

This circular has not been reviewed by the Central Bank of Ireland (the “Central Bank”) and it is possible that changes thereto may be necessary to meet the Central Bank’s requirements. The Directors of Aegon Asset Management Investment Company (Ireland) plc are of the opinion that there is nothing contained in this circular or in the proposals detailed herein that conflicts with the regulations of, the Central Bank or with best industry practice. The Directors accept responsibility for the information contained in this circular.

All capitalised terms used in this circular and not defined herein shall have the meanings ascribed to them in the Company’s current prospectus (the "Prospectus") and the supplement for the Sub-Fund (the "Supplement"), both dated 30 June 2023.

**AEGON ASSET MANAGEMENT INVESTMENT COMPANY (IRELAND) PLC
(THE “COMPANY”)**

**AEGON SHORT DATED HIGH YIELD GLOBAL BOND FUND
(THE "SUB-FUND")**

**NOTICE OF
EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS IN THE SUB-FUND
(THE “EGM”)**

Notice of the EGM to be held at 70 Sir John Rogerson’s Quay, Dublin 2, Ireland on 4 December 2023 at 5.00pm (Irish time). The accompanying Proxy Form for use by Shareholders in Aegon Short Dated High Yield Global Bond Fund (the “**Sub-Fund**”) at the EGM should be completed and returned, in accordance with the instructions printed thereon, so as to be received by Matsack Trust Limited, 70 Sir John Rogerson’s Quay, Dublin 2 as soon as possible and, in any event, not later than 48 hours before the appointed time for the EGM ie, by 5.00pm on 2 December 2023.

KEY DATES FOR THE EGM

Record date	30 November 2023, being two Business Days before the date of the EGM. This is the date used to calculate the number of Shares held by each Shareholder entitled to vote at the EGM
Last date for receipt of Proxy Forms in relation to the EGM	5.00pm Irish time on 2 December 2023 being forty-eight (48) hours before the time referred to below as the time appointed for the EGM.
EGM	5.00pm Irish time on 4 December 2023.
Last date for receipt of Proxy Forms in relation to an adjourned EGM	5.00pm Irish time on 9 December 2023 being forty-eight (48) hours before the time appointed for an adjourned EGM (in the event that there is not a sufficient return of proxies to hold the EGM on 4 December 2023).
Second EGM / adjourned EGM	In the event that a quorum of Shareholders in the Sub-Fund is not present in person or by proxy at the EGM, a second EGM / adjourned EGM of the Sub-Fund shall be held at 5.00pm Irish time on 11 December 2023.

AEGON ASSET MANAGEMENT INVESTMENT COMPANY (IRELAND) PLC

Registered Office
70 Sir John Rogerson's Quay
Dublin 2

(an umbrella fund with segregated liability between its sub-funds)

17 November 2023

Dear Shareholder

We are writing to you in your capacity as a Shareholder in the Aegon Short Dated High Yield Global Bond Fund (the "**Sub-Fund**"), a sub-fund of Aegon Asset Management Investment Company (Ireland) plc (the "**Company**") in connection with the EGM, formal notice of which is enclosed at Appendix I to this circular (the "**Notice**").

The purpose of the EGM is to seek the approval of Shareholders to proposed changes to the Sub-Fund, including amendments to the Sub-Fund's investment policy and strategy.

Changes to the Investment Policy and Strategy of the Sub-Fund

It is intended, subject to the approval of the Shareholders at the EGM, to amend the investment policy and strategy of the Sub-Fund in the form, or substantially the form, detailed in the revised description of the investment policy and strategy and the new SFDR Annex, contained in Appendix IV hereto, which have been marked up to show the changes currently proposed and, which are summarised below (the "**Policy Changes**").

ESG Criteria

The Sub-Fund's investment policy and strategy will be amended to formalise the environmental, social and governance ("**ESG**") characteristics of the Sub-Fund such that it will be categorised as falling within the scope of Article 8 of the Sustainable Finance Disclosure Regulation ("**SFDR**").

The Investment Manager will adhere to the following ESG criteria which combines screening investments based on ESG risks performance and climate related transition fundamental analysis.

Screening

A screen will be applied to the universe of investments (namely the Sub-Fund's bond investments, but for the avoidance of doubt excluding ancillary liquid assets, collective investment schemes and index derivatives) according to exclusionary criteria and a watch list. The Sub-Fund shall not invest in securities and/or issuers that fall within the exclusionary criteria, which excludes securities and/or issuers which the Investment Manager considers have a negative impact on society and/or the environment.

The current exclusionary criteria addresses issuers that engage in activities related to the production, maintenance or use of controversial weapons, sovereigns such as Russian and Belarussian companies and issuers whose activities as regards climate change, tobacco, alcohol, gambling, adult entertainment or human rights potentially create an adverse impact on sustainability factors.

ESG Analysis

Investments which pass the screening criteria form the investment universe which is then subject to the Investment Manager's ESG criteria which forms part of the fundamental credit research and it includes four steps:

1. **Identification.** The Investment Manager's Credit Research team identify important ESG and non-ESG factors specific to the company and the industry they operate within.
2. **Assessment.** The Credit Research team assess if each factor materially affects the issuer's fundamentals. As noted above, where deemed practical, issuers or securities are assigned into one of five ESG categories based on the analyst's determination of the materiality of ESG factors.
3. **Incorporation.** The Credit Research team incorporate the fundamental impact into the credit assessment and their credit recommendation to support discussions with the Investment Manager.
4. **Integration.** The Investment Manager integrates the Credit Research team's assessments, including ESG factors, into the portfolio construction process.

The Credit Research team's proprietary analysis incorporates qualitative and quantitative elements to determine and assess the potential materiality of the ESG issues and the impact on an issuer's credit fundamentals. Focus is given to the potential economic impact ESG issues may have on the issuer's ability and willingness to meet their debt obligations. Debt instruments intrinsically differ by asset class and sector and therefore the methodology as to how ESG factors are considered may differ. Analysts tailor the process to various issuer or security types as needed to reflect the most relevant and material ESG considerations. Through a comprehensive ESG assessment, analysts evaluate ESG criteria from various angles including the issuer's exposure to ESG factors as well as their management of ESG risks. For example, in the case of corporate and government debt the time horizon is different, and the availability of data will also differ.

For example, within the environmental context, an analyst will consider quantitative elements such as greenhouse gas emissions data from a variety of sources including third-party ESG data vendors and regulatory alignment metrics, such as explicit emission reduction targets. In addition, qualitative factors, such as an assessment of the anticipated effectiveness of management strategy in mitigating physical and transition risk, informs how material the environmental factor is within the overall assessment. Materiality of ESG factors is ultimately defined according to the Investment Manager's proprietary ESG framework. Within this framework, securities are assigned an ESG category that ranges from 1 to 5 (1 being the highest category, 5 the lowest). The Sub-Fund will invest at least 90% of its assets in those securities with ESG categories 1, 2, or 3, with up to 10% in securities identified as ESG category 4. The Sub-Fund will not invest in securities with ESG category 5.

In case a security no longer meets the Investment Manager's ESG criteria, the Investment Manager will re-position the portfolio to comply with the above limits.

Climate related transition analysis

The Investment Manager will assess climate related transition readiness and net zero alignment of issuers. This is done by considering a range of information to undertake an assessment of an issuer's climate ambition and associated targets, as well as historical emissions and disclosure, environmental governance and strategy.

The Investment Manager will then focus additional analysis on issuers in high influence sectors. High influence sectors are defined as sectors deemed by the Investment Manager to have greatest ability to

influence progress against global climate objectives, including but not limited to those with significant direct or indirect greenhouse gas emissions or decisions related thereto. This includes a quantitative and qualitative assessment of what the Investment Manager deems to be key sectoral challenges to climate mitigation.

Issuers will then be assigned a climate category namely: 1- Leader; 2- Prepared; 3- Transitioning; 4- Unprepared and 5- Laggard. The focus will be to support the energy transition by limiting exposure to companies which are categorised as 3- Transitioning (ie, issuers that are classified as Transitioning to achieving net zero emissions), 4- Unprepared (ie, issuers that are classified as Unprepared but who are committed to aligning to achieving net zero emissions) or 5- Laggard (ie, issuers that are classified as Laggards in terms of achieving net zero emissions) to enable a consistent and measurable downward trend away from investment in such issuers over time, as follows (in each case as a percentage of Net Asset Value):

Climate Category	Transition	Current	End 2024	End 2029	End 2034	End 2039
Leader			No maximum limit			100%
Prepared			No maximum limit			100%
Transitioning		< 80%	< 60%	< 40%	< 20%	0%
Unprepared		< 40%	< 30%	< 20%	< 10%	0%
Laggard		< 10%	< 5%	0%	0%	0%

In addition, the Sub-Fund will increase exposure to issuers deriving revenues from climate solutions as determined by eligibility for alignment with the climate change mitigation objective of the EU Taxonomy Regulation. A minimum of 5% of the Sub-Fund’s portfolio revenue or capital expenditure spend of all issuers held within the Sub-Fund will aim to be derived from eligible climate mitigation activities by 31 December 2024, with such minimum exposure to increase by 1% every 5 years thereafter, up to a maximum of 20%.

As a result of the overarching ESG criteria and the integration of the climate related analysis, the Sub-Fund seeks to have a lower carbon intensity at least 30% than the Bloomberg Global High Yield Corporate 1-5 Year Ba/B Index. The weighted average carbon intensity (WACI) is the metric used to measure carbon reduction and is calculated in line with Taskforce for Climate related Financial Disclosure guidance (TCFD). Currently, this carbon intensity calculation is based on scope 1 and 2 emissions only, as defined by TCFD. Given the limited disclosure and data quality of scope 3 emissions for high yield issuers scope 3 emissions are currently not included.

Additional Policy Changes

The following additional changes will also be made to the Sub-Fund's investment policy:

- The Sub-Fund's investment in high yield bonds will be increased from at least two thirds of its net assets to at least 80% of its net assets;
- The average portfolio duration of the Sub-Fund will be changed from normally varying within zero and a plus two-year time frame to within zero and a plus three-year time frame;
- The ability of the Sub-Fund to invest up to 10% of net assets in loans which qualify as money market instruments, as well as investment in securitised loans participations, will be added;
- The Sub-Fund's ability to hold converted equities, warrants (and now, loans), will be changed from a period of up to six months to an unlimited period, in order to determine the right moment to redeem the equity in the best interests of the Sub-Fund;

- References to the Sub-Fund's investment in Russian bonds will be removed;
- The ability of the Sub-Fund to invest up to 10% of net assets in other collective investment schemes will be added; and
- The Sub-Fund will introduce a target performance, seeking to return performance at a rate of SOFR plus 3.0% per annum, over a rolling three-year period, gross of fees and expenses of the Sub-Fund. SOFR, is the effective overnight interest rate by banks for unsecured in the US dollar market.

Full details of the Policy Changes and the SFDR Annex in respect of the Sub-Fund are provided in Appendix IV.

In addition to the above, we wish to notify you of the following changes:

Change to the Name of the Sub-Fund

In the event that the Policy Changes are approved at the EGM, it is proposed to change the name of the Sub-Fund as follows:

Current Sub-Fund Name	Proposed New Sub-Fund Name
Aegon Short Dated High Yield Global Bond Fund	Aegon Global Short Dated High Yield Climate Transition Fund

Details of the EGM

The purpose of this circular is to convene the EGM in order to seek your approval, by way of an ordinary resolution, for the Policy Changes, as described above. An ordinary resolution is a resolution passed by a simple majority of the votes cast by the Shareholders entitled to vote thereon in a general meeting.

The EGM will be held at the offices of the company secretary, Matsack Trust Limited, 70 Sir John Rogerson's Quay, Dublin 2, Ireland at 5.00pm Irish time on 4 December 2023.

A proxy card is enclosed as Appendix II to enable you to vote at the EGM should you not be attending in person and you are urged to complete and return it to 70 Sir John Rogerson's Quay, Dublin 2, Ireland as soon as possible and in any event by no later than 5.00pm Irish time on 2 December 2023. An emailed or faxed copy will also be accepted and can be sent for the attention of Jim Murphy to fscompliance@matheson.com or to fax number (+) 353-1-232 3333. Please read the notes printed on the proxy card which will assist you in completing and returning same. You may attend and vote at the EGM even if you have appointed a proxy but in such circumstances the proxy is not entitled to vote. If you are a corporate entity, you may wish to appoint a representative to vote at the EGM on your behalf, and a form of Letter of Representation is attached in Appendix III for this purpose.

The quorum for the EGM is two Shareholders present either in person or by proxy. If within half an hour after the time appointed for a meeting a quorum is not present the meeting will be adjourned to the same day in the next week being 11 December 2023 at the same time and place or to such other time and place as the Directors may determine. At such an adjourned EGM, one Shareholder present in person or by proxy shall be a quorum.

Effective Date

If the EGM (or any adjourned EGM) is held, a notice (the “**Post-EGM Notice**”) will be available at www.aegonam.com/egm-notice-results to inform Shareholders in the Sub-Fund of the result of the vote. The Post-EGM Notice is expected to be available shortly following the EGM and at least by the next Business Day following the EGM.

In the event that the resolution is passed, the proposed changes will take effect on the same day as the revised Supplement is noted by the Central Bank, which is expected to be on or about 18 December 2023 or on such later date as is notified to you in the Post-EGM notice (the “**Effective Date**”), subject to the approval of the Central Bank. Following the changes taking effect, they will be binding on all Shareholders, irrespective of how (or whether) they voted. The updated Supplement reflecting the changes described in this circular will be available on the Effective Date.

Recommendation

The Directors are of the opinion that the proposed changes are in the best interests of the Shareholders as a whole and recommend that you vote in favour of the resolutions set out in the Notice.

If you have any queries, if any of the above is not clear or if you would like a copy of the revised Supplement (once available), please contact our Investor Helpdesk on +353 1 622 4493 or email us at aegonamta@citi.com. We will be happy to help you.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stuart Donald', is written over a light grey circular stamp.

Stuart Donald
Director

For and on behalf of the
Board of Directors of the Company

APPENDIX I

NOTICE OF EXTRAORDINARY GENERAL MEETING

OF

AEGON ASSET MANAGEMENT INVESTMENT COMPANY (IRELAND) PLC

(the "Company")

(an umbrella fund with segregated liability between its sub-funds)

REGISTERED OFFICE

70 Sir John Rogerson's Quay
Dublin 2

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("EGM") of Aegon Short Dated High Yield Global Bond Fund (the "**Sub-Fund**"), a sub-fund of the Company, will be held at 70 Sir John Rogerson's Quay, Dublin 2, Ireland on 4 December 2023 at 5.00pm (Irish time) for the transaction of the following business:

Ordinary Resolution

1. That the Policy Changes in respect of the Sub-Fund in the form or substantially in the form set out in the circular dated 17 November 2023 containing the Notice of Extraordinary General Meeting, be approved, subject to any further amendments as may be required by the Central Bank of Ireland.

BY ORDER OF THE BOARD

DocuSigned by:

Dualta Connihan

B44C5EABE41141F

For and on behalf of
Matsack Trust Limited

Dated 17 November 2023

NOTES

- A Shareholder entitled to vote at the EGM is entitled to appoint one or more proxies to vote instead of him or her.
- A proxy need not be a Shareholder of the Company.
- In the case of a body corporate, the proxy form must be either under seal of the body corporate or under the hand of an officer or attorney duly authorised in writing.
- The proxy form together with the power of attorney or other authority, if any, under which it is signed, or a notorially certified copy of that power or authority, must be deposited at 70 Sir John Rogerson's Quay, Dublin 2, Ireland not later than 48 hours before the time of the EGM. An emailed or faxed copy will be accepted and can be sent for the attention of Jim Murphy by email to fscompliance@matheson.com or to fax number (+) 353-1-232 3333.
- The accidental omission to give notice of the EGM to, or the non-receipt of notice of the EGM by, any person entitled to receive notice shall not invalidate the proceedings at the EGM.

APPENDIX II

PROXY FORM

AEGON ASSET MANAGEMENT INVESTMENT COMPANY (IRELAND) PLC

(the "Company")

I/We _____ (the "**Shareholder**")

of _____ (address of Shareholder)

being a Shareholder of the Aegon Short Dated High Yield Global Bond Fund (the "**Sub-Fund**"), a sub-fund of the Company, hereby appoint the chairperson of the extraordinary general meeting (or failing him/her), Dualta Counihan of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing him), Barry O'Connor of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing him), Terri Corridan of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing her), Jim Murphy of 70 Sir John Rogerson's Quay, Dublin 2 or (failing him), Arica Midha of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing her), Sarah Hogan of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing her), Gavin Coleman of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing him), _____ of _____ as the proxy of the Shareholder to attend, speak and vote for and on behalf of the Shareholder at the extraordinary general meeting of the Sub-Fund, a sub-fund of the Company, to be held on 4 December 2023 at 5.00pm (Irish time) and at any adjournment of the meeting.

The proxy is to vote as follows:

Voting instructions to Proxy (choice to be marked with an "X")			
Name or description of resolution:	<i>In Favour</i>	<i>Abstain</i>	<i>Against</i>
Ordinary Resolution: That the Policy Changes in respect of the Sub-Fund in the form or substantially in the form set out in the circular dated 17 November 2023 containing the Notice of Extraordinary General Meeting, be approved, subject to any further amendments as may be required by the Central Bank of Ireland.			
<i>Unless otherwise indicated the proxy shall vote as he or she thinks fit</i>			
Signature of Shareholder _____			
Dated :			

NOTES:

- (a) In the case of a body corporate, the proxy form must be either under seal of the body corporate or under the hand of an officer or attorney duly authorised in writing.

- (b) The proxy form together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at 70 Sir John Rogerson's Quay, Dublin 2, not later than 48 hours before the time of the EGM. An emailed or faxed copy will be accepted and can be sent for the attention of Jim Murphy by email to fscompliance@matheson.com or to fax number (+) 353-1-232 3333.
- (c) Unless otherwise instructed the proxy will vote as he thinks fit.
- (d) In the case of joint Shareholders the signature of the first named Shareholder will suffice.
- (e) If you wish to appoint a proxy of your choice delete the words "the chairperson of the extraordinary general meeting" and insert the name of the proxy you wish to appoint.
- (f) The returning of a form of proxy duly completed will not prevent a Shareholder in the Sub-Fund from attending and voting in person.
- (g) If you are holding Shares in the Sub-Fund through an intermediary or nominee, please contact your intermediary or nominee for arrangements relating to the EGM.

APPENDIX III

LETTER OF REPRESENTATION

To: The Directors
Aegon Asset Management Investment Company (Ireland) plc
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Dear Sirs

We, _____,
of _____

(the "**Company**") being a Shareholder of the Aegon Short Dated High Yield Global Bond Fund (the "**Sub-Fund**"), hereby appoint the chairperson of the extraordinary general meeting (or failing him/her), Dualta Counihan of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing him), Barry O'Connor of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing him), Terri Corridan of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing her), Jim Murphy of 70 Sir John Rogerson's Quay, Dublin 2 or (failing him), Arica Midha of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing her), Sarah Hogan of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing her), Gavin Coleman of 70 Sir John Rogerson's Quay, Dublin 2 or (or failing him), _____ of _____ as the Company's representative to attend and vote on the Company's behalf at the extraordinary general meeting of the Sub-Fund to be held at 70 Sir John Rogerson's Quay, Dublin 2, Ireland, on 4 December 2023, at the time set out in the notice dated 17 November 2023, or any adjournment thereof.

Such person so appointed shall be entitled to exercise the same powers at any such meeting in respect of our shares in the Sub-Fund as we could exercise if we were an individual shareholder and is empowered to sign any necessary consents in connection with any such extraordinary general meeting, with respect to any business on behalf of the Company.

Signed _____
Duly authorised officer
For and on behalf of

Date _____

Appendix IV

POLICY CHANGES

1. INVESTMENT POLICIES

The Investment Manager will seek to achieve the Fund's investment objective by investing at least ~~two-thirds~~ 80% of its net assets in high yield bonds (i.e. securities having a rating of Ba1 or lower by Moody's Investor Services (Moody's) or ~~below or~~ BB+ or lower by Standard and Poor's (S&P) ~~or below~~, or Fitch Ratings Inc (Fitch) and other bonds deemed by the Investment Manager to be of similar credit quality) in any currency, which may be government or corporate, and which may be at a fixed or floating rate, rated or unrated. The Fund's exposure to bonds may be obtained through direct investment or through the financial derivative instruments (FDI) described below. The Fund may also hold selected investment grade bonds and cash as described below.

The average portfolio duration of this Fund will normally vary within zero and a plus ~~two-three~~ year time frame. Residual maturity (being the remaining time between acquisition and maturity of the bond) will not exceed five and a half years. Maturity is measured by legal final maturity. In addition, the Investment Manager will hedge the majority of currency exposure arising from bond positions back to the Fund's Base Currency. All of the Fund's bond investments (including indirect exposure to single named FDI) (but for the avoidance of doubt excluding ancillary liquid assets, collective investment schemes and index derivatives) are subject to the Investment Manager's ESG criteria (detailed below). In summary, the Investment Manager will, firstly, apply an exclusionary screen to exclude investments which the Investment Manager considers have a negative impact on society and/or the environment.

The Investment Manager then, through assessing the ESG evaluation undertaken by its credit research team, identify issuers using a proprietary ESG framework to construct a portfolio with issuers who have identified as having the best ESG categories, with the lowest ESG risks. The Fund will invest at least 90% of its assets in those securities with ESG categories 1, 2, or 3, with up to 10% in securities identified as ESG category 4. The Fund will not invest in securities with ESG category 5.

Finally, the Investment Manager will then categorise issuers according to their level of alignment with progress towards a net-zero economy. The categories, as set out in the Investment Manager's proprietary climate categorisation system, will range from 1 to 5, with 1 being the highest category for leaders that are driving the net-zero transition i.e., "Leaders" and 5 being the lowest category for those laggards that are actively hindering climate progress i.e. "Laggards". The focus will be on supporting issuer's energy transition using quantitative and qualitative information to invest in issuers with solid plan of energy transition and by limiting exposure to issuers in climate categories 3, 4, or 5 over time. For further details in respect of the Fund's promotion of ESG characteristics, please refer to Appendix I to this Supplement.

The Fund may hold bonds which can be converted into shares in the issuer, or warrants over such shares received as a result of corporate actions. If the Fund is invested in any such bond which is subsequently converted into equity or loans or warrants, the Investment Manager may in its discretion continue to hold such equities within the Fund for a period ~~of up to six months for an unlimited period~~ after such conversion in order to determine the right moment to redeem the equity in the best interests of the Fund.

High Yield Bonds The Fund will invest at least ~~two-thirds~~ 80% of its net assets within the global high yield bond universe, ~~which are issues rated Ba1 by Moody's or below or BB+ by Standard and Poor's or below~~ with credit ratings deemed to be 'high yield' defined as meeting one or more of the following rating criteria: rated Ba1 or by Moody's: BB+ or lower by S & P or Fitch;, or other bonds deemed by the Investment Manager to be of similar credit quality.

Investment Grade Bonds The Fund may invest at most 20% of its net assets in bonds issued by companies whose credit rating is deemed to be 'investment grade', defined as meeting two or more of the following rating criteria: Baa3 or higher by Moody's, ~~as~~ BBB- or higher by S&P, ~~or~~ BBB- or higher by Fitch or its successors (Fitch) or, in the case of unrated bonds, those deemed by the Investment Manager to have an equivalent credit rating ("Investment Grade Bonds").

Emerging Market Debt The Fund may invest up to 20% of its net assets in emerging markets ~~(including Russia)~~. The Investment Manager's opinion as to what are "emerging markets" may change over time as a result of developments in national or regional economies and capital markets. Within emerging market investments, the Fund seeks to participate in the more established markets which the Investment Manager believes provide sufficient liquidity. The Fund may ~~have an exposure to Russia by investing in Russian bonds that are traded on global exchanges. For the avoidance of doubt, the Fund shall not invest in local currency bonds traded on the Moscow Exchange. The Fund may~~ invest in corporate emerging market debt.

The Fund may also invest in use-of-proceeds labelled bonds (including green, or other sustainability-themed bonds), which are bonds the proceeds from which are used for specific projects or investments. Green bonds provide finance for environmentally and/or climate friendly projects. The Fund may also invest in sustainability-linked bonds, which are bonds for which the financial and/or structural characteristics are tied to predefined sustainability or ESG objectives. The Fund's exposure to such use-of-proceeds labelled bonds and sustainability-linked bonds may change over time and is not subject to any aggregate limit.

Loans

The Fund may be invested in fixed and floating rate loans which qualify as money market instruments from one or more financial institutions ("Lenders(s)") to a borrower ("Borrower") by way of (i) assignment/transfer of or (ii) participation in the whole or part of the loan amount outstanding. The Fund will only invest in loans that meet the definition of 'money market instruments' as set out in the Regulations. The Fund may invest up to 10% of its Net Asset Value in loans which qualify as money market instruments.

In both instances, assignments or participations, such loans must be capable of being freely traded and transferred between investors in the loans. Participations typically will result for the Fund in a contractual relationship only with a Lender as grantor of the participation but not with the borrower. The fund acquires a participation interest only if the Lender(s) inter-positioned between the fund and the borrower is determined by the Manager to be creditworthy. When purchasing loan participations, a fund assumes the economic risk associated with the corporate borrower and the credit risk associated with an interposed bank or other financial intermediary. Loan assignments typically involve a transfer of debt from a lender to a third party. When purchasing loan assignments, the fund assumes the credit risk associated with the corporate borrower only. Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by bank or other financial institutions or lending syndicates.

The Fund may also invest in securitised loans participations.

The Fund will invest primarily in US dollar-denominated assets or assets hedged back to US dollars assets. However, at times, up to 20% of Fund assets may be denominated in non-US currencies that are not hedged back to US dollars.

The Fund will be broadly diversified by industry and issuer. The allocation ranges are subject to change as the market for high yield bonds throughout the world evolves. No issuer will represent more than 10% of the Fund's net assets at any time save as described in paragraph 3.2.2(5) in the Permitted Investments section in the Prospectus.

The Fund may also use financial derivative instruments (**FDI**) (as further described below) for investment or hedging purposes. The Fund will aim to deliver income to the Shareholders and manage interest rate risk by holding FDIs and taking short positions synthetically via FDIs, based on anticipated changes in interest rates and corporate bond yields.

The Fund may invest up to 20% of its net assets in ancillary liquid assets such as cash, bank deposits, short term certificates, commercial paper, and treasury bills. However, no more than 20% of the net assets of the Fund may be held in aggregate in such ancillary liquid assets.

There is no geographic limitation to the investment universe. All of the listed assets that the Fund invests in are publicly listed/traded on a Recognised Market (see Schedule 1 of the Prospectus for a list of Recognised Markets).

A maximum of 10% of the Fund's net assets may be invested in units or shares of other collective investment schemes.

Investment Strategy

In order to achieve the Fund's investment objective the Investment Manager will invest mostly in short-dated high yield bonds, with the largest investments being made in the Investment Manager's highest conviction ideas and that meet the Investment Manager's ESG and climate criteria referenced above.

The Investment Manager's highest conviction ideas are identified using an initial universe of potential investments which fall within the Fund's investment policy. In creating an initial universe of potential investments, the Investment Manager will usually start by analysing a universe of bonds which match the minimum investment criteria for a significant proportion of the Fund (i.e. at least ~~two thirds~~ 80% of the Fund must be invested in High Yield Bonds and separately each bond selected is subject to an issue maturity limit of five and a half years). The Investment Manager may then add further potential bonds to this initial universe using a variety of research and data analysis methods including independent investment research, broker-generated investment research, desk-based local research, financial news and interrogation of investment data sources (such as Bloomberg and data obtained from ratings agencies) – all of which would allow the Investment Manager to assess an asset's appropriateness in relation to the Fund's investment policy and objective. The Investment Manager will take larger or smaller positions depending on the relative attractiveness of yield in relation to the Investment Manager's view of the likelihood default of the issuer.

Once the universe of potential investments has been identified, each potential investment will be given a score assessed by the Investment Manager in relation to valuation, fundamentals (for example the credit risk of the issuer), technical (i.e. patterns of market activity) and market/investor sentiment. Those with positive scores and ESG and climate categorisation. Those that meet the Fund's investment and ESG criteria are then considered for investment by the Investment Manager — (with the largest investments being made in the Investment Manager's highest conviction ideas and those meeting the ESG and climate criteria above). Positions will be well diversified by issuer and sector.

As a result of the overarching ESG criteria and the integration of the climate related analysis, the Fund seeks to have a lower carbon intensity portfolio compared with the broader universe as defined by Bloomberg Global High Yield Corporate 1-5 Year Ba/BIndex. The Fund seeks to have at least 30% lower weighted average carbon intensity (WACI) versus this comparator index. The WACI is the metric used to measure carbon reduction and is calculated in line with Taskforce for Climate related Financial Disclosure guidance (TCFD). Currently, this carbon intensity calculation is based on scope 1 and 2 emissions only, as defined by TCFD, given the limited disclosure and data quality of scope 3 emissions for high yield issuers, scope 3 emissions are currently not included.

The Investment Manager may use its influence as an investor to try to ensure that the business activities of issuers held in the Fund continue to be consistent with the Investment Manager's ESG criteria. If an existing holding is identified as no longer meeting the Investment Manager's ESG criteria described above as a result of circumstances changing or the issuer not improving on the issues where the Investment Manager had expected to see progress, then the Investment Manager will sell the position as soon as is reasonably practicable and always whilst seeking best execution and acting in the best interests of Shareholders.

Target performance

The Fund seeks to return performance at a rate of SOFR plus 3.0% per annum, over a rolling three-year period, gross of fees and expenses of the Fund. SOFR, is the effective overnight interest rate by banks for unsecured in the US dollar market.

Although the Fund hopes to reach this level of performance, there is no guarantee that this will be achieved. The Fund's capital is at risk meaning that the Fund could suffer a decrease in value at any time.

Financial Derivative Instruments (FDI)

The Fund may use FDIs for the purposes of efficient portfolio management (**EPM**), subject to the conditions described in the Prospectus. The Fund may also use FDIs for investment purposes.

In particular, the Fund may invest in futures, forwards, swaps (including interest rate swaps and credit default swaps), warrants and convertible securities, each of which is described in the Prospectus. The underlying assets of these FDI will be one of the asset classes referred to above in this **Investment Policies** section.

Generally, the underlying assets of the futures contracts in which the Fund will invest will be government or corporate bonds and interest rates described in the Fund's Investment Policy.

For example, interest rate futures (either exchange-traded or OTC) may be used for both investment and hedging purposes. Active positions may be placed in order to profit from an anticipated interest rate move. Positions may also be taken to hedge against the risk that interest rate moves in an adverse direction. Typically, the Fund may use credit default swaps to alter the Fund's exposure in accordance with the Investment Manager's outlook for the credit market at the time. Generally the underlyings of the credit default swaps will be single bonds.

The Fund will not actively invest in warrants but may hold warrants where the Fund receives same as a result of a corporate action taken by one of its bond issuers.

The Fund will not actively invest in convertible securities, but there may be circumstances where the Fund holds convertible securities as a consequence of a corporate action by a bond issuer taken by one of its bond issuers.

The Fund may use FDIs for investment purposes:

- (i) as a substitute for taking a position in an underlying asset;
- (ii) to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates;
- (iii) to hedge market risk; and/or
- (v) to implement the investment strategy described above.

FDIs may also be used in order to take tactical investment decisions to meet the fund's objectives. Futures, forwards and swaps (including interest rate swaps and credit default swaps) may be used to gain or reduce the Fund's exposure to credit spreads or a particular security or market for periods of time to be determined by the Investment Manager, either in advance of a longer term allocation or reappraisal of the Fund's commitment to

the asset or market in question, or purely on a temporary basis where it is more efficient to use FDIs for this purpose.

The Investment Manager may use futures, forwards or swaps (including interest rate swaps and credit default swaps) to manage the Fund's exposure to the market. These instruments may be used to increase, reduce or maintain exposure to the market as a whole or its subcomponents to enhance the Fund's performance or protect downside risk. For example typical positions taken will be based on the Investment Manager's view on sensitivity of prices or sensitivity of spreads to expected changes in both economic and market conditions.

Other Information

The Fund will be able to take long and/or synthetic short positions across the assets described in the investment policy. It is anticipated that the Fund may hold between 100% to 150% of its assets in long positions and up to 50% of its assets in synthetic short positions.

The synthetic short strategy will only be used for efficient portfolio management purposes and will not be used to take active short positions as this is not part of the strategy. The Fund will however take long positions as part of the strategy.

The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's RMP. VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 14.1% of the Net Asset Value of the Fund; and the one-tailed confidence interval shall not be less than 95% with a one month holding period. The historical observation period will be not less than 3 years. VaR will be calculated on a daily basis.

The level of leverage of the Fund (calculated using the sum of the notionals of the FDIs used by the Fund) under normal circumstances is expected to be in the range of 50% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.

The collateral management policy is set out in the Prospectus. The level of collateral required by the Fund in respect of its investment in OTC FDIs and use of efficient portfolio management techniques will be that required to manage counterparty exposure within the limits set down by the Central Bank.

Use of benchmarks

The Fund is actively managed and is not constrained by any benchmark, [other than the Bloomberg Global High Yield Corporate 1-5 Year Ba/B Index which will be used as a reference point to measure carbon intensity. The Fund is not designed to track the composition of this index and is not constrained by its constituents.](#)

Benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document for the Fund.

SFDR

[As described at Appendix I, the Fund promotes ESG characteristics through exclusions, ESG related investment criteria and climate transition criteria. The Fund uses a proprietary 5-tier ESG and climate categorisation process to select investments that meet the Investment Manager's ESG and climate criteria. In addition, the Investment Manager focuses on selecting issuers that have robust and credible plans to achieve global climate goals and strive to achieve an energy transition. As such, the Fund is categorised as falling within the scope of Article 8 of SFDR.](#)

SFDR ANNEX

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Product name: Aegon Global Short Dated High Yield Climate Transition Fund
Legal entity identifier: IE00BDCVTK40

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

It will make a minimum of **sustainable investments with an environmental objective:** ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** ___%

No

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Fund seeks to promote minimum environmental and/or social characteristics by adhering to certain norms and values (as set out in more detail under section 'What investment strategy does this financial product follow?'). The Fund seeks to achieve this by excluding companies that are involved in particular activities related to the production, maintenance, or use of controversial weapons or that breach certain percentage thresholds in relation to activities as regards climate change, tobacco, or human rights which may potentially create an adverse impact on sustainability factors.

In addition, the Fund limits its investment in issuers with elevated ESG risks by excluding issuers receiving the highest ESG risk rating based on the Investment Manager's internal ESG categories that considers the most financially material ESG factors according to the activities of each issuer. When assessing an issuer's ESG risks, the Investment Manager may take into account a number of environmental and social considerations. Environmental

considerations may include, but are not limited to, climate change and carbon emissions, energy efficiency, waste and pollution, water use and conservation, deforestation, natural resource use and renewable energy. Social considerations may include, but are not limited to, human rights and labour standards, product safety and liability, workplace safety, workplace benefits, employee relations, diversity/inclusion policies, data protection and privacy, community involvement, nutrition and health, and supply chain sourcing. In addition, the ESG process incorporates various governance considerations.

Lastly, the Fund actively seeks to invest in companies that have robust and credible plans to transition towards a low-carbon economy and are therefore better aligned with the net-zero goals of investors. In addition, the Fund seeks to have a weighted average carbon intensity that is at least 30% lower than the Bloomberg Global High Yield Corporate 1-5 Year Ba/B Index. Please refer to the description of the Fund's investment strategy below for further details.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Fund has the following sustainability indicators to measure the attainment of the promoted environmental or social characteristics of its bond portfolio:

- ≡ The percentage of investments in companies and government-issued debt from companies identified as engaging in the excluded activities that are on the exclusionary and watch list criteria (as detailed in the description of the Fund's investment strategy below);
- ≡ The ESG assessment criteria and the percentage of investments in the ESG categories 1-3 and ESG 4s, as well as exclusion of companies with an ESG category of 5;
- ≡ The climate transition criteria and the percentage of investments in the climate categories in relation to the allocations set forth in the transition pathway.
- ≡ The Fund's weighted average carbon intensity compared to the reference index, the Bloomberg Global High Yield Corporate 1-5 Year Ba/B Index.

For more details on the indicators and thresholds used, please refer to the description of the Fund's investment strategy below.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

N/A

— How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A

— How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, the Fund considers principal adverse impacts (PAIs) on sustainability factors. The Investment Manager interprets consideration to mean awareness of the PAI indicators, where data is available. Certain security types or asset classes may have limited or no PAI data available. PAIs are taken into account within the context of the Fund’s investment objective.

The Investment Manager considers PAIs, where data is available, alongside other factors in its investment decisions. PAI factors will be included in the applicable reports alongside the sustainability risk assessment (ESG integration) for consideration in our investment process. However, PAIs may be no more significant than other factors in the investment selection process, such that PAIs may not be determinative in deciding to include or exclude any particular investment in the portfolio.

More specifically, the climate transition research framework considers issuers greenhouse gas (“GHG”) absolute and intensity based scope 1, 2 and 3 emissions, which are a key part of evaluating a company’s alignment to long-term climate transition.

In addition to considering the PAI indicators, certain issuers are excluded on the basis of their activities and associated adverse impacts. These exclusion criteria are outlined in the description of the Fund’s investment strategy below. Further details are also set out in the Investment Manager’s Sustainability Risks and Impacts Policy applicable to the Fund (the “Aegon AM UK Sustainability Risks and Impacts Policy”), which can be found on the Aegon AM website documents section (www.aegonam.com).

More information on how PAIs were considered during a specific reporting period can be found in the SFDR periodic disclosure.



What investment strategy does this financial product follow?

The Fund will invest predominantly in short dated high yield credit securities, with the largest investments being made in the Investment Manager's highest conviction ideas (which are ideas that the Investment Manager holds the highest confidence as regards their future performance) and those that meet the Investment Manager's ESG and climate criteria as outlined below.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

In addition to the fundamental investment analysis, the Investment Manager will adhere to the following ESG criteria which combines screening investments based on ESG risks performance and climate related transition fundamental analysis.

Screening

A screen will be applied to the universe of investments (namely the Fund's bond investments, but for the avoidance of doubt excluding ancillary liquid assets, collective investment schemes and index derivatives) according to exclusionary criteria and a watch list. The Fund shall not invest in securities and/or issuers that fall within the exclusionary criteria, which excludes securities and/or issuers that engage in activities indicated below. The current exclusionary criteria address:

Controversial weapons

- Companies involved in development, production, maintenance and trade of anti-personnel mines, biological or chemical weapons, cluster munitions and ammunitions containing depleted uranium;
- Companies involved in the production and maintenance of nuclear weapons for any country other than those allowed to possess nuclear weapons based on international agreements;
- Companies that produce or develop key and dedicated components for controversial weapons, as listed above, or offer essential services for their use;
- Companies involved in controversial arms trade to countries where a United Nations Security Council, European Union, United States or other relevant multilateral arms embargo is in place;
- Companies that hold a stake of 20% or more in, or are currently 50% or more owned by, a company that is involved in controversial weapons based on the above criteria;
- Investments in any form of government-issued debt from countries that are under an arms embargo of the United Nations, the European Union, or the United States.

Sovereigns

- Russian and Belarussian companies.

Climate change

- Companies that currently derive 10% or more of their revenue from the exploration, mining or refining of thermal coal.
- Companies that produce more than 20 million tons of thermal coal annually and are actively expanding exploration, mining or refining operations;
- Companies that own coal-fired electricity generation capacity greater than 10 gigawatts and are actively expanding coal-fired electricity production capacity;
- Companies that derive 30% or more of their total oil equivalent production from oil sands;
- Companies building or operating pipelines that significantly facilitate export of oil extracted from oil sands.

Human rights

-Investments in any form of government-issued debt (e.g. government bonds) from countries whose governments systematically breach human rights.

Tobacco

-Companies that derive 5% or more of their revenues from tobacco production.

Alcohol

-Companies that derive 10% or more of their revenues from involvement in brewing, distillation or sale of alcoholic drinks.

Gambling

Companies that derive 10% or more of their revenue from gambling related business activities.

Adult Entertainment

Companies that derive 10% or more of their revenue from owning or producing adult entertainment.

The Investment Manager conducts annual screening of the broadest investment universe and utilizes third-party ESG data to determine which issuers breach the exclusion and watch list criteria on an annual basis. These issuers are added to the Fund's exclusion list. The exclusions are integrated in portfolio risk control processes, with ex-ante controls and daily ex-post monitoring to ensure the Fund adheres to the list. Further details are set out in the Aegon AM UK Sustainability Risks and Impacts Policy.

ESG Analysis

Investments which pass the screening criteria form the investment universe which is then subject the Investment Manager's ESG criteria which forms part of the fundamental credit research and it includes four steps:

1. Identification. The Investment Manager's Credit Research team identify important ESG and non-ESG factors specific to the company and the industry they operate within.

2Assessment. The Credit Research team assess if each factor materially affects the issuer's fundamentals. As noted above, where deemed practical, issuers or securities are assigned into one of five ESG categories based on the analyst's determination of the materiality of ESG factors.

3Incorporation. The Credit Research team incorporate the fundamental impact into the credit assessment and their credit recommendation to support discussions with the Investment Manager.

4Integration. Investment Manager integrates the Credit Research team's assessments, including ESG factors, into the portfolio construction process.

The Credit Research team's proprietary analysis incorporates qualitative and quantitative elements to determine and assess the potential materiality of the ESG issues and the impact on an issuer's credit fundamentals. Focus is given to the potential economic impact ESG issues may have on the issuer's ability and willingness to meet their debit obligations. Debt instruments intrinsically differ by asset class and sector and therefore the methodology as to how ESG factors are considered may differ. Analysts tailor the process to various issuer or security types as needed to reflect the most relevant and material ESG considerations. Through a comprehensive ESG assessment, analysts evaluate ESG criteria from various angles including the issuer's exposure to ESG factors as well as their management of ESG risks. For example, in the case of corporate and government debt the time horizon is different, and the availability of data will also differ.

For example, within the environmental context, an analyst will consider quantitative elements such as greenhouse gas emissions data from a variety of sources including third-party ESG data vendors and regulatory alignment metrics, such as explicit emission reduction targets. In addition, qualitative factors, such as an assessment of the anticipated effectiveness of management strategy in mitigating physical and transition risk, informs how material the environmental factor is within the overall assessment. Materiality of ESG factors is ultimately defined according to the Investment Manager's proprietary ESG framework. Within this framework, securities are assigned an ESG category that ranges from 1 to 5, being:

1. Category 1 includes companies viewed by the Investment Manager as having fundamentals that are positively affected by effective ESG practices.
2. Category 2 companies are judged by the Investment Manager to have fundamentally low exposure to ESG risks or the presence of factors that mitigate ESG risks.
3. Category 3 companies are those, in the view of the Investment Manager, with ESG risk exposures that could negatively affect fundamentals, but the effect is not measurable and the timing is uncertain.
4. Category 4 companies are those which the Investment Manager views as having ESG risks resulting in negative pressure on fundamentals, but having a limited impact on its credit rating.
5. Category 5 includes companies that, in the Investment Manager's view, have ESG factors resulting in a negative material effect on fundamentals that may or may not be currently reflected in its credit rating.

The Fund will invest at least 90% of its assets in those securities with ESG categories 1, 2, or 3, with up to 10% in securities identified as ESG category 4. The Fund will not invest in securities with ESG category 5.

In case a security no longer meets the Investment Manager's ESG criteria, the Investment Manager will re-position the portfolio to comply with the above limits. The ESG categories are integrated in portfolio risk control processes with ex-post monitoring.

Climate related transition analysis

The Investment Manager will assess climate related transition readiness and net zero alignment of issuers. This is done by considering a range of information to undertake an assessment of an issuer's climate ambition and associated targets, as well as historical emissions and disclosure, environmental governance and strategy.

The Investment Manager will then focus additional analysis on issuers in high influence sectors. High influence sectors are defined as sectors deemed by the Investment Manager to have greatest ability to influence progress against global climate objectives, including but not limited to those with significant direct or indirect greenhouse gas emissions or decisions related thereto. This includes a quantitative and qualitative assessment of what the Investment Manager deems to be key sectoral challenges to climate mitigation.

Issuers will then be assigned a climate category namely: 1- Leader; 2- Prepared; 3- Transitioning; 4- Unprepared and 5- Laggard. The focus will be to support the energy transition by limiting exposure to companies which are categorised as 3- Transitioning (ie, issuers that are classified as Transitioning to achieving net zero emissions), 4- Unprepared (ie, issuers that are classified as Unprepared but who are committed to aligning to achieving net zero emissions) or 5- Laggard (ie, issuers that are classified as Laggards in terms of achieving net zero emissions) to enable a consistent and measurable downward trend away from investment in such issuers over time, as follows (in each case as a percentage of Net Asset Value):

Climate Transition Category	Current	End 2024	End 2029	End 2034	End 2039
Leader		No maximum limit			100%
Prepared		No maximum limit			100%
Transitioning	< 80%	< 60%	< 40%	< 20%	0%
Unprepared	< 40%	< 30%	< 20%	< 10%	0%
Laggard	< 10%	< 5%	0%	0%	0%

The climate transition categories are integrated in portfolio risk control processes with ex-post monitoring.

In addition, the Fund will increase exposure to issuers deriving revenues from climate solutions as determined by eligibility for alignment with the climate change mitigation objective of the EU Taxonomy Regulation. A minimum of 5% of the Fund's portfolio revenue or capital expenditure spend of all issuers held within the Fund will aim to be derived from eligible climate mitigation activities by 31 December 2024, with such minimum exposure to increase by 1% every 5 years thereafter, up to a maximum of 20%.

As a result of the overarching ESG criteria and the integration of the climate related analysis, the Fund seeks to have a lower carbon intensity at least 30% than the Bloomberg Global High Yield Corporate 1-5 Year Ba/B Index. The weighted average carbon intensity (WACI) is the metric used to measure carbon reduction and is calculated in line with Taskforce for Climate related Financial Disclosure guidance (TCFD). Currently, this carbon intensity calculation is based on scope 1 and 2 emissions only, as defined by TCFD. Given the limited disclosure and data quality of scope 3 emissions for high yield issuers scope 3 emissions are currently not included.

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

As detailed above, first, the Investment Manager is required to follow the exclusions list. Second, the Investment Manager is required to follow the ESG best in class process, where 90% of the portfolio should be invested in securities with ESG risk category 1, 2 and 3. The Fund may hold up to 10% of the portfolio in securities with ESG category 4 and unrated, and the Fund is not allowed to buy or hold securities with ESG risk category 5. Lastly, the Investment Manager assesses climate related transition readiness and net zero alignment of issuers and limits exposure to securities categorized as 'Transitioning', 'Unprepared' or 'Laggard' over time. These are all binding elements of the Fund's investment strategy used to attain the Fund's promoted environmental and/or social characteristics.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

● **What is the policy to assess good governance practices of the investee companies?**

The Investment Manager is required to assess the good governance practices of issuers. It is expected that companies conduct their operations in accordance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles (UNGP) on Business and Human Rights, and the UN Global Compact principles. To identify potential breaches of these norms, the corporate holdings of the portfolio are periodically screened using external specialized research, such as controversies, that indicate actual or potential breaches of international norms and standards. Please refer to the Aegon AM UK Sustainability Risks and Impacts Policy for further details of this process.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

The Investment Manager will invest a minimum 80% of the portfolio in assets that promote the environmental and/or social characteristics in a manner as described above. A minor portion of the portfolio, 20%, may be invested in other assets that are not aligned with environmental and/or social characteristics, for example, index derivatives, collective investment schemes, cash, bank deposits, short term certificates, commercial paper and treasury bills.

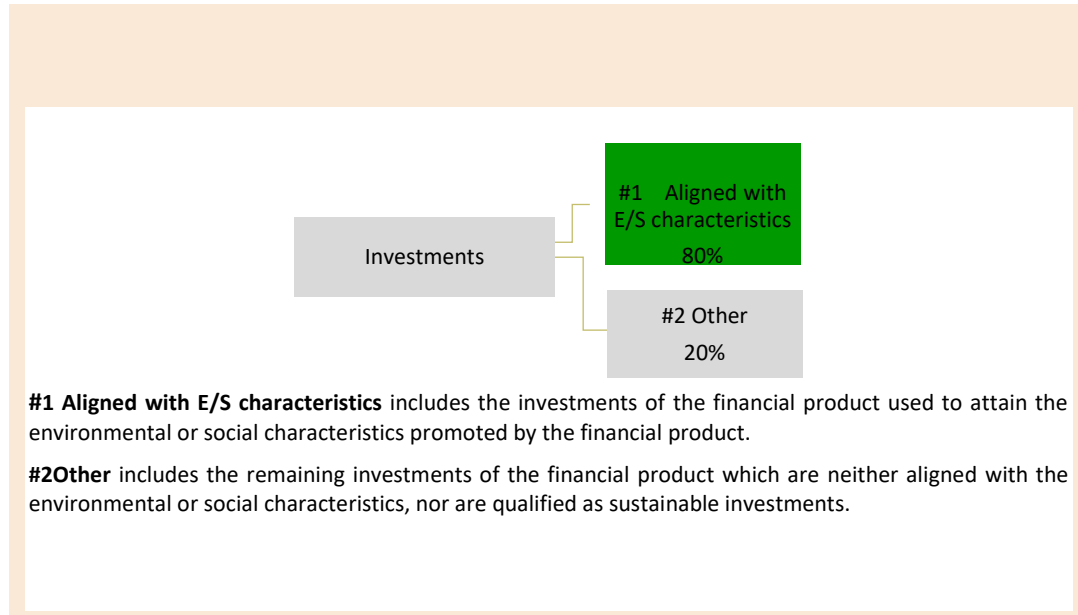
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

turnover reflecting the share of revenue from green activities of investee companies

capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

operational expenditure (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The exclusionary criteria that the Fund follows also apply to single name derivatives which may be used in the investment process. Therefore, single name derivatives should be aligned with the environmental or social characteristics promoted by the Fund. The Fund does not use derivatives on indexes to attain its promoted ESG characteristics.



● **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The investment strategy, as set out in the section above "What investment strategy does this financial product follow?", describes how the Fund promotes ESG characteristics through, amongst other things, consideration of a wide range of environmental characteristics, including the Climate Objectives.

In order for an investment to qualify as environmentally sustainable as at the date hereof, it must meet a number of different criteria, including that it contributes substantially to a Climate Objective, as measured according to the technical screening criteria set out in the Taxonomy Regulation, and that it must not significantly harm any of the environmental objectives set out in the Taxonomy Regulation.

The Fund seeks to promote environmental characteristics, however does not make any assessment of whether its investments are Taxonomy-aligned; as such, the Fund will invest 0% of its Net Asset Value in Taxonomy-aligned investments.

The “do no significant harm” principle referred to above applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?

Yes

In fossil gas

In nuclear energy

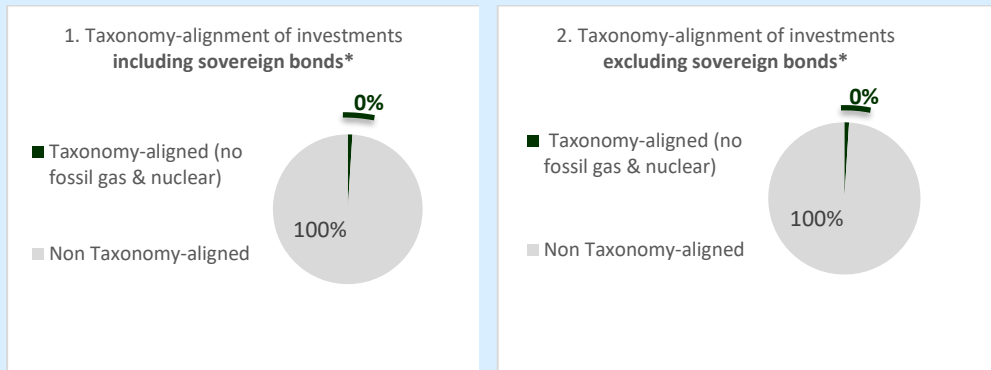
No

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

What is the minimum share of investments in transitional and enabling activities?

N/A

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A



What is the minimum share of socially sustainable investments?

N/A



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The Fund may invest in other investments for the purpose of efficient portfolio management, for example, collective investment schemes, index derivatives, cash, bank deposits, short term certificates, commercial paper and treasury bills. These other investments are not subject to the Fund's environmental or social criteria.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

● **How does the designated index differ from a relevant broad market index?**

N/A

● **Where can the methodology used for the calculation of the designated index be found?**

N/A



Where can I find more product specific information online?

More product-specific information can be found on the website: www.aegonam.com

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.