aegon asset management

Value Statements

Aegon Asset Management UK ICVC
with a year end of 31 July 2024

Published November 2024

Table of Contents

A note from our Board of Directors

Dear Investor,

We're pleased to deliver the annual Value Statements report to you. The purpose of the report is to provide investors with a clear understanding of whether each fund in our UK product range offers value for money. We view the value assessment as an important responsibility, which requires the Board to appraise and, where necessary, to challenge investment outcomes, costs and the service delivered to investors.

The product range offers fixed income, equities and multi-asset funds, which are all research-driven and actively managed, and underpinned by a focus on risk management. Our investment teams strive for consistent long-term outperformance whilst as an organisation we aim to provide superior local servicing to meet and exceed your needs.

In recent years, we have focused on ensuring we are well positioned to meet the Financial Conduct Authority's new higher standard of consumer protection across UK financial services known as 'Consumer Duty'. This improved level of consumer protection aims to ensure that our funds are delivering good value and are well designed to meet investors' needs. Consumer Duty guidance also requires that we communicate with our investors and explain our funds in a way that is easily understood, which in turn will help them to make well-informed decisions.

This year's report highlights that the overall investor experience dipped below our own high standard at times, but the subsequent actions we have taken to address these issues have resulted in improvements which we expect to continue.

Fund performance is central to our assessment – all funds have been managed within their expected risk profiles, which are based on shares being held for their recommended holding period.

We'd like to thank you for the ongoing trust you place in us. We hope that this assessment gives you a greater insight into the work we do to ensure our funds keep delivering value.

Sincerely,

The Board of Aegon Asset Management UK plc

Helpful terms

Additional Charges

These are the charges on top of the Annual Management Charge ('AMC') that form part of the Ongoing Charges Figure ('OCF'). These items include audit fees and regulation fees.

Annual Management Charge ('AMC')

This is the charge by Aegon Asset Management UK plc for managing the fund and providing its overall service.

Investment objective

This describes what the fund is aiming to achieve over a stated period. Typically, this will be to achieve income and/or capital growth over a seven-year period.

Investment Association Sector

The Investment Association has created a range of sectors and has grouped funds deemed to have similar objectives and strategies into the same sector. For example, funds investing in UK smaller companies can be found in the Investment Association UK Smaller Companies Sector.

Environmental, Social and Governance (ESG)

Where relevant, we look to incorporate Environmental, Social and Governance (ESG) factors into the investment decision-making in our funds to mitigate risk and uncover opportunities.

While some funds are not explicitly mandated to make ethical value judgements or to impose ESG-related restrictions, the judgement we make reflects the extent to which we believe ESG issues impact a stock or bond's investment case, either positively or negatively. To do that, our fund managers/analysts draw upon the expertise of our dedicated responsible investment team with whom they work closely.

Responsible investment (RI)

This is an umbrella term that covers various tools and approaches to incorporating environmental, social and governance (ESG) considerations into investment decision-making processes. It may include ESG integration and active ownership as well as dedicated, RI-focused capabilities. Related terms may include sustainable or ESG investing. More information can be found in the Responsible Investment section of our website at **www.aegonam.com/responsible**

Liquidity

Funds invest in underlying securities according to their investment mandate. They also keep a small amount of cash to assist in payment of expenses incurred by the fund. Some underlying securities take longer to sell than others – this can be influenced by a range of factors, such as which index and country the security is purchased from, how many shares are in issue and market conditions. It can take from a few days to a couple of weeks to sell securities and receive the proceeds. However, there are instances where this can take longer.

Liquidity measures how quickly the fund can sell its holdings and receive the cash proceeds. Securities are generally sold to facilitate investor sell instructions. In extreme conditions, the fund may need to temporarily suspend dealing while it sells the required underlying holdings to facilitate the sell instructions. This can happen during extreme volatility, while the Portfolio Manager is seeking favourable prices and/or in instances when a significant proportion of the fund needs to be sold.

Performance comparators

Funds will generally be compared with their peers in the appropriate Investment Association Sector. The funds may also be compared against a benchmark index. In these instances, the benchmark may act as a constraint, a target or just for comparison purposes. In most instances the funds are measured against a benchmark index and/or Investment Association sector for comparison purposes. For example, the UK Equity Fund's performance is compared with the Investment Association All UK Companies Sector.

Glossary

Glossary available on our website at **www.aegonam.com/glossary**

Introduction

The Value Statement is produced each year for funds in our UK product range, covering the 12-month period to 31 July 2024. The purpose of this Value Statement is to provide investors with a clear understanding of whether each fund offers value for money to its investors.

The following product range is in scope:

Aegon Asset Management UK ICVC - ('UK OEIC') with a year end of 31 July 2024

Why do we produce a Value Statement?

The UK regulator, the Financial Conduct Authority ('FCA'), introduced rules in 2019 requiring asset management firms to consider, confirm and communicate whether they are delivering value for money in regard to the UK funds they are managing.

The FCA provided seven criteria that should be used in the assessment, which essentially cover quality of service delivered, costs, performance and how these compare to the market.

The Board of Aegon Asset Management UK plc takes responsibility for this process and has approved this statement. The Board of Directors is responsible for the overall governance of these UK funds. The Board of Directors includes external directors to ensure oversight and challenge of the funds is independent, comprehensive and in the best interests of investors.

The Chairman of the Board of Directors has overall responsibility for delivering this assessment.

The FCA requires managers to assess the following criteria:

1. **Quality of service** - we consider some of the measurements within this section to be 'baseline' criteria. This includes factors such as:
    a. ensuring third-party services supporting the funds' operations are sufficient and meeting the expectations of both investors and the UK OEIC.
    b. being readily available to investors, for example by phone, post, fax or online.
    c. having a website that is accessible to all investors, which provides a variety of information to enable investors to understand the funds offered for investment.
2. **Performance** - how each fund has performed, net of charges, over the past year and over the time period referred to in the fund's objective.
3. **Annual Fund Management (AFM) costs** - highlighting the fund's charging components and whether these are appropriate.
4. **Economies of scale** - the extent to which economies of scale have been achieved and whether they have been passed on to investors.
5. **Comparable market rates** - how the fund's charges compare to similar funds in the industry.
6. **Comparable services** - to ensure a consistent pricing structure is applied for similar funds at Aegon Asset Management UK plc.
7. **Classes of units** - whether share classes, and their associated charges, are appropriate and available for investment.
8. **Other considerations** - we assess other criteria that we consider are important in the assessment of each fund to ensure we conduct a comprehensive oversight in the interests of investors. Examples include liquidity and ESG considerations (see page 5 for ESG definition).

Overview of 2024 Assessment

Assessment of Value per fund per category is summarised in the table below. Where the Overall Fund Assessment is Green, it reflects the fund provides good value for its investors across all categories. An Amber assessment is where a fund provides value but room for improvement in one or more category. An overall assessment of Red means the fund is not providing value for investors and action is required.

There were no funds deemed 'not providing value' in this given period.

Fund	1. Quality of Service	2. Performance	3. AFM costs	4. Economies of Scales	5. Comparable market rates	6. Comparable services	7. Classes of unit	8. Other (liquidity)	Overall Fund rating
Aegon Ethical Equity Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon Sustainable Equity Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon UK Equity Absolute Return Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon UK Equity Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon UK Smaller Companies Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon UK Sustainable Opportunities Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon Ethical Corporate Bond Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon High Yield Bond Fund	Green	Green	Green	Green	Green	Green	Green	Green	Green
Aegon Investment Grade Bond Fund	Green	Green	Green	Green	Green	Amber	Green	Green	Green
Aegon Sterling Corporate Bond Fund	Green	Green	Green	Green	Green	Green	Green	Green	Green
Aegon Strategic Bond Fund	Green	Green	Green	Green	Green	Green	Green	Green	Green
Aegon Diversified Monthly Income Fund	Green	Green	Green	Green	Green	Green	Green	Green	Green
Aegon Ethical Cautious Managed Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber
Aegon Sustainable Diversified Growth Fund	Green	Amber	Green	Green	Green	Green	Green	Green	Amber

Quality of Service: following a change in transfer agent for the UK OEIC, we saw a dip in service related to the launch of a new digital transfer agent platform as evidenced with an increase in the number of complaints. We took several immediate actions that has seen the service improve and we continue to monitor, and fine tune, to optimise the client experience.

Number of complaints is one of many indicators we assess under Quality of Service. Indicators are either fund-specific or non-fund-specific. Complaints related to the user experience of the transfer agent's platform are non-fund specific. In the table above, we are pleased to report that all fund-specific indicators are rated Green.

Performance: we recognise that investment performance is only one element of our overall framework for assessing whether our products are offering value. Short term performance may fluctuate year-on-year so our assessment focuses on delivery of returns over the recommended long-term holding period, seven years in most cases.

Aegon Ethical Equity Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the longer term. The fund adopts a strict ethical screen, thus ensuring investors do not have exposure to companies with significant negative impacts on the environment or society

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association UK All Companies Sector. ("Comparator Benchmark"). The Comparator Benchmark is comprised of funds of a similar investment composition, but it should be noted that no distinction is made within the Comparator Benchmark between funds applying ESG criteria and those that are not. This means the Comparator Benchmark, whilst offering an overview of the fund's performance against funds which are focused on the UK Equity market, does not allow for a more granular level comparison against funds implementing similar screening.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has met its investment objective as stated above but underperformed the Comparator Benchmark median.

Performance commentary – 12 months to 31 July 2024
The Aegon Ethical Equity Fund returned 20.8% over the period, outperforming the Comparator Benchmark median return of 13.8%.

UK equities enjoyed good absolute returns, with the FTSE All-Share returning 13.5%, although this lagged broad global equity benchmarks. Macro factors continued to drive markets over the period, with investor sentiment closely tied to inflation and interest rate expectations. The Bank of England increased interest rates by 0.25% in August 2023 to 5.25%, as UK inflation, whilst trending downwards, remained higher than most other developed markets. This seemed to have the desired effect, as inflation fell sharply through the rest of the period, eventually reaching the bank's 2% target. It was in quarter four of 2023 that investors really started to gain confidence that rates had peaked and would likely start to retreat in 2024. This change in expectations sparked a sharp rally in UK stocks, particularly small and mid caps, which started to bounce back from previous weakness and outperformed their large cap counterparts over the period.

In sector terms, industrials, technology and financials were the winners, with basic materials, consumer staples and utilities lagging the rest of the market, although still returning positively.

Both sector allocation and stock selection were positive over the period. Holding larger weightings in both technology and industrials was beneficial, whereas having a lack of exposure to energy, due to our ethical criteria, was a headwind.

NatWest initially struggled over the first half of the period, before its fortunes turned in 2024. JTC demonstrated ongoing strong momentum in quarter two 2024 with its full year numbers and raised guidance to +10% p.a. organic growth. Paragon delivered full year 2023 results ahead of expectations and issued strong net interest guidance for 2024, which led to earnings upgrades. Diploma was also a strong performer, delivering a beat on first half profits and upgraded guidance for the full year 2024. Finally, the portfolio was boosted by valuation re-ratings in several of its smaller cap holdings, such as Trustpilot and Craneware.

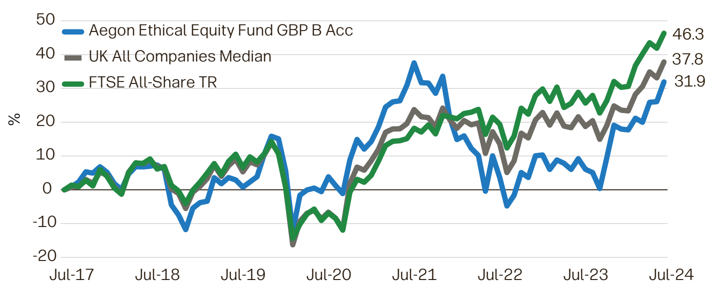
Watches of Switzerland detracted as shares fell sharply on news that Rolex had made its first foray into the retail space by acquiring Bucherer, a Swiss retailer with outlets in the US, UK and Europe. Whitbread also struggled as the market focused on slowing industry data in the opening months of 2024. Whilst the financials sector provided a number of positive contributors, one holding that detracted over the period was Prudential. Macro concerns weighed heavily on the stock, as it derives the vast majority of its revenues from the Asia-Pacific region and has therefore been impacted by the weakness in the Chinese economy.

Relative to the FTSE All Share, the fund also faced a headwind from not owning index heavyweights Rolls-Royce, Shell and Barclays, which all performed well. None of these names pass our ethical screening.

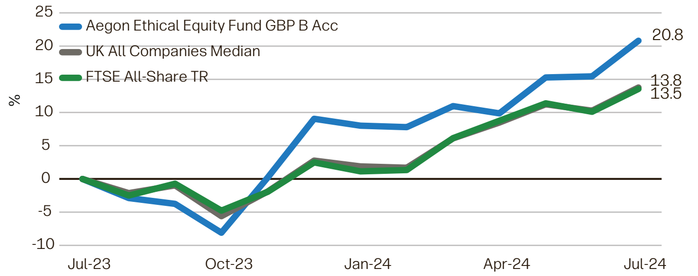
Performance of the fund covering different times periods can be found in the factsheet.

Below is a link to the latest factsheet for the fund:
www.aegonam.com/ethicalequityfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)	S share class (%)
Annual Management Charge	0.75	0.50
Additional Charges	0.02	0.03
Ongoing Charges	0.77	0.53

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current fund size around £495 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), of the B share class, against other relevant funds within the same Investment Association ('IA') peer group.

While the AMC is in line with the IA sector median, the OCF is below the IA sector median due to the Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice. Investors can see this when they compare the fund with similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

Although we do not manage a similar fund, the Board of Directors believe that we are charging a consistent and fair price for this strategy when compared to similar, or non-ethical funds, in IA sector.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

Commitment to responsible investment: dedicated responsible investment specialists serve as a resource for education, best practices and research. For this fund they lend their expertise to ESG integration initiatives, oversees ESG screens that we apply and lead active ownership activities.

The Board of Directors are comfortable that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024 B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association All UK Companies Sector. Investors are invited to compare the fund's performance against the performance of other funds within the Investment Association All UK Companies Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe and comprising ethical and non-ethically screened funds, demonstrating the value of the fund's ethical screen against non-ethically screened funds. This comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Sustainable Equity Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the long term.

Aegon Asset Management UK plc Board continues to monitor fund performance, and will take appropriate remedial measures if necessary where performance issues arise.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association Global Sector ("Comparator Benchmark"). The Comparator Benchmark is composed of funds with a similar investment composition, but it should be noted that no distinction is made within the Comparator Benchmark between funds applying sustainability criteria and those that are not.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has met its investment objective as stated above but underperformed the Comparator median markedly.

Performance commentary – 12 months to 31 July 2024
The Aegon Sustainable Equity Fund returned 7.6% over the 12-month period, compared to the peer group median return of 13.7%.

Global equity markets performed strongly over the period, thanks largely to easing inflation (albeit in an uneven fashion) in developed markets and key economic data releases generally coming in lower than expected. The US economic juggernaut continued to roll on as we moved into 2024, with GDP coming in higher than expected and labour market data remaining strong. Europe also saw something of an improvement. Inflation did prove a little sticky though. Taken together, these factors caused investors to dial back their expectations of interest rate cuts. This was sufficient to reprice Fed cuts priced-in for 2024 from over six in January to below three at the end of March.

The period saw a very constructive corporate earnings season, with companies generally exceeding expectations. Towards the end of the period, inflation and economic data began to weaken which suggested that higher rates were having the desired effect of cooling but not crashing the economy. While every sector finished the period with robust gains overall, the phenomenal momentum behind AI was again apparent and left most other sectors in the rear-view mirror.

At the stock level, the top contributor was NVIDIA. The company delivered bumper results which exceeded the very high bar of expectations. Nvidia's success also boosted related names, with our holding in TSMC benefiting from an excellent set of results.

Trustpilot was another name boosted by good results and positive developments in its respective investment cases. Universal Display Corp climbed sharply early in the period after revenue and earnings comfortably beat expectations. CrowdStrike also made a telling contribution.

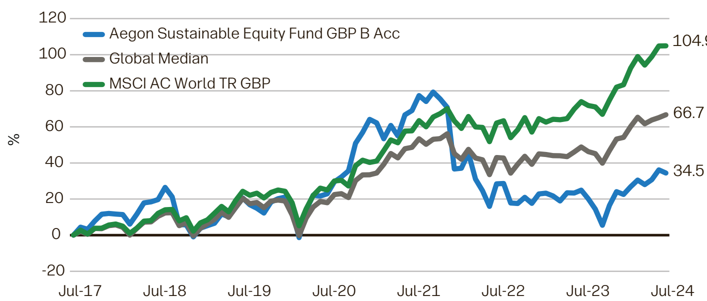
Unfortunately, these positive contributors were offset by a number of detractors. Stocks exposed to renewable energy, including our holding in battery maker Samsung SDI, were weak. Endava fell sharply on a major reset to guidance, which came as a shock after the company's previous update had suggested its pipeline was turning more positive. Dynatrace was another stock to sell off due to forward guidance.

Alfen proved to be the largest detractor over the period as a whole. The market was initially unsettled by production issues and the mutual agreement with the incoming CFO to cancel his appointment. This was compounded in June by a significant profit warning, which was all the more frustrating, as it came only five weeks after management had reiterated guidance. The warning noted weakness across all three business segments and also included provisions for obsolete inventory and further costs from the aforementioned production issues. All in all, this was a highly disappointing development, which clearly changes the investment case. Our conviction and position size in the stock had been waning, so we took decisive action to exit the position following this latest setback.

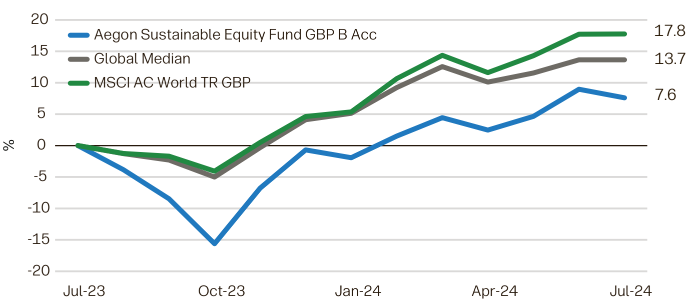
Performance of the fund covering different times periods can be found in the factsheet.

Below is a link to the latest factsheet for the fund:
www.aegonam.com/sustainableequityfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)	S share class (%)
Annual Management Charge	0.75	0.40
Additional Charges	0.04	0.04
Ongoing Charges	0.79	0.44

Trading in mid-cap and small cap equities held by the fund can at times result in higher transaction costs than large cap equity funds.

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £188 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), of the B share class, against other relevant funds within the same Investment Association ('IA') peer group

While the AMC is in line with the IA sector median, the OCF is materially below the IA sector median due to the Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate. The S share class carries a lower AMC however the minimum investment size is set materially high than the B share class.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

Commitment to responsible investment: dedicated responsible investment specialists serve as a resource for education, best practices and research. For this fund they lend their expertise to ESG integration initiatives, oversees ESG screens that we apply, conduct and validate sustainability research and lead active ownership activities.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

dSource: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Global Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon UK Equity Absolute Return Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provides value for its investors, however the small fund size raises concern on the commercial viability of the fund going forward and therefore a strategic review is recommended

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service..

2. Performance

The investment objective is to achieve a positive absolute return over any 36-month period in all market conditions.

We also compare the fund's performance against the Sterling Over Night Index Average (SONIA) 1 Month. Comparison against this rate will allow investors to determine whether the fund has delivered total returns in excess of cash. SONIA gives an indication of what a cash investment could have provided.

The comparison should be performed over at least a 36-month period to provide the most appropriate comparison.

The Board of Directors have determined that the fund has met its investment objective as stated above but underperformed SONIA.

Performance commentary – 12 months to 31 July 2024
The Aegon UK Equity Absolute Return Fund returned 7.3% compared to 5.3% for the SONIA 1-Month benchmark.

UK equities enjoyed good absolute returns, with the FTSE All-Share returning 13.5%, although this lagged broad global equity benchmarks. Macro factors continued to drive markets over the period, with investor sentiment closely tied to inflation and interest rate expectations. The Bank of England increased interest rates by 0.25% in August 2023 to 5.25%, as UK inflation, whilst trending downwards, remained higher than most other developed markets. This seemed to have the desired effect, as inflation fell sharply through the rest of the period, eventually reaching the bank's 2% target. It was in quarter four of 2023 that investors really started to gain confidence that rates had peaked and would likely start to retreat in 2024. This change in expectations sparked a sharp rally in UK stocks, particularly small and mid-caps, which started to bounce back from previous weakness and outperformed their large cap counterparts over the period.

The fund performed well in the generally positive environment with both the Long and Short books adding value. The main modules within the fund – Pair Trades, Best Ideas and Themes – each contributed positively.

Within our Best Ideas module, our positions in Rolls Royce and Spirent added value, with the latter the subject of a cash bid by Viavi Solutions at a significant premium. Spirent is a maker of telecommunications testing equipment.

On the downside, Energy Recovery had an unexpected change of management on top of Middle East concerns, which also impacted our holding of Kornit Digital. Our exposure to Watches of Switzerland also struggled as it fell after announcing a profit warning mid-way through the period following lower-than-expected demand for luxury goods purchases.

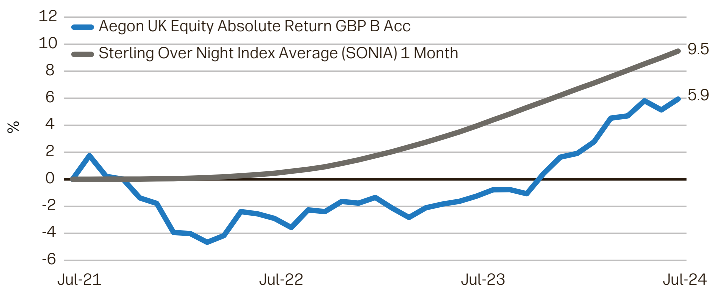
Our Themes module also performed well, due partly to our long US construction theme which, during the second half of the period, benefited from increased infrastructure spend and from the rotation into more cyclical areas of the market. Our long Defence Spend theme also made a positive contribution as budgets and actual spending increased.

Within our Pair Trades module, our banking pair initially worked well before detracting towards the end of the period. In contrast, our consumer staples pair struggled to begin with although towards the end of the period it made a small positive contribution.

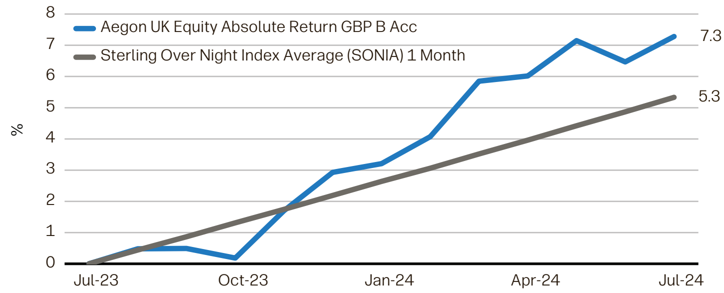
Performance of the fund covering different times periods can be found in the factsheet. Below is a link to the latest factsheet for the fund.

Below is a link to the latest factsheet for the fund:
www.aegonam.com/ukequityabsolutereturnfund

3 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.80
Additional Charges	0.13
Ongoing Charges	0.93

The fund has exposure to mid-cap & small cap equities. The fund also uses derivates for risk management and shorting options. This combination can at times result in higher transaction costs.

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £26 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced. As indicated in our overall assessment, the small fund size raises concern on the commercial viability of the fund going forward a strategic review is recommended.

Due to the size of the fund, we do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), at a share class level, against other relevant funds within the same Investment Association peer group.

The AMC and OCF are slightly above the Investment Association sector median. The difference in OCF is small and the Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, is more favourable to investors than normal market practice.

The Board of Directors believe that the fund's costs are fair, reasonable and competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Sterling Over Night Index Average (SONIA) 1 Month. Investors are invited to compare the fund's performance against this index. Comparison against this rate will allow investors to determine whether the fund has delivered total returns in excess of cash. SONIA gives an indication of what a cash investment could have provided. The comparison should be performed over at least a 36-month period to provide the most appropriate comparison.

Aegon UK Equity Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the long term.

Aegon Asset Management UK plc Board continues to monitor fund performance, and will take appropriate remedial measures if necessary where performance issues arise.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association All UK Companies Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar, but not identical, investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has met its investment objective as stated above but underperformed the peer group median.

Performance commentary – 12 months to 31 July 2024
The Aegon UK Equity Fund returned 14.5% over the period, outperforming the peer group median return of 13.8%.

UK equities enjoyed good absolute returns, with the FTSE All-Share returning 13.5%, although this lagged broad global equity benchmarks. Macro factors continued to drive markets over the period, with investor sentiment closely tied to inflation and interest rate expectations. The Bank of England increased interest rates by 0.25% in August 2023 to 5.25%, as UK inflation, whilst trending downwards, remained higher than most other developed markets. This seemed to have the desired effect, as inflation fell sharply through the rest of the period, eventually reaching the bank's 2% target. It was in quarter four of 2023 that investors really started to gain confidence that rates had peaked and would likely start to retreat in 2024. This change in expectations sparked a sharp rally in UK stocks, particularly small and mid caps, which started to bounce back from previous weakness and outperformed their large cap counterparts over the period.

In sector terms, industrials, technology and financials were the winners, with basic materials, consumer staples and utilities lagging the rest of the market, although still returning positively.

Strong stock selection drove the fund's outperformance over the period, with sector allocation coming in flat. In allocation terms, being overweight industrials and technology were tailwinds, but these were cancelled out by being underweight financials and energy.

On a single-name basis, Intermediate Capital Group was the leading positive contributor to performance. The global alternatives asset manager posted strong results during the period which significantly exceeded consensus expectations. NatWest's improving results were well received by the market and saw the shares bounce strongly off their lows. Within our industrials holdings, Hill & Smith and BAE Systems added value. Hill & Smith consistently delivered strong results and upgraded expectations through the period. BAE Systems enjoyed a good period on a strengthening demand outlook. Watches of Switzerland was the main detractor as shares fell sharply on news that Rolex had made its first foray into the retail space by acquiring Bucherer, a Swiss retailer with outlets in the US, UK and Europe. Despite the recent challenges, we retain exposure as we view luxury watches as an attractive product category over the medium term and see an opportunity for the company to gain further share in the growing and under-developed US market.

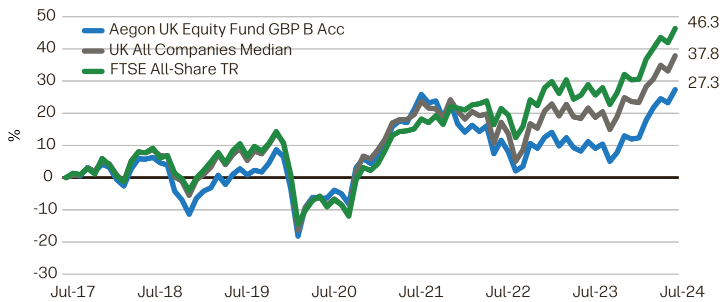
Ashtead fell as data suggests momentum has slowed, leading to overcapacity in some markets. Whitbread struggled as the market focused on slowing industry data in the opening months of 2024 as January and February are typically quieter. However, the name continued to struggle even after a first quarter trading update showed an improved trend in UK accommodation sales – albeit they were flat year on year.

Performance of the fund covering different times periods can be found in the factsheet.

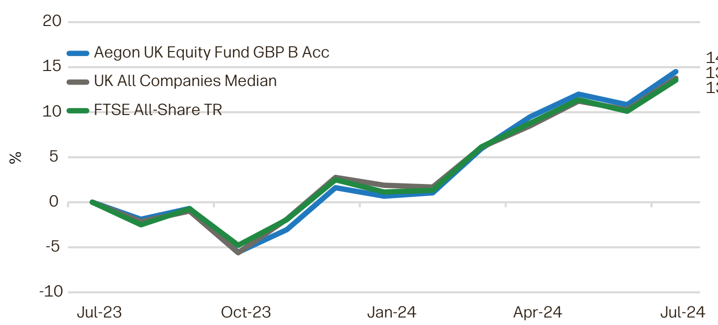
Below is a link to the latest factsheet for the fund.

www.aegonam.com/ukequityfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.60
Additional Charges	0.05
Ongoing Charges	0.65

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £165 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), at a share class level, against other relevant funds within the same Investment Association peer group.

Both the AMC and the OCF are materially lower than the Investment Association sector median, helped by the Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors are comfortable that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association All UK Companies Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon UK Smaller Companies Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the long term.

Aegon Asset Management UK plc Board continues to monitor fund performance, and will take appropriate remedial measures if necessary where performance issues arise.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association UK Smaller Companies Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar, but not identical, investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long- term comparison.

The Board of Directors have determined that the fund has met its investment objective as stated above but underperformed the peer group median.

Performance commentary – 12 months to 31 July 2024
The Aegon UK Smaller Companies Fund returned 23.9% compared to the peer group median return of 17.6%. The peer group is the Investment Association UK Smaller Companies sector.

UK equities enjoyed robust returns over the period, with the FTSE All-Share returning 13.5%, although this lagged broad global equity benchmarks. The Numis Smaller Companies (ex-IT) index returned 18.2%, outperforming its large and mid-cap counterparts.

Macro factors continued to drive markets over the period, with investor sentiment closely tied to inflation and interest rate expectations. The Bank of England increased interest rates by 0.25% in August 2023 to 5.25% as UK inflation, whilst trending downwards, remained higher than most other developed markets. This seemed to have the desired effect, as inflation fell sharply through the rest of the period, eventually reaching the Bank's 2% target. It was in quarter four of 2023 that investors really started to gain confidence that rates had peaked and would likely start to retreat in 2024. This change in expectations sparked a sharp rally in UK stocks, particularly smaller companies, which started to bounce back from previous weakness.

The fund's significant outperformance against the peer group median was due mainly to very strong stock selection, and particularly our ongoing focus on balance sheet strength, which continued to be sought after in the volatile environment.

As we moved into 2024, the fund was positioned to expect a moderation in rates which was expected to result in a re-rating and the potential for earnings recovery in specific sectors. The areas being held for recovery included construction materials, housebuilders, recruitment, consultancy, and chemical companies which had seen earnings depressed by destocking. This positioning benefited the fund, given the rally witnessed in markets up to the end of the period.

Many of the best performing holdings were names which reported results that pleased the market. Among the standout performers was Ashtead Technology. The company benefited from firmer equipment hire prices, given it lends to offshore oil and gas, and offshore wind farm installations.

We continued to take profits in Ashtead Technology to appropriately manage the risk in a large position size. We also took profits in our position in Craneware following a strong run. During the period, the US hospital SAAS-software provider reported that hospital spend had picked back up after a hiatus driven by the labour shortage cost squeeze.

Elsewhere, our holding in Tatton Asset Management also added value. The company delivered very strong relative net flows from providing managed portfolio services (MPS) to IFAs and other distribution partners.

JTC demonstrated ongoing strong momentum with its full-year numbers and subsequently raised guidance. Finally, our position in Smart Metering Systems was subject to a takeover by a private equity firm, which eventually led us to sell our holding as the bid reflected an attractive valuation.

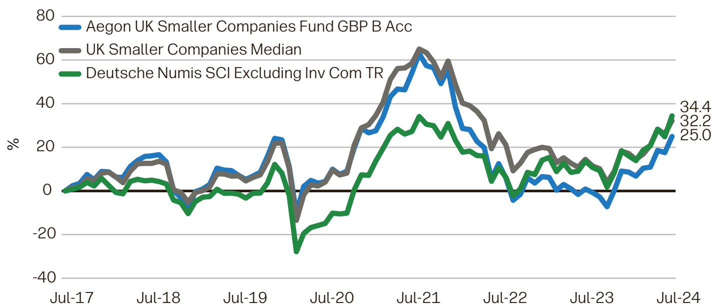
Watches of Switzerland detracted as it fell back after announcing a profit warning mid-way through the period following lower-than-expected demand for luxury goods purchases.

Performance of the fund covering different times periods can be found in the factsheet.

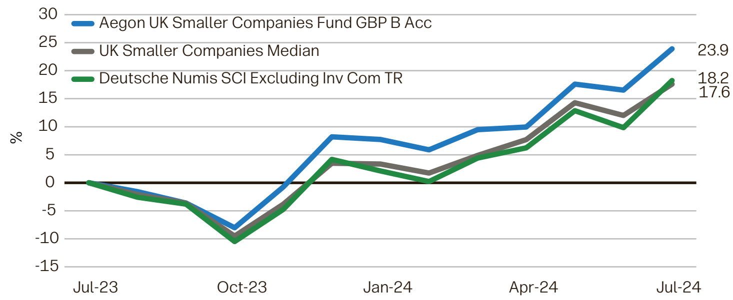
Below is a link to the latest factsheet for the fund.

www.aegonam.com/uksmallercompaniesfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.75
Additional Charges	0.03
Ongoing Charges	0.78

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £199 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge (‘AMC’). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund’s AMC and Ongoing Charges Figure (‘OCF’), at a share class level, against other relevant funds within the same Investment Association peer group.

The AMC and the OCF are materially lower than the Investment Association sector median. The Board of Directors’ decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund’s costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association UK Smaller Companies Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison

Aegon UK Sustainable Opportunities Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the long term.

Aegon Asset Management UK plc Board continues to monitor fund performance, and will take appropriate remedial measures if necessary where performance issues arise.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association All UK Companies Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar, but not identical, investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors has determined that the fund has met its investment objective as stated above but underperformed the peer group median.

Performance commentary – 12 months to 31 July 2024
The Aegon UK Sustainable Opportunities Fund returned 21.8% compared to the peer group median return of 13.8%.

UK equities enjoyed good absolute returns, with the FTSE All-Share returning 13.5%, although this lagged broad global equity benchmarks. Macro factors continued to drive markets over the period, with investor sentiment closely tied to inflation and interest rate expectations. The Bank of England increased interest rates by 0.25% in August 2023 to 5.25%, as UK inflation, whilst trending downwards, remained higher than most other developed markets. This seemed to have the desired effect, as inflation fell sharply through the rest of the period, eventually reaching the Bank's 2% target. It was in quarter four of 2023 that investors really started to gain confidence that rates had peaked and would likely start to retreat in 2024. This change in expectations sparked a sharp rally in UK stocks, particularly small and mid-caps, which started to bounce back from previous weakness and outperformed their large cap counterparts over the period.

In sector terms, industrials, technology and financials were the winners, with basic materials, consumer staples and utilities lagging the rest of the market, although still returning positively.

Due to our sustainable criteria, it is important to note that we are unable to invest in certain industries in which other funds in the peer group can invest in such as oil & gas and defence. Therefore, our sustainable process primarily drives sector allocation. Taking this into account, the fund's overweight positions in technology, consumer staples and industrials added value, while our significant underweight exposure to the energy sector struggled, as did our limited exposure to basic materials and banks. The fund's underweight position in these sectors is driven by its sustainable investment criteria.

Stock selection was a strong contributor to overall performance. Among the standout positions in the fund was our holding in NatWest, which initially struggled before its fortunes turned in 2024, as improving results were well received by the market and saw the shares bounce strongly off their lows. Also within the financials sector, Intermediate Capital, a global alternative asset manager, delivered a strong quarterly update, noting better than anticipated flows and third-party AUM.

Two of our holdings were subject bids approaches by rival companies. Spirent Communications was the subject of a cash bid by Viavi Solutions, and DS Smith was subject to a merger proposal by one of its industry peers, Mondi. This attracted the attention of US rival International Paper, which then proposed a bid at a higher premium.

Elsewhere, our position in Smart Metering, the energy infrastructure business, was also subject to a takeover by a private equity firm, which eventually led us to sell our holding as the bid reflected an attractive valuation. Trustpilot was boosted by good results and positive developments in its respective investment cases. Craneware delivered robust interim results, aided by some recovery in the hospital market, positive trends in new contract wins and cross sell benefits.

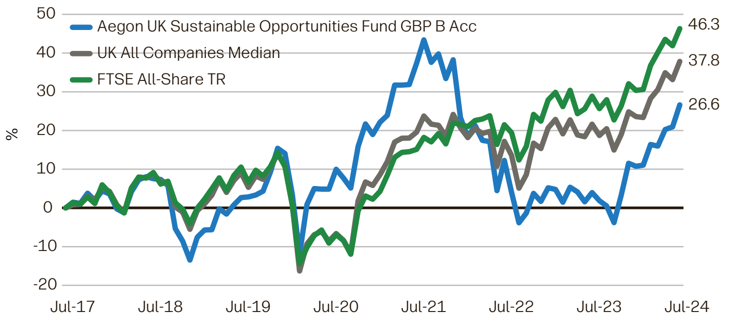
Stocks that disappointed included SolarEdge Technologies. Higher interest rates and falling energy prices led to sharply lower demand for residential solar panels which hurt the stock.

Performance of the fund covering different times periods can be found in the factsheet.

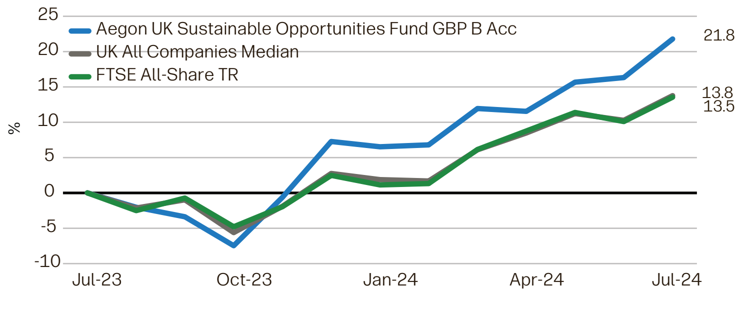
Below is a link to the latest factsheet for the fund..

www.aegonam.com/uksustainableopportunitiesfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.75
Additional Charges	0.03
Ongoing Charges	0.78

Trading in mid-cap and small cap equities held by the fund can at times result in higher transaction costs than large cap equity funds.

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £147 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's Annual Management Charge ('AMC') and Ongoing Charges Figure ('OCF'), at a share class level, against other relevant funds within the same Investment Association peer group.

The AMC is in line with the Investment Association sector median and the OCF is marginally below the median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles.

Therefore, providing liquidity to investors is an important input to the overall value offered by the fund.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

Commitment to responsible investment: dedicated responsible investment specialists serve as a resource for education, best practices and research. For this fund they lend their expertise to ESG integration initiatives, oversees ESG screens that we apply, conduct and validate sustainability research and lead active ownership activities.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

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Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association All UK Companies Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Ethical Corporate Bond Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the longer term. The fund adopts a strict ethical screen, thus ensuring investors do not have exposure to companies with significant negative impacts on the environment or society.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association Sterling Corporate Bond Sector ("Comparator Benchmark"). The Comparator Benchmark is comprised of funds of a similar investment composition, but it should be noted that no distinction is made within the Comparator Benchmark between funds applying ethical screens and those that are not.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has met its objective but underperformed the Comparator Benchmark median.

Performance commentary – 12 months to 31 July 2024
The Aegon Ethical Corporate Bond Fund returned 10.7%, outperforming the Comparator Benchmark median return of 9.9%.

Both government and corporate bond markets performed strongly over the period. The positive environment was due in large part to key economic data releases generally coming in lower than expected while inflation continued to ease somewhat, even if in an uneven fashion. Although both the ECB and the Bank of England were cautious in talking about rate cuts, the market priced-in aggressive easing paths for both jurisdictions from October onwards, in line with its revised expectations for the US Federal Reserve. This backdrop supported both government and corporate bonds towards the end of 2023.

As we moved into 2024, however, market participants reduced the number of rate cuts that global central banks were likely to deliver, as global inflation data proved to be stickier than expected. The market repriced, for example, Fed cuts priced-in for 2024 from over six in January to below three at the end of March. The volatile conditions continued up to the end of the period, with weaker economic data once again prevalent as US inflation surprised to the downside, joining the trend seen in Europe and the UK. Given the weaker environment, the ECB started its rate cutting cycle in June, with the UK expected to follow later in the summer.

The fund benefited from both an active management of overall duration and from strong bottom-up stock selection.

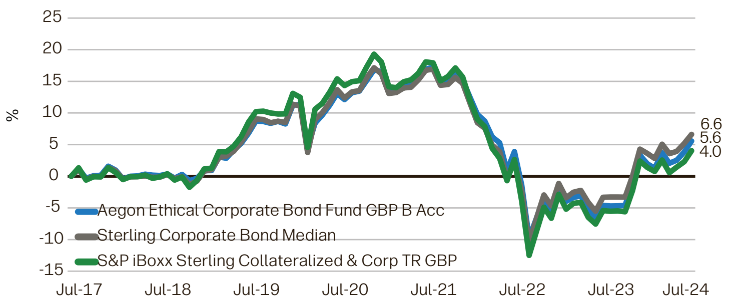
We began the period holding an aggregate long duration position, achieved primarily through an active use of the green gilt yield curve. This positioning was based on a belief that there was mounting evidence of a global economic slowdown, which would ultimately reduce the requirement for central banks to tighten by as much as interest rate markets were pricing for in early quarter 2023. There was then a rally in both government bonds and credit markets which the fund was well positioned to benefit from. The subsequent extent of the rally prompted us to reduce our duration and credit overweight positions going into December. This was achieved through selling down the fund's holding in green gilts, and also by selling longer-dated housing association issues.

We reinstated a long duration position in April 2024 through purchase of long-dated green gilts based on the view that rate cuts in the UK were increasingly likely given the deterioration in the domestic economy. We then slightly reduced the headline duration towards the end of the period following a strong run for interest rate risk.

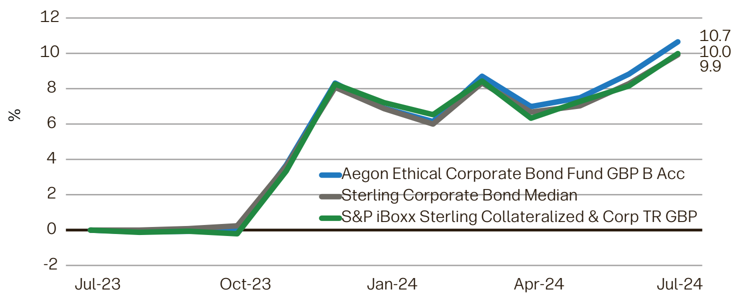
Performance of the fund covering different times periods can be found in the factsheet. Below is a link to the latest factsheet for the fund.

www.aegonam.com/ethicalcorporatebondfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.45
Additional Charges	0.03
Ongoing Charges	0.48

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £411 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), at a share class level, against other relevant funds within the same Investment Association peer group.

The AMC is in in line with the Investment Association sector median and the OCF is below the Investment Association sector median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

Commitment to responsible investment: dedicated responsible investment specialists serve as a resource for education, best practices and research. For this fund they lend their expertise to ESG integration initiatives, oversees ESG screens that we apply and lead active ownership activities.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Sterling Corporate Bond Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe and comprising ethical and non-ethically screened funds, demonstrating the value of the fund's ethical screen against non-ethically screened funds. This comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon High Yield Bond Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provides good overall value for its investors.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association Sterling High Yield Bond Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has achieved its investment objective as stated above as well as outperforming the peer group median.

Performance commentary – 12 months to 31 July 2024
The Aegon High Yield Bond Fund returned 12.5%, outperforming the peer group median return of 10.5%.

The high yield market performed strongly over the period, despite bouts volatility. High yield companies generally reported better-than-expected results, although idiosyncratic factors created challenges for certain companies.

The positive environment was due partly to key economic data releases generally coming in lower than expected, while inflation continued to ease somewhat, even if in an uneven fashion. Although the ECB and the Bank of England were cautious in talking about rate cuts, the market initially priced-in aggressive easing paths for both jurisdictions, in line with its expectations for the US Federal Reserve. This backdrop supported fixed income markets towards the end of 2023.

As we moved into 2024, however, market participants reduced the number of rate cuts that global central banks were likely to deliver. At the same time, the US economy continued to progress at near full speed, which was sufficient to reprice Fed cuts priced-in for 2024 from over six in January to below three at the end of March.

The volatility in the inflation and economic outlook continued as we approached the end of the period, with weaker economic data once again prevalent as US inflation surprised to the downside, joining the trend seen in Europe and the UK. Given the weaker environment, the ECB started its rate cutting cycle in June, with the UK expected to follow later in the summer.

Security selection was the primary driver of fund performance. Our selection within BB and CCC-rated bonds contributed the most, while our selection within Bs also did well. During the year, the fund benefited from its positioning in higher-quality bonds, with a focus on companies that are well-positioned for an economic slowdown. Conversely the fund's lower allocation to CCCs detracted as the lower-quality part of the index continued to rally throughout most of the year. However, this was more than offset by positive effects from our selection in other rating categories.

Within sectors, the fund's banking holdings continued to add value due to strong security selection. Many of the mispriced bank securities we purchased earlier in the year added value. Conversely, the communications sector detracted; the sector was prone to volatility as companies faced cyclical and secular headwinds related to cord cutting and shifting media consumption behaviours. By region, the fund's UK and GBP-denominated holdings contributed the most to relative performance. The exposure in Europe also added value.

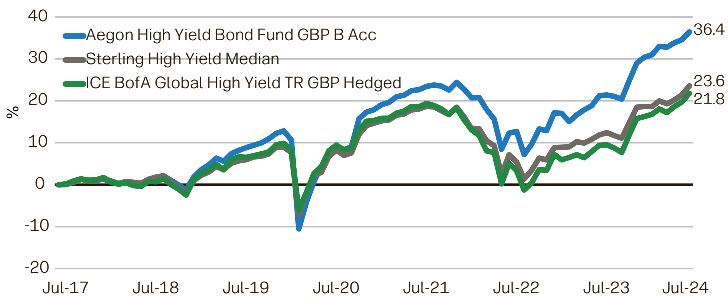
Tullow Oil was the top individual contributor, which rallied on renewed hopes for a refinancing solution. Elsewhere, the fund's exposure in Asda and PureGym also added value. The largest detractor was Transcom, a technology company that manages call centres on behalf of large companies. The issuer's bond prices came under pressure due to concerns about AI hindering the company's trajectory, although we believe the bonds were unnecessarily punished by the market and maintain our investment thesis in the credit.

Performance of the fund covering different times periods can be found in the factsheet.

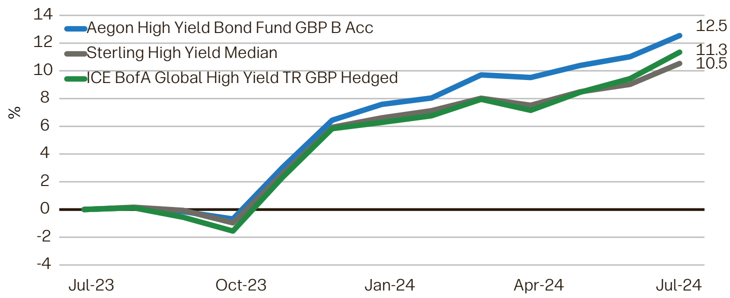
Below is a link to the latest factsheet for the fund.

www.aegonam.com/highyieldbondfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)	S share class (%)
Annual Management Charge	0.55	0.45
Additional Charges	0.05	0.05
Ongoing Charges	0.60	0.50

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £749 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), of the B share class, against other relevant funds within the same Investment Association peer group.

While the AMC and OCF are materially below the Investment Association sector median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable

to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate. The S share class carries a lower AMC however the minimum investment size is set materially high than the B share class.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Sterling High Yield Bond Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Investment Grade Bond Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provides good overall value for its investors.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association Sterling Corporate Bond Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has achieved its investment objective as stated above as well as outperforming the peer group median.

Performance commentary – 12 months to 31 July 2024

The Aegon Investment Grade Bond Fund returned 11.7% over the 12 months to 31 July 2024, compared to 9.9% for the peer group median.

Both government and corporate bond markets performed strongly over the period. The positive environment was due in large part to key economic data releases generally coming in lower than expected while inflation continued to ease somewhat, even if in an uneven fashion. Although both the ECB and the Bank of England were cautious in talking about rate cuts, the market priced-in aggressive easing paths for both jurisdictions from October onwards, in line with its revised expectations for the US Federal Reserve. This backdrop supported both government and corporate bonds towards the end of 2023.

As we moved into 2024, however, market participants reduced the number of rate cuts that global central banks were likely to deliver, as global inflation data proved to be stickier than expected. The market repriced, for example, Fed cuts priced-in for 2024 from over six in January to below three at the end of March. The volatile conditions continued up to the end of the period, with weaker economic data once again prevalent as US inflation surprised to the downside, joining the trend seen in Europe and the UK. Given the weaker environment, the ECB started its rate cutting cycle in June, with the UK expected to follow later in the summer.

The fund was well positioned to benefit from the rally in both government and corporate bonds. We entered the period with an aggregate long duration position (a measure of interest rate risk), given the expectation that central banks would not have to tighten by as much as the markets expected. We were also active in increasing the fund's level of corporate bond risk – primarily through the new issue market. Our positioning generally added to performance as we approached the end of 2023.

Given the scale of the rally in bond markets up to this point - and with multiple rate cuts by the Federal Reserve, ECB and Bank of England priced-in for 2024 - we believed the scope to generate further performance from a long duration position had become more challenged. We therefore reduced the fund's duration as 2023 came to an end. We also reached a similar conclusion in terms of the fund's exposure to corporate bond risk. Overall, the fund's positioning and the reduction in risk again added value despite a weaker start to 2024.

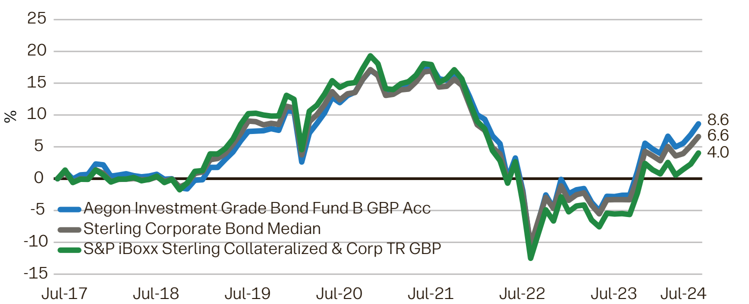
As we moved further into the year, the fund continued to benefit from actively managing overall duration and from strong bottom-up stock selection. Within the latter, notable highlights included selected financial holdings in the sterling market. We subsequently added, to a small extent, to our interest rate risk position in the UK, given we believed the UK economy was relatively economically challenged versus other economies, and that the market would start to price-in rate cuts. Towards the end of the period, and having seen UK government bonds rally strongly, we took profits on the fund's long duration position.

Performance of the fund covering different times periods can be found in the factsheet.

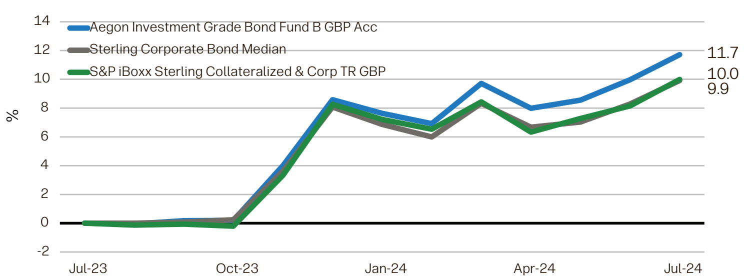
Below is a link to the latest factsheet for the fund.

www.aegonam.com/investmentgradebondfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)	S share class (%)
Annual Management Charge	0.50	0.40
Additional Charges	0.04	0.04
Ongoing Charges	0.54	0.44

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £180 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), of the B share class, against other relevant funds within the same Investment Association peer group.

The AMC is higher than Investment Association sector median and the OCF is in line with the Investment Association sector median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable but can be more competitive.

6. Comparable Services

The AMC is higher than a similar fund offered to clients. The Board of Directors recommend a review of AMC during the next reporting period.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate. The S share class carries a lower AMC however the minimum investment size is set materially high than the B share class.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible. We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Sterling Corporate Bond Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Sterling Corporate Bond Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provides good overall value for its investors.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association Sterling Corporate Bond Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has achieved its investment objective as stated above as well as outperforming the peer group median.

Performance commentary – 12 months to 31 July 2024
The Aegon Sterling Corporate Bond Fund returned 11.5% over the 12 months to 31 July 2024, compared to 9.9% for the peer group median.

Both government and corporate bond markets performed strongly over the period. The positive environment was due in large part to key economic data releases generally coming in lower than expected while inflation continued to ease somewhat, even if in an uneven fashion. Although both the ECB and the Bank of England were cautious in talking about rate cuts, the market priced-in aggressive easing paths for both jurisdictions from October onwards, in line with its revised expectations for the US Federal Reserve. This backdrop supported both government and corporate bonds towards the end of 2023.

As we moved into 2024, however, market participants reduced the number of rate cuts that global central banks were likely to deliver, as global inflation data proved to be stickier than expected. The market repriced, for example, Fed cuts priced-in for 2024 from over six in January to below three at the end of March. The volatile conditions continued up to the end of the period, with weaker economic data once again prevalent as US inflation surprised to the downside, joining the trend seen in Europe and the UK. Given the weaker environment, the ECB started its rate cutting cycle in June, with the UK expected to follow later in the summer. Throughout the period we actively managed the fund's duration (a measure of interest rate risk), we reduced our interest rate risk level when economic data was stronger and subsequently re-built our position as global government bond yields backed-up.

The fund's outperformance against the peer group median was due mainly to stock selection. For most of the first half of the period, as government bond yields fell sharply, longer-dated holdings were among the standout names in the fund. Among the top performers were a long-dated holding in Heathrow and, in financials, holdings in Goldman Sachs and Aviva.

Short-dated bonds and those with less duration sensitivity (a measure of interest rate risk) performed strongly in January as data releases proved economies were more robust than expected, leading markets to reduce the amount and rate of interest rate cuts. Among our best performers in this area were bonds issued by Asda financing vehicle Bellis Acquisition and Centre Parcs. Selected financial bonds also started 2024 well against a continuation of the strong risk tone.

As we moved through the second half of the period, markets remained volatile. UK government bond yields rose in April, and therefore holdings with less interest rate risk sensitivity outperformed. The fund's holding in Asda finco performed well, for example, as did our exposure to EDF. In contrast, long-dated bond holdings in Heathrow and Goldman Sachs detracted. One notable name that struggled during this part of the period and beyond was Thames Water. The name came under regulatory scrutiny and caused volatility in the UK utilities market.

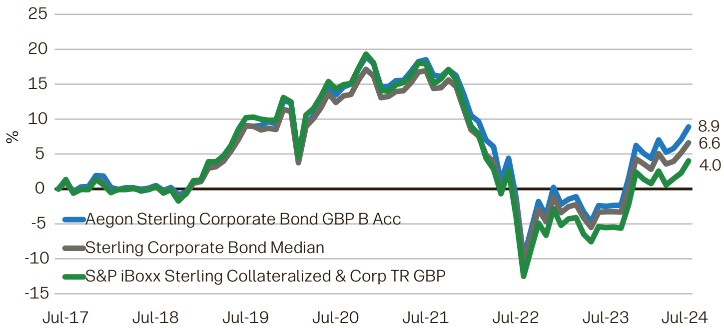
From May onwards, government bond yields were lower, which benefited longer-dated bonds. The fund's long-dated holding in M&G bonds subsequently added value, with other names such as Intesa Sanpaolo and Aviva also performing well..

Performance of the fund covering different times periods can be found in the factsheet.

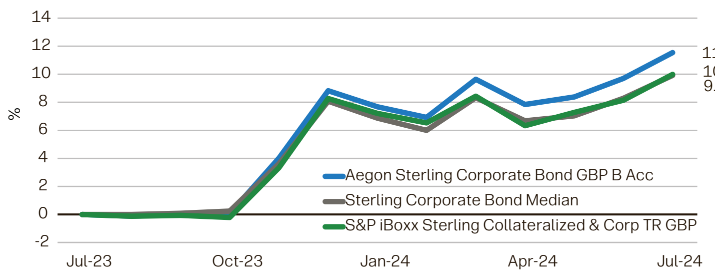
Below is a link to the latest factsheet for the fund.

www.aegonam.com/investmentgradebondfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)	S share class (%)
Annual Management Charge	0.35	0.25
Additional Charges	0.07	0.07
Ongoing Charges	0.42	0.32

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £117 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), of the B share class, against other relevant funds within the same Investment Association peer group.

Both the AMC the OCF are materially below than the Investment Association sector median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate. The S share class carries a lower AMC however the minimum investment size is set materially high than the B share class.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Sterling Corporate Bond Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Strategic Bond Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provides good overall value for its investors.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period.

We compare the fund's performance against the performance of other funds within the Investment Association Strategic Bond Sector. Comparison of the fund against this sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe.

The comparison should be performed over at least a seven-year period to provide the most useful long-term comparison.

The Board of Directors have determined that the fund has achieved its investment objective as stated above as well as outperforming the peer group median.

Performance commentary – 12 months to 31 July 2024
The Aegon Strategic Bond Fund returned 15.1% over the 12 months to 31 July 2024, compared to 9.4% for the peer group median.

Both government and corporate bond markets performed strongly over the period. The positive environment was due in large part to key economic data releases generally coming in lower than expected while inflation continued to ease somewhat, even if in an uneven fashion. Although both the ECB and the Bank of England were cautious in talking about rate cuts, the market priced-in aggressive easing paths for both jurisdictions from October onwards, in line with its revised expectations for the US Federal Reserve. This backdrop supported both government and corporate bonds towards the end of 2023.

As we moved into 2024, however, market participants reduced the number of rate cuts that global central banks were likely to deliver, as global inflation data proved to be stickier than expected. The market repriced, for example, Fed cuts priced-in for 2024 from over six in January to below three at the end of March. The volatile conditions continued up to the end of the period, with weaker economic data once again prevalent as US inflation surprised to the downside, joining the trend seen in Europe and the UK. Given the weaker environment, the ECB started its rate cutting cycle in June, with the UK expected to follow later in the summer.

The fund benefited from three core strategies that were in place for the majority of the period. The strategies were a bias to holding additional duration risk (a measure of interest rate risk), positioning the fund for steeper yield curves, and a general preference for corporate bonds over government bonds.

We actively managed the magnitude of these positions throughout the period. On the duration side, for example, we reduce our interest rate risk level when economic data was stronger and subsequently re-built our position as global government bond yields backed-up.

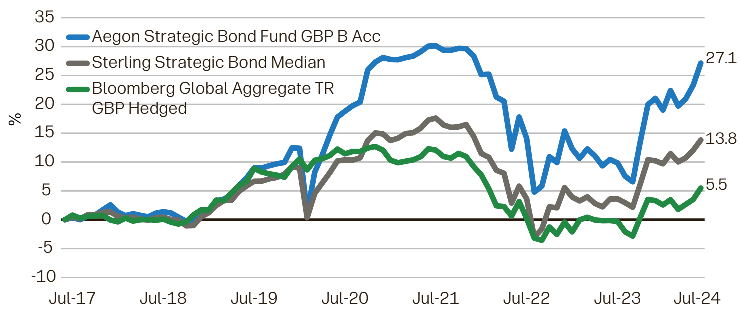
Similarly, we actively increased our exposure to corporate bond risk when valuations and the technical picture were attractive, and then reduced our position following periods of strong performance. This was particularly the case with our sizeable exposure to high yield bonds, where we used high yield CDS index protection (derivatives) to manipulate the size of our position.

As we moved into 2024, we strategically increased our allocation to some of the blue-chip European real estate companies. We felt that these assets traded at a meaningful discount to their intrinsic value, and that they represented a very good opportunity at a time when the sentiment towards the sector was low. This trade added value to performance in the remainder of the period as the sector benefited from the start of the ECB's rate cutting cycle and a backdrop of low growth. Elsewhere, our favoured sector (financials) was a strong contributor with subordinated bank debt in particular adding value over the period as a whole.

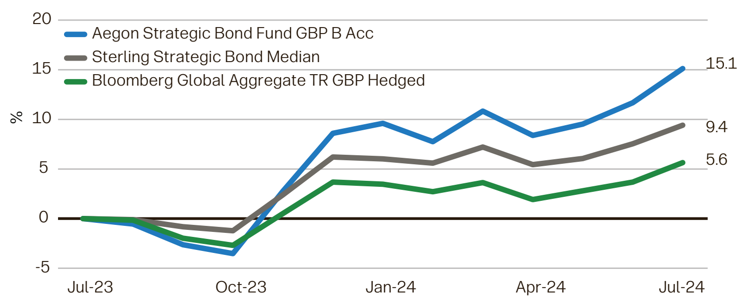
Below is a link to the latest factsheet for the fund.

www.aegonam.com/strategicbondfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)	S share class (%)
Annual Management Charge	0.55	0.45
Additional Charges	0.04	0.04
Ongoing Charges	0.59	0.49

The fund invests across the breadth of the fixed income universe, and in turn, we expect portfolio turnover levels to be heightened versus our other traditional fixed income funds with smaller universes. The transaction costs are higher with a key factor being high turnover levels.

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £306 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge (‘AMC’). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund’s AMC and Ongoing Charges Figure (‘OCF’), of the B share class, against other relevant funds within the same Investment Association peer group.

The AMC and OCF are materially below the Investment Association sector median. The Board of Directors’ decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund’s costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate. The S share class carries a lower AMC however the minimum investment size is set materially high than the B share class.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. **If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.**

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Strategic Bond Sector. Investors are invited to compare the fund’s performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds investing in a similar but not identical investment universe. The comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Diversified Monthly Income Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provides good overall value for its investors.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to generate income with a target yield of approximately 5% per annum with the potential for capital growth over the medium term (being any five-year period).

The Fund sits within the Investment Association Mixed 20-60% sector and this may be used for comparison purposes. The sector is comprised of funds with a similar investment composition, but the approach to multi-asset investing and the investment objectives themselves will vary markedly throughout the peer group.

The Board of Directors have determined that the fund has achieved its investment objective as stated above as well as outperforming the peer group sector median

Performance commentary – 12 months to 31 July 2024
The Aegon Diversified Monthly Income Fund returned 11.9% over the period.

Central bank sentiment and inflation were the main drivers of markets over the period. Up until the end of 2023, central banks remained cautious in terms of talking about interest rate cuts. From this point onwards, however, the banks' tone was more dovish, and it was a case of when, not if, rate cuts were coming. The ECB subsequently cut rates in June, with the UK expected to follow later in the summer. In contrast, the Bank of Japan increased interest rates for the first time since 2007, ending their negative interest rate policy.

Inflation followed a downward trend, save for the occasional surprise to the upside, but across regions the inflationary landscape was generally encouraging for markets. The US economy was stronger as we moved through the first few months of 2024 which led to expectations of Federal Reserve rate cuts to fall by the end of March from six to around three.

Both government and corporate bond markets performed strongly over the period. Equity markets rallied after the central banks turned dovish, with the US market outperforming the rest of the world. In sector terms, the standout performer was technology which continued its impressive run, driven by the excitement around AI related names and the much talked about 'Magnificent Seven' in the technology sector. The financial sector also had a solid period as it enjoyed the elevated interest rate environment. In contrast, defensive utilities and consumer staples lagged, along with materials, although both were still positive overall.

All fund components contributed positively, albeit some asset classes did better than others. Fixed income and equities saw solid returns, but real assets lagged somewhat.

Our fixed income component added value over the period. Despite an environment of rising government bond yields in the second half of the period, our lower duration exposure meant we were able to avoid a lot of the negative impact. At the same time, corporate bonds performed well, which was beneficial for fund performance and again helped to shield returns from the negative impact of rising government bond yields. Our exposure to bank credit, in particular European banks, did well. European banks benefited from strong financials and tailwinds from higher rates.

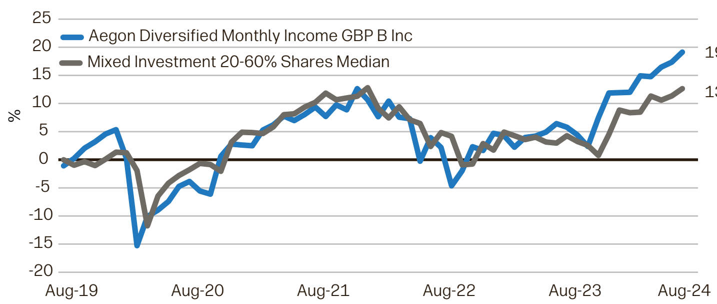
Within our equity exposure technology names TSMC, Broadcom and Microsoft were among the top contributors, mostly due to AI related excitement. Elsewhere, housebuilders Taylor Wimpey and Sekisui were also notable positives. A few financials names also supported overall returns with DBS Group Holdings and Phoenix Group adding value. Pharmaceutical names Pfizer, Astellas and Johnson and Johnson all detracted, and we subsequently exited our positions in Pfizer and Astellas.

Despite volatile conditions, our listed real estate and listed infrastructure allocations were positive, with sustainable infrastructure investor 3i Infrastructure, and utility name SSE acting among the top positive contributors. However, the renewable energy allocation very slightly detracted and Greencoat Renewables, along with utility name EDP, were among the top detractors for the period.

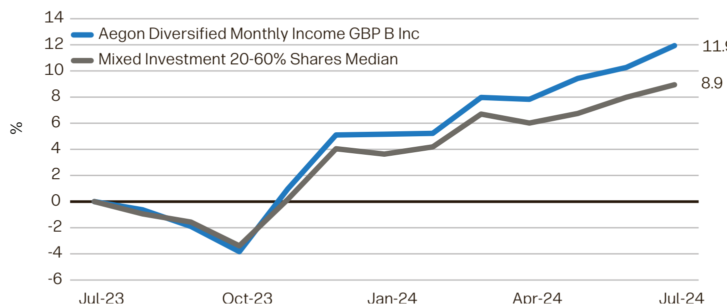
Below is a link to the latest factsheet for the fund.

www.aegonam.com/diversifiedmonthlyincomefund

5 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.55
Additional Charges	0.03
Ongoing Charges	0.58

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale ('EoS') for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £869 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), at a share class level, against other relevant funds within the same Investment Association peer group.

Both AMC and the OCF are significantly below the Investment Association sector median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and Fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements when assessing fund liquidity levels, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Inc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Mixed 20-60 Sector. Investors are invited to compare the fund's performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds holding similar equity ranges. The comparison should be performed over a five-year period to provide the most useful medium term comparison.

Aegon Ethical Cautious Managed Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to keep pace with the broader market over the longer term. The fund adopts a strict ethical screen, thus ensuring investors do not have exposure to companies with significant negative impacts on the environment or society.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The investment objective is to provide a combination of income and capital growth over any seven-year period. We compare the fund's performance against the performance of other funds within the Investment Association Mixed 20-60% Sector ("Comparator Benchmark"). The Comparator Benchmark is comprised by funds of a similar investment composition, but it should be noted that no distinction is made within the Comparator Benchmark between funds applying ethical screens and those that are not. This means that the Comparator Benchmark, whilst offering an overview of the fund's performance against funds with a similar investment composition, does not allow for a more granular level comparison against funds implementing similar screening.

The Board of Directors have determined that the fund has met its investment objective as stated above but underperformed the Comparator Benchmark median.

Performance commentary – 12 months to 31 July 2024
The Aegon Ethical Cautious Managed Fund returned 15.8% compared to the peer group median return of 8.9%.

The FTSE All-Share increased over the period, although it lagged broad global equity benchmarks. Both government and corporate bond markets also performed strongly. During the year, investor sentiment was closely tied to inflation and interest rate expectations. The Bank of England increased interest rates in August 2023 as UK inflation, whilst trending downwards, remained higher than most other developed markets. This seemed to have the desired effect, as inflation fell sharply through the rest of the period.

Towards the end of 2023 investors gained confidence that interest rates had peaked and would likely start to retreat in 2024. This change in expectations sparked a sharp rally in UK equities, particularly small and mid-caps, which started to bounce back from previous weakness and outperformed their large-cap counterparts. This backdrop also supported both government and corporate bonds.

Within the fund's equity portfolio, both sector allocation and stock selection added value. Holding larger weightings in both technology and industrials was beneficial, whereas having a lack of exposure to energy, due to our ethical criteria, detracted. Stock selection within the financials sector was a key contributor to performance with our holdings in NatWest, JTC and Paragon adding value. Away from financials, industrials name Diploma, the specialist technical products distributor, was also a strong performer.

The portfolio was boosted by valuation re-ratings in several of its smaller-cap holdings, such as Trustpilot and Craneware. The smaller-cap end of the market had been particularly pressured by the rate hiking cycle, so signs that rates would likely reverse prompted the start of a recovery for this area.

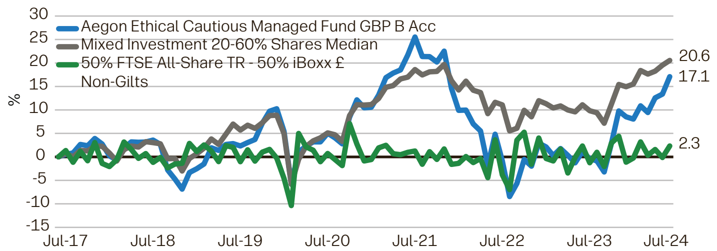
Watches of Switzerland was the main detractor over the period. Shares fell sharply on news that Rolex had made its first foray into the retail space by acquiring Bucherer, a Swiss retailer with outlets in the US, UK and Europe. This prompted concern in the market that Rolex would focus supply through its new subsidiary and the shares were then further impacted by a painful reset of expectations with January's trading update.

The fund's fixed income portfolio benefited from both an active management of overall duration (a measure of interest rate risk) and from strong bottom-up stock selection. We began the period holding an aggregate long duration position. This positioning was based on our belief that there was mounting evidence of a global economic slowdown, which would ultimately reduce the requirement for central banks to tighten by as much as interest rate markets were pricing for in early quarter 2023. The portfolio was therefore well positioned to benefit from the subsequent rally in bond markets. The extent of the rally prompted us to reduce our duration and credit overweight positions going into December, although we reinstated a long duration position in April 2024 based on the view that rate cuts in the UK were increasingly likely, given the deterioration in the domestic economy. We then slightly reduced the headline duration again towards the end of the period following a strong run for interest rate risk.

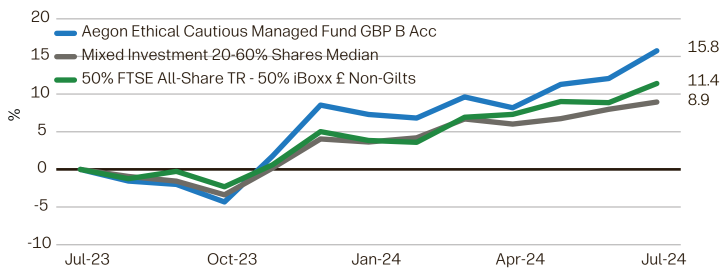
Below is a link to the latest factsheet for the fund.

www.aegonam.com/ethicalcautiousmanagedfund

7 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.75
Additional Charges	0.03
Ongoing Charges	0.78

The Board of Directors believe that the charges are justified in the context of the overall value delivered to the investors in the fund.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £216 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge (‘AMC’). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund’s AMC and Ongoing Charges Figure (‘OCF’), at a share class level, against other relevant funds within the same Investment Association peer group.

The AMC is above the Investment Association sector median, while the OCF is materially below the Investment Association sector median. The Board of Directors’ decision to absorb significant costs into its own cost base, namely the Transfer Agent and fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund’s costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors.

Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements when assessing fund liquidity levels, so there is a holistic understanding of the liquidity profile. Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

Commitment to responsible investment: dedicated responsible investment specialists serve as a resource for education, best practices and research. For this fund they lend their expertise to ESG integration initiatives, oversees ESG screens that we apply and lead active ownership activities.

The Board of Directors believe that there is nothing to declare to investors from the assessment of other considerations.

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Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Performance comparator: Investment Association Mixed 20-60% Sector. Investors are invited to compare the fund’s performance against the performance of other funds within this Sector. Comparison of the fund against this Sector will give investors an indication of how the fund is performing compared with funds holding similar equity ranges. The above comparison should be performed over at least a seven-year period to provide the most useful long term comparison.

Aegon Sustainable Diversified Growth Fund

Overall Value Assessment

The Board of Directors' assessment is that the fund provided value in all areas except fund performance, where it failed to meet its target over the medium term.

Aegon Asset Management UK plc Board continues to monitor fund performance, and will take appropriate remedial measures if necessary where performance issues arise.

1. Quality of Service

The Board of Directors believe that, based on the areas assessed, the fund offers a good quality of service.

2. Performance

The fund's investment objective is to deliver a total return (capital growth plus income), gross of fees, that exceeds the UK Consumer Prices Index by at least 3% per annum over any five-year period.

UK CPI is selected as a commonly accepted measure of UK inflation. We consider that exceeding CPI by at least 3% over five years is an attractive return and therefore an appropriate target benchmark in relation to which the fund is managed. Comparison of the fund's performance against the target benchmark will allow investors to determine whether, and to what extent, the fund has delivered returns in excess of inflation.

The comparison should be performed over at least a five-year period to provide the most useful comparison.

The fund delivered a positive total return over the five-year period to 31 July 2024 but did not meet its target, therefore the Board of Directors determine that is has not met its objective.

Performance commentary – 12 months to 31 July 2024
The Aegon Sustainable Diversified Growth Fund returned 7.8% over the 12 months to 31 July 2024.

Central bank sentiment and inflation were the main drivers of markets over the period. Up until the end of 2023, central banks remained cautious in terms of talking about interest rate cuts. From this point onwards, however, the banks' tone was more dovish, and it was a case of when, not if, rate cuts were coming. The ECB subsequently cut rates in June, with the UK expected to follow later in the summer. In contrast, the Bank of Japan increased interest rates for the first time since 2007, ending their negative interest rate policy.

Inflation followed a downward trend, save for the occasional surprise to the upside, but across regions the inflationary landscape was generally encouraging for markets. The US economy was stronger as we moved through the first few months of 2024 which led to expectations of Federal Reserve rate cuts to fall by the end of March from six to around three.

Both government and corporate bond markets performed strongly over the period. Equity markets rallied after the central banks turned dovish, with the US market outperforming the rest of the world. In sector terms, the standout performer was technology which continued its impressive run, driven by the excitement around AI related names and the much talked about 'Magnificent Seven' in the technology sector. The financial sector also had a solid period as it enjoyed the elevated interest rate environment. In contrast, defensive utilities and consumer staples lagged, along with materials, although both were still positive overall.

The fund's alternatives exposure was impacted by interest rate sensitivity and volatility in energy prices. Higher government bond yields in the second half of the period also impacted this section of the portfolio. Renewables struggled with lower electricity prices due to weak natural gas prices, but infrastructure and real estate were both positive contributors. Although our positions in Greencoat Renewables and Gresham House Energy Storage Fund were among the list of detractors, some alternatives holdings did add value, including renewables name SSE and infrastructure names 3i Infrastructure, GCP Infrastructure Investments and National Grid.

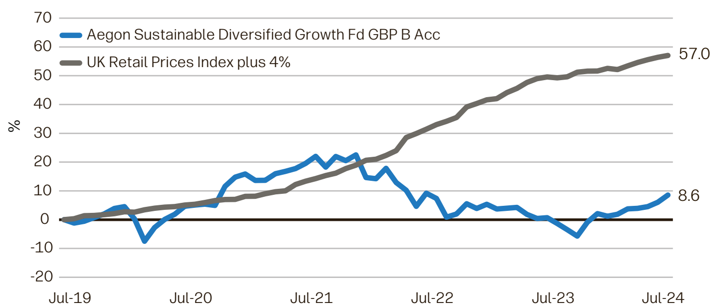
The equities component contributed positively, with income being the standout performer. Our healthcare and growth portfolios also performed well. Our positions technology names TSMC and NVIDIA added value, with both enjoying a good run on the back of the excitement around AI. Within financials, our exposure to Natwest benefited from posting good results over the period. Within healthcare, our holding in Novo Nordisk was also a top positive contributor. In contrast, energy name Alfen and pharmaceutical name Astellas were both weaker and were among the main detractors.

Our credit allocation was positive. Our bank credit exposure did well, with our credit holding in Rabobank among the top contributors. Our government allocation was also positive with our short-duration bonds protected against the general rise of bond yields in the second half of the period.

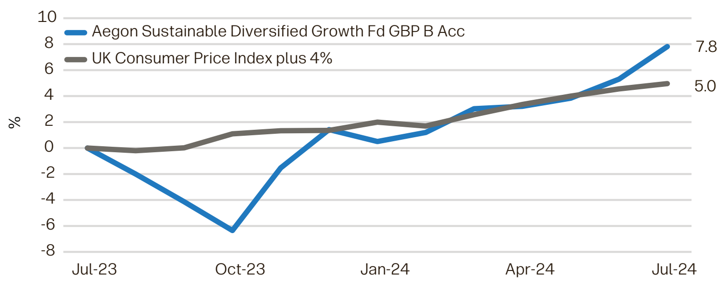
Below is a link to the latest factsheet for the fund.

www.aegonam.com/sustainablediversifiedgrowthfund

5 year performance chart



1 year performance chart



3. AFM Costs

There are no entry costs, exit costs or performance fees associated with this fund. Below are the costs incurred by an investor in each share class of the fund:

	B share class (%)
Annual Management Charge	0.50
Additional Charges	0.02
Ongoing Charges	0.52

The Board of Directors believe that the charges are justified and are significantly lower than peer group sector median charges.

4. Economies of Scale

The Board of Directors have assessed economies of scale for the fund considering various factors, in line with our value assessment framework. The Board of Directors believe that there are two key areas where benefits can be delivered to investors, namely a) global organisational structure and b) efficiencies due to increasing fund size.

Aegon Asset Management is a global organisation whereby pooled research, pooled resources and mainly globally negotiated vendor contracts are utilised. In the absence of being part of a global structure, the fund would be likely to have higher costs.

The Board of Directors believe that, with more assets in the fund, benefits can be passed on to fund investors (current size around £668 million). Certain legal, regulatory and administrative costs are fixed (i.e. not directly related to fund size) and are directly charged to the fund. Therefore, with increasing fund size, the relative impact of these costs is reduced.

We do not believe there are sufficient benefits to reduce the already competitive Annual Management Charge ('AMC'). However, as part of the annual value assessment, we will continually review the position and pass on benefits to investors where possible.

5. Comparable Market Rates

The Board of Directors compared the fund's AMC and Ongoing Charges Figure ('OCF'), at a share class level, against other relevant funds within the same Investment Association peer group.

Both the AMC the OCF are significantly (OCF almost 50%) lower than the Investment Association sector median. The Board of Directors' decision to absorb significant costs into its own cost base, namely the Transfer Agent and fund Accounting costs, which is more favourable to investors than normal market practice, has contributed to a reduction in the additional charges. Investors can see this when they compare the fund to similar funds managed by other providers.

The Board of Directors believe that the fund's costs are fair, reasonable and very competitive.

6. Comparable Services

The Board of Directors believe that we are charging a consistent price for this strategy when compared to our offering in different markets.

7. Classes of units

The Board of Directors believe the share classes available for this fund and the associated charges are fair and appropriate.

8. Other considerations

We recognise that it is important for investors to be able to buy into and sell out of the fund without any liquidity obstacles. Therefore, providing liquidity to investors is an important input to the overall value offered by the fund. We believe this fund offers reasonable liquidity to investors. Aegon Asset Management UK plc assesses fund liquidity levels under both normal and stressed liquidity conditions. We consider multiple factors including sector, region, credit rating, market capitalisation and bid/ask spreads when reviewing fund liquidity. This assessment is done in conjunction with consideration for investor concentration levels, investor type, performance levels, market events and collateral requirements when assessing fund liquidity levels, so there is a holistic understanding of the liquidity profile.

Under stressed liquidity environments, we convene daily liquidity meetings covering market liquidity, valuations, flows and potential outflows to proactively manage liquidity. Processes and procedures are in place to manage suspensions and return proceeds to investors as soon as possible.

We are also very active in the Corporate Governance of the securities held by the fund. We vote on all resolutions on behalf of the fund, and actively vote against proposals where we believe they are not in the best interests of our investors.

Commitment to responsible investment: dedicated responsible investment specialists serve as a resource for education, best practices and research. For this fund they lend their expertise to ESG integration initiatives, oversees ESG screens that we apply, conduct and validate sustainability research and lead active ownership activities.

The Board of Directors believe there is nothing to declare to investors from the assessment of other considerations.

This document does not constitute financial advice. If you do need advice on the information provided in this document, you may wish to talk to an independent financial adviser.

Past performance is not a guide to future performance. Outcomes, including the payment of income, are not guaranteed.

Source: Lipper, as at 31 July 2024, B Acc (GBP) share class, NAV to NAV, noon prices, income reinvested, net of ongoing charges, excluding entry or exit charges.

Target Benchmark: Target Benchmark: CPI+3%. UK CPI is selected as a commonly accepted measure of UK inflation. We consider that exceeding CPI by at least 3% over 5 years is an attractive return and therefore an appropriate target benchmark in relation to which the Fund is managed. Comparison of the Fund's performance against the target benchmark will allow investors to determine whether and to what extent the Fund has delivered returns in excess of inflation. Any comparison of the Fund's performance against this benchmark should be performed over a 5 year period to provide the most useful medium term comparison. Prior to 1 April 2023 the Benchmark was RPI +4%.

Contact us

For prospective Shareholders - correspondence to be via the ACD's "please contact us" link available on the ACD's online Portal.

For all other Shareholders - correspondence to be via the ACD's on-line Portal unless separately agreed. A link for the ACD's online Portal is located at the ACD's website **www.aegonam.com**.