000)	2023	2022
Purchases of investments	317,580	158,772
Sales of investments	183,573	229,586
Total investment transactions	**501,153**	**388,358**
Subscriptions	363,313	133,414
Redemptions	227,343	201,763
Total movements in participations	**590,656**	**335,177**
Average net asset value	1,307,658	1,434,653
TR	**0**	**4**

Other notes
The other notes are an integral part of the financial statements and are included in chapter 10.

8.7.11 Subsequent events

There have been no events after the balance sheet date for which disclosure is required

9 Principles of valuation and determination of the result and the calculation method of ratios

General

The financial statements are prepared in accordance with Title 9 of Book 2 of the Dutch Civil Code and the Dutch Act on Financial Supervision (“Wet op het financieel toezicht”). The financial statements are prepared according to the financial statements models for investment institutions as established by the legislator. Wording may be used that deviates from these models to better reflect the contents of the specific items.

Unless indicated otherwise, amounts are reflected in euro.

Comparison to the previous year

The accounting principles have remained unchanged in comparison to the previous year. The financial statements have been prepared on a going concern basis.

Foreign currencies

The reporting and functional currency of the fund is the euro due to the issue of participations in euro and most of the transactions being in euro. Monetary assets and liabilities in foreign currency are translated by the closing rate. Non-monetary assets and liabilities that are valued on a historical cost basis are translated by the rate of the foreign currency at the date of the transaction.

Purchases and sales during the reporting period are translated by the rate of the foreign currency at the date of the transaction. The same applies to foreign currencies related to profit and loss statement.

Differences related to foreign currency translations on investments are recognized in the profit and loss statement as part of the revaluation of investments.

Differences related to foreign currency translations on receivables and payables are recognized in the profit and loss statement under currency translation differences.

The following table shows the exchange rates with the equivalent of €1:

Foreign currency closing rates

Currency	31-12-2023	31-12-2022
U.S. dollar	1.10465	1.06725
British pound	0.866528	0.88723
Japanese yen	155.73366	140.81822
Thai baht	37.703939	36.96360

Cash flow statement

The cash flow statement is prepared using the direct method. A distinction is made between cash flows arising from financing activities which reflect all cash flows between the fund and its participants and the cash flows from investment activities which reflect the operations activities of the fund.

Cash and cash equivalents consist of cash at banks and bank overdrafts.

Principles for valuation

Unless stated otherwise, assets and liabilities are included in the balance sheet at nominal value. Investments are valued at fair value. The manner in which this fair value is determined is further explained in the paragraph Fair value determination.

Investments
The equity investments and investment funds are classified as investments in equity instruments.

The derivatives (such as, for example, forward exchange contracts, options, futures, interest rate swaps, commodity swaps, total return swaps and credit default swaps) are considered to be part of the trading portfolio.

Criteria for recognition on the balance sheet
Financial instruments are recognised in the balance sheet when the fund becomes a party in the contractual clauses of the financial instrument. The fair value of the financial instruments at initial recognition is the cost price of the financial instruments.

A financial instrument is no longer recognised in the balance sheet if a transaction leads to the transfer of all or nearly all economic benefits and all or nearly all risks of the financial instrument to a third party.

Collateral received in connection with the fund's securities lending activities is not included in the balance sheet as the fund has no control over the collateral received. The counterparty receives back the collateral received when the lent securities are returned. The securities lent and the collateral received in return are explained, if applicable, under the rights and obligations not included in the balance sheet.

For collateral received in connection with outstanding derivative positions of the fund, the fund includes a debt to the counterparty in the balance sheet for the collateral to be repaid. The fund recognizes a claim on the counterparty for collateral paid in connection with open derivative positions. Interest is charged on the collateral received or paid.

Recognition of transaction
Transactions are processed based on trade date (trade date accounting). Deposits and withdrawals from investments in the fund with an overlay structure are also included as part of the purchases and sales.

Transaction cost recording
Transaction costs for purchases of investments are included in the cost price of the investments and are accounted for as part of the unrealised result on investments in the profit and loss statement. As a result, no transaction costs are expensed at the end of the year. Transaction costs related to sales of investments are accounted for as part of the realised result on investments. Transaction costs upon purchases of derivatives are directly accounted for in the profit and loss statement.

Fair value determination
The investments consisting of participations in other Aegon investment funds are valued at fair value, which is the intrinsic value of the participation of these funds. The net asset value of these funds is determined each day when the Dutch stock exchange is open and reflects the fair value of these Aegon investment funds at the time the net asset value is determined. The net asset value of all Aegon investment funds is audited at least once a year by the independent external auditor as part of the fund's annual audit.

Investments listed on a stock exchange are valued at the most recent closing price or, failing that, at the value appraised by the fund manager. If financial instruments are listed on different stock exchanges, the fund manager will decide which stock exchange quotation will be taken into account. In the event of special circumstances (such as, for example, high volatility in financial markets) where, in the opinion of the fund manager, the valuation in the manner described above leads to a valuation that does not reflect the true value, the fund manager may, in determining the value of listed financial instruments take into account expected quotations using relevant indices on financial markets.

The market value of call money is determined on the basis of the theoretical price, calculated using data from active markets.

The market value of forward exchange contracts is determined using a standard model in which the quotes and parameters are read in via an interface with Bloomberg.

The exposure values of derivatives are further specified in the notes on the investments.

Illiquid investments

Any unmarketable and/or unlisted investments are valued on the basis of the most recent information available to the manager for these investments. The administrator will make every effort to have the most recent information. This implies that, in contrast to listed investments, for unmarketable and/or unlisted investments the value may be dated. If after determination of the net asset value but prior to publication of the annual report information becomes available that leads to a materially different insight with regard to the net asset value to be published in the annual report, this will be reported in the report. The additional information will be processed at the next determination of the net asset value.

Presentation derivatives

The positive market value of the derivatives is presented under the investments. The negative market value of derivatives is presented as investments on the liabilities side of the balance sheet. Any netting of derivatives in the balance sheet takes place if the netting conditions are met. The statement of changes in investments shows the netted development of the derivative positions per type of derivative.

Receivables and payables

Receivables and payables are stated at fair value on initial recognition. After initial recognition, receivables and payables are valued at amortized cost. If there are no premiums, discounts or transaction costs, the amortized cost is equal to the nominal value of the receivable or debt.

The receivables mainly consist of recoverable and deductible dividend and withholding tax and/or accrued interest. The receivables arising from recoverable and deductible dividend and withholding tax have a duration of more than one year. The other receivables and payables have a term of less than one year. A provision for impairment is made if needed.

Cash and cash equivalents

Cash and cash equivalents are valued at nominal value.

Net asset value

In the net asset value of the fund, the transactions with participants and the appropriation of the result are recorded. Transactions with participants are processed against the subscription- or redemption price excluding subscription or redemption fee or swing price factor.

Performance calculation based on dividend reinvestment

The performance (net asset value) is calculated based on the net asset value at the end of the year and the net asset value of the previous year. Dividend distributions are considered to be reinvested at the net asset value per participation on the day of the dividend distribution.

Principles for determination of results

Income and expenses arising from operating activities during the financial year are recognized in the profit and loss account. Buying and selling costs of investments and derivatives are recognized directly in the profit and loss account.

Dividend income

Dividends are recognized on the ex-dividend date, taking into account any non-refundable dividend tax.

Interest income and expenses

Interest is recognized in the period to which it relates. Interest income and interest expense are recognized in proportion to time, taking into account the effective interest rate of the relevant assets and liabilities.

Value changes investments
This concerns indirect investment income from realized and unrealized changes in value and exchange rate differences. These revenues are recognized in the period to which they relate.

The realized and unrealized exchange rate and currency results for the financial year are accounted for under value adjustments to investments. The realized exchange rate and currency results are determined as the difference between the sales value and the average historical purchase value. The unrealized exchange rate and currency results are determined as the movement in the unrealized exchange rate and currency results during the financial year. The reversal of unrealized exchange rate and currency results processed in previous years is included in the unrealized exchange rate and currency results upon realization of these results.

Entry and exit
When issuing and repurchasing units of the funds, the issue and redemption price of the units in relation to the calculated net asset value is increased by a surcharge or reduced by a discount. The surcharge and discount accrue to the fund. These surcharges and discounts mainly serve to cover transaction costs charged to the funds on the investment transactions of the funds. These transaction costs consist of fees for brokerage costs, including research costs, settlement costs and fees for currency differences. The surcharges and discounts are determined periodically by the manager on the basis of the real costs charged for the transactions.

Cost
Costs are recognized in the period to which they relate.

Management fee
The fund manager charges a fixed management fee for the management of the fund's assets. The management fee is determined as an annual percentage. The management fee is charged to the funds on a daily basis based on the net asset value of the funds at the end of the previous trading day. The management fee for AIM only applies to participation class C.

Service fee
The fund manager charges a service fee to the fund. The service fee serves as compensation for costs such as custody fees, audit fees, legal and advisory fees, incorporation costs, administration fees and marketing and communication costs. The service fee is determined as an annual percentage. The service fee is charged on a daily basis based on the net asset value of the fund at the end of the preceding trading day.

The auditors fees for research of the annual reports and possible fiscal advice and other non-audit services are paid by the fund manager from the received service fees. These expenses cannot be individually allocated to the funds under management. Therefore a further disclosure is omitted.

Ongoing Charges Figure (OCF)
The OCF is a standard for ongoing costs that are charged to the fund during the reporting period. For the calculation of the OCF, the following needs to be considered:

- The OCF represents the ratio between ongoing costs and the average net asset value. The ongoing costs include all expenses that have been charged to the fund during the reporting period, with the exception of subscription- and redemption fees, performance fees, transaction costs for investments and interest expenses on bank accounts. The fund can invest in other Aegon funds. In addition to the costs directly recognised by the fund, the calculation of the fund’s ongoing costs also includes the ongoing costs of other Aegon funds in which the fund invests as well as the costs of fee sharing agreements.
- The average net asset value is based on the number of days when a net asset value calculation was performed during the reporting period.
- Costs in externally managed funds included when a fund invested directly or indirectly more than 10 percent of the net assets of the fund. The average proportion of externally managed investment funds taken into calculation must cover at least 80% of the total average externally managed investment funds. If the external fund invested in an underlying fund, cost will not be included in the calculation of the OCF, due to the lack of information on these costs.

Turnover Ratio (TR)

The Turnover Ratio gives an indication of the turnover of the fund's investment portfolio by providing insight in the extent to which the fund manager actively changes the investment portfolio based on his investment decisions. The Turnover Ratio gives information on the relative amount of transaction costs involved with portfolio management. Active portfolio management means higher transaction costs. A turnover ratio of 200 indicates that purchase- and sales transactions have been executed for twice the amount of the average net asset value on top of the purchase- and sales transactions caused by subscriptions and redemptions of participants. Transaction in call money are not included in the calculation of the TR.

Subscriptions and redemptions of participations are netted on a daily basis to determine the actual in- or outflow on a daily basis. The purpose of this is to better align the in- or outflow with the purchases and sales as a result of transactions with participants. As a result, the amounts may differ from the amounts as stated in the movement schedule of the net asset value and the cash flow statement.

A fund can invest partially or entirely in participations in other Aegon investment funds in which the actual purchases and sales of investments take place. The TR of the underlying Aegon investment funds is more relevant and will be disclosed in the Financial Statements of this particular Aegon investment fund.

The TR is calculated as follows:
[(Total 1 – Total 2) / X] * 100
Total 1: the total amount of securities transactions (securities purchases + securities sales)
Total 2: the total amount of transactions (issue + purchase) of units of the investment institution
X: the average net asset value of the investment institution (determined in accordance with the OCF method above).

10 Other notes

Related parties
All transactions with related parties have been entered into at arm's length and under normal market conditions. For completeness purposes, the related parties and information on the agreements with these parties are detailed below.

Fund manager
The funds use the services of the fund manager, AIM, and do not employ any personnel. The personnel that AIM uses is employed by Aegon Employees Netherlands B.V. The expenses for the use of the personnel of the fund manager are covered by the management fee that the fund pays to the fund manager.

Legal owner
Aegon Custody B.V. serves as legal owner of the investments. Aegon Custody B.V. was incorporated on 25 April 1991. The legal owner is a private limited liability company with its registered office at Aegonplein 50, 2591 TV, The Hague. Aegon Custody B.V. is a fully-owned subsidiary of Aegon Asset Management Holding B.V. It is registered in the Chamber of Commerce register of The Hague under number 27134727.

Aegon Ltd.
Aegon Derivatives N.V. and Aegon Ltd. renders the following services for the benefit of the fund, represented by the fund manager and the legal owner:
- Cash management: Aegon Ltd. performs day-to-day cash management duties and manages the funds' aggregate cash pool.
- Currency management: Aegon Ltd. is the counterparty for certain funds that do not have their own bank account in foreign currency for currency transactions. All settlements and corporate actions in foreign currency of these funds are booked on the currency accounts of Aegon Ltd. and charged to the euro account of the relevant funds;
- OTC derivatives: within the framework of Aegon Ltd.'s derivatives policy, long-term OTC derivatives are concluded in the name of Aegon Derivatives N.V. The fund manager is obliged to check in advance whether the use of the instrument in question is permitted within the scope set by Aegon Ltd. or the policy formulated in the fund's prospectus. Effectively, the fund has Aegon Derivatives N.V. as counterparty and Aegon Derivatives N.V. has the external parties as counterparty. The collateral is settled on a daily basis by Aegon Derivatives N.V. with the funds. Aegon Derivatives N.V. is an intermediary for the efficient management of the derivatives exposure for the funds.

a.s.r.
On 4 July 2023, the sale of Aegon Netherlands and the underlying assets by Aegon Group to a.s.r. was finalised. This transaction gives Aegon Group a strategic interest in a.s.r. obtained with associated rights. AIM Netherlands remains part of Aegon Group. AIM partnered with a.s.r. and entered into a long-term asset management agreement for the management of, among others, the illiquid investments of Aegon Nederland and a.s.r., investments of Aegon's premium pension institution Cappital, a.s.r.'s mortgage funds, a.s.r.'s private debt fund and a.s.r.'s renewable energy fund.

Aegon Asset Management UK plc.
The fund manager has a service level agreement with Aegon Asset Management UK plc. regarding the calculation of fund- and benchmark performance that the manager uses for reporting on the funds.

Aegon USA Investment Management, LLC
An Investment Management Agreement has been made with Aegon USA Investment Management LLC regarding the management of the American portfolio.

Aegon Employees Netherlands B.V.
The funds use the services of the manager, AIM, and do not employ any staff themselves. Personnel used by AIM are employed by Aegon Employees Netherlands B.V. Aegon Employees Netherlands B.V. is part of Aegon Ltd.

Outsourcing

The fund manager has delegated tasks to the following parties in the context of the management of the fund:

- Aegon Asset Management Value Hub B.V.: shared service centre for transaction processing and performance measurement;
- Aegon Derivatives N.V.: services related to the management of cash and collateral;
- Aegon EDC Limited: IT infrastructure services;
- Aegon USA Investment Management LLC: external asset manager for certain equity portfolios;
- External asset manager(s) for management of the investment portfolio;
- Citibank N.A. (London Branch): operational execution of securities lending transactions, fund accounting and corporate actions;
- Aegon Ltd. (Group Treasury): services in the field of cash management;
- Aegon Asset Management UK Plc.: calculation of fund performance and benchmark performance;

Liability of the depositary

The depositary is liable to the AEAM funds and the participants for the loss of any financial instrument taken into custody by the depositary or a third party to which it has transferred the custody. The depositary will not be liable if it can demonstrate that the loss was caused by an external event beyond his reasonable control, the consequences of which were unavoidable despite any efforts to prevent them.

The depositary is also liable to the AEAM funds and the participants for any other losses they suffer due to the depositary's failure to properly fulfil its obligations under this depositary agreement with intent or due to negligence. Participants may indirectly invoke the liability of the depositary via the fund manager. If the fund manager refuses to cooperate with such a request, the participants are authorised to file the claim for damages directly with the depositary.

Hard commissions and softdollar arrangements

The fund does not enter into hard commission arrangements. With regard to soft dollar arrangements. AIM is charged by brokers for research information. This research information is beneficial to the fund and its participants.

Proposed profit appropriation

The Board of Management proposes to add the result for the financial year to the fund's participants capital.

The Hague, 17 April 2024

The investment manager

Signed on behalf of Aegon Investment Management B.V. by:

O.A.W.J. van den Heuvel
D.F.R. Jacobovits de Szeged
W.H.M. van de Kraats
T.E.J.F. Stassen

11 Other information

11.1. Management board interests

During 2023, the board members of the investment manager held no direct or indirect interests in the fund or in any of the external managers appointed by the fund.

Independent auditor's report

To: the investment manager of AEGON Equity Emerging Markets Index Fund, AEGON World Equity Fund (EUR), AEGON World Equity Index Fund (EUR), AeAM World Equity Index Fund (EUR) and AEGON Diversified Equity Fund

Report on the audit of the financial statements 2023

Our opinion

In our opinion, the financial statements of AEGON Equity Emerging Markets Index Fund, AEGON World Equity Fund (EUR), AEGON World Equity Index Fund (EUR), AeAM World Equity Index Fund (EUR) and AEGON Diversified Equity Fund ('the funds') give a true and fair view of the financial position of the funds as at 31 December 2023, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2023 of the funds, Den Haag included in this annual report.

The financial statements comprise:
- the balance sheet as at 31 December 2023;
- the profit and loss statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independence

We are independent of the funds in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the funds and its environment and the components of the internal control system, including the risk assessment process, management's process for responding to fraud risks and monitoring the internal control system, as well as the outcomes thereof. We refer to section 'Risk management' of the report of the investment manager, in which the investment manager of the funds has included its fraud risk analysis.

We evaluated the design and relevant aspects of the internal control system and in particular the fraud risk assessment, as well as the code of conduct and whistle-blower policy. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls measures designed to mitigate fraud risks.

We asked the board of directors ('the management') of AEGON Investment Management B.V. ('the investment manager') as well as other officials within the investment manager, including internal audit, legal and compliance, as to whether they are aware of any factual, alleged or suspected fraud. This resulted in no indications of actual, alleged or suspected fraud that may lead to a material misstatement. In addition, we conducted interviews to understand the investment manager's fraud risk assessment and the processes for identifying and responding to the fraud risks and the internal controls that management has put in place to mitigate these risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

As described in the auditing standards, management override of controls and the risk of fraud in revenue recognition are presumed risks of fraud. Management of the funds inherently is in a unique position to commit fraud because of the management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We addressed this risk by evaluating whether there was evidence of bias in management's estimates that may represent a risk of material misstatement due to fraud. Regarding the investments valued at fair value, we have determined based on external (market) information that the valuation prepared by the funds are within the range considered acceptable by us. Based on this, we have determined that there are no indications of bias in the estimates made by management.

Control procedures include evaluating the design and implementation of controls designed to mitigate fraud risks (such as processing and reviewing journal entries) and procedures for unexpected journal entries with the use of data analysis. With respect to the risk of fraud in revenue recognition, based on our risk analysis, we have concluded that this risk is related to revenue recognition in areas that are more complex, non-systematic or manual in nature. We have not identified any revenues in these areas during our audit.

We have not identified any significant transactions outside the normal course of business. We also incorporated an element of unpredictability in our audit. We have also taken notice of correspondence with regulators and have remained alert to indications of fraud during the audit. We also considered the outcome of other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Audit approach going concern

The investment manager prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least twelve months from the date of preparation of the financial statements, as disclosed in the paragraph 'Continuity' in the disclosures.

Our procedures to evaluate investment manager's going-concern assessment included, amongst others:

- considering whether the investment manager's going-concern assessment contains all relevant information of which we are aware as a result of our audit, obtaining additional evidence and questioning the investment manager about key assumptions and principles;
- analysing the issue of participations after the end of the financial year and assessing whether these may indicate continuity risks;
- taking note of the prospectus with the described possibility of the investment manager to temporarily suspend or limit applications for the redemption or subscription of shares in exceptional cases;
- obtaining information from the investment manager about its knowledge of continuity risks after the period of the continuity assessment performed by the investment manager.

Our audit procedures have not revealed any information that conflicts with the investment manager's assumptions and assumptions about the going-concern assumption used.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The investment manager is responsible for the preparation of the other information, including the report of the investment manager and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the investment manager for the financial statements

The investment manager is responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the investment manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the investment manager is responsible for assessing the fund's ability to continue as a going concern. Based on the financial reporting framework mentioned, the investment manager should prepare the financial statements using the going-concern basis of accounting unless the investment manager either intends to liquidate the funds or to cease operations or has no realistic alternative but to do so. The investment manager should disclose in the financial statements any event and circumstances that may cast significant doubt on the fund's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 17 April 2024
PricewaterhouseCoopers Accountants N.V.

This is an English translation of the original Dutch text, furnished for convenience only. In case of any conflict between this translation and the original text, the latter will prevail.

Appendix to our auditor's report on the financial statements 2023 of the funds

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by investment manager.
- Concluding on the appropriateness of the investment manager's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
  Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the funds to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the investment manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report

To: investment manager of AeAM World Equity Fund (EUR) (liquidated per 1 March 2024)

Report on the audit of the financial statements 2023

Our opinion

In our opinion, the financial statements of AeAM World Equity Fund (EUR) ('the fund') give a true and fair view of the financial position of the fund as at 31 December 2023, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2023 of AeAM World Equity Fund (EUR), Den Haag included in this annual report.

The financial statements comprise:

- the balance sheet as at 31 December 2023;
- the profit and loss statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of AeAM World Equity Fund (EUR) in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

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Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the fund and its environment and the components of the internal control system, including the risk assessment process, management's process for responding to fraud risks and monitoring the internal control system, as well as the outcomes thereof. We refer to section 'Risk management' of the report of the investment manager, in which the investment manager of the fund has included its fraud risk analysis.

We evaluated the design and relevant aspects of the internal control system and in particular the fraud risk assessment, as well as the code of conduct and whistle-blower policy. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls measures designed to mitigate fraud risks.

We asked the board of directors ("the management") of AEGON Investment Management B.V. ("the investment manager") as well as other officials within the investment manager, including internal audit, legal and compliance, as to whether they are aware of any factual, alleged or suspected fraud. This resulted in no indications of actual, alleged or suspected fraud that may lead to a material misstatement. In addition, we conducted interviews to understand the investment manager's fraud risk assessment and the processes for identifying and responding to the fraud risks and the internal controls that management has put in place to mitigate these risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

As described in the auditing standards, management override of controls and the risk of fraud in revenue recognition are presumed risks of fraud. Management of the fund inherently is in a unique position to commit fraud because of the management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We addressed this risk by evaluating whether there was evidence of bias in management's estimates that may represent a risk of material misstatement due to fraud. Regarding the investments valued at fair value, we have determined based on external (market) information that the valuation prepared by the funds are within the range considered acceptable by us. Based on this, we have determined that there are no indications of bias in the estimates made by management.

Control procedures include evaluating the design and implementation of controls designed to mitigate fraud risks (such as processing and reviewing journal entries) and procedures for unexpected journal entries with the use of data-analysis. With respect to the risk of fraud in revenue recognition, based on our risk analysis, we have concluded that this risk is related to revenue recognition in areas that are more complex, non-systematic, or manual in nature. We have not identified any revenues in these areas during our audit.

We have not identified any significant transactions outside the normal course of business. We also incorporated an element of unpredictability in our audit. We have also taken notice of correspondence with regulators and have remained alert to indications of fraud during the audit. We also considered the outcome of other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Emphasis of matter – discontinuity of the fund

We draw attention to the paragraph 'Emphasis on discontinuity of the investment fund' in the notes to the financial statements which indicates that investment manager has decided to liquidate the fund after balance sheet date per 1 March 2024. The investment manager expects that the fund will be able to meet its obligations. Our opinion is not modified in respect of this matter.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The investment manager is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the investment manager for the financial statements

The Investment manager is responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the investment manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the investment manager is responsible for assessing the fund's ability to continue as a going concern. Based on the financial reporting framework mentioned, investment manager should prepare the financial statements using the going-concern basis of accounting unless investment manager either intends to liquidate the fund or to cease operations or has no realistic alternative but to do so. The investment manager should disclose in the financial statements any event and circumstances that may cast significant doubt on the fund's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 17 April 2024
PricewaterhouseCoopers Accountants N.V.

This is an English translation of the original Dutch text, furnished for convenience only. In case of any conflict between this translation and the original text, the latter will prevail.

Appendix to our auditor's report on the financial statements 2023 of AeAM World Equity Fund (EUR)

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by investment manager.
- Concluding on the appropriateness of the investment manager's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the investment manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Periodic sustainability disclosure AEGON Equity Emerging Markets Index Fund

Periodic sustainability disclosure AEGON World Equity Fund (EUR)

Periodic sustainability disclosure AEGON World Equity Index Fund (EUR)

Periodic sustainability disclosure AeAM World Equity Index Fund (EUR)

Periodic sustainability disclosure AeAM World Equity Fund (EUR)

Periodic sustainability disclosure AEGON Diversified Equity Fund