

AEGON ACHTERGESTELDE LENINGEN FONDS

Disclaimer: This document is not marketing material. It contains information about this Fund (the product) in relation to the Sustainable Finance Disclosure Regulation. The information is legally required to help you understand the sustainability characteristics and/or objectives and risks of this fund. It is recommended to read this document together with other relevant documentation on this product so you can make an informed decision about whether to invest. Definitions used in this document have the same meaning as those used in the Fund prospectus.

(a) Summary

This product promotes environmental and social characteristics by actively excluding certain investments that have a significant adverse impact on sustainability factors on an ongoing basis. In the due diligence, the product does not consider principal adverse impacts (PAIs) since PAI indicators data may be unavailable. The product applies measures to screen out investee companies that do not follow good governance principles. The majority of the investments in the product are aligned with the environmental and social characteristics. The manager uses a wide variety of internal and external data from several sources as inputs for its decisions.

For a translation of this summary in one of the official languages of a member state where this financial product is made available, please refer to section (m) Summary Translations furtheron in this document.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

When funds aims to make one or more sustainable investments:

How the sustainable investments do not significantly harm any of the sustainable investment objectives?

Not applicable

How are the Principal Adverse Impacts (PAI) taken into account?

Not applicable

Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights?

Not applicable

(c) Environmental or social characteristics of the financial product

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

This Fund actively avoids investing in companies identified as having significant adverse impact on sustainability factors including, but not limited to, climate change, biodiversity, human rights, and good health. The Fund does this by applying the exclusion criteria set by the Aegon AM NL Sustainability Risks and Impacts policy. No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

(d) Investment strategy

What is the investment strategy used to meet the environmental or social characteristics promoted by this financial product?

The Fund invests in newly issued Subordinated Loans to Dutch SMEs, Small Mid-Cap Companies and Mid-Cap Companies.

The Subordinated Loans must comply with:

- if the 'Groeï' Facility of the Dutch State is used: the conditions of the 'Groeï' Facility, as amended from time to time.
- if use is made of the InnovFin SME Guarantee Facility (InnovFin Facility) or any other guarantee facility of the European Investment Fund (EIF): the terms and conditions of the relevant Guarantee Agreement, as amended from time to time.
- the Debtor has a credit quality of B- or higher as determined by the Manager.

Each Subordinated Loan is in principle held until maturity. The Manager aims to invest at least 60% of the total Committed amounts from Unitholders to be invested in Subordinated Loans guaranteed by (i) the State for 50% of the outstanding portion of the principal under the Growth Facility or (ii) EIF for at least 50% of the amount due plus interest for a period of up to 90 days under a Guarantee Agreement. The Subordinated Loans are substantially non-tradable, therefore the Fund is illiquid in nature.

The Fund adheres to the Aegon AM NL Sustainability Risks and Impacts Policy. As part of that policy, the Manager conducts screening to determine which issuers breach the policy's exclusion criteria. The exclusion of borrowers that breach the exclusion criteria is integrated in Portfolio Risk Control processes.

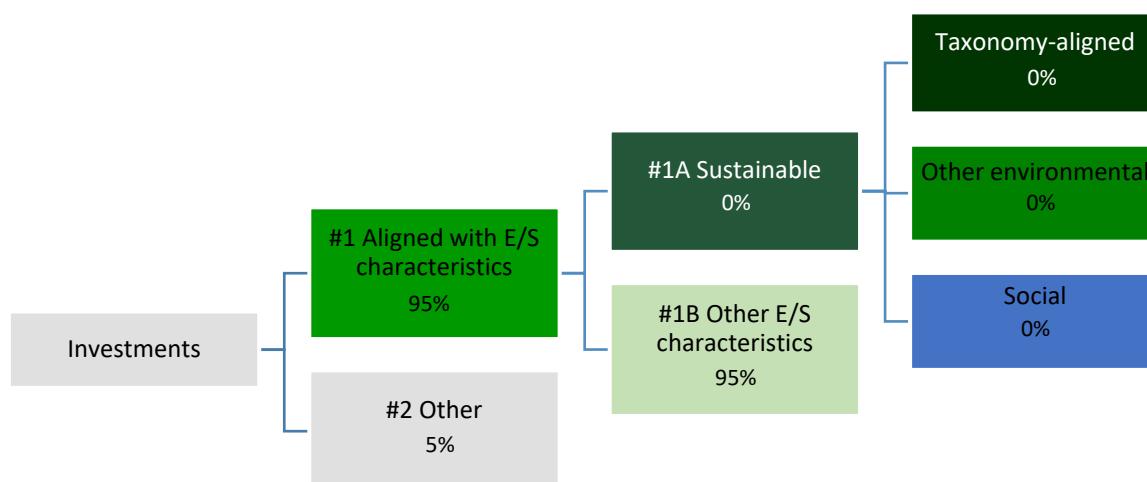
The Aegon AM NL Sustainability Risks and Impacts Policy contains specific ESG criteria. These exclusionary ESG criteria are the binding elements used to attain the Fund's promoted ESG characteristics. The Manager is not allowed to invest in securities that meet the exclusionary ESG criteria.

The Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

What is the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance?

The Manager takes 'good governance' into consideration by implementing a qualitative analysis of borrowers. A company profile is prepared for each borrower assessing the governance structure (i.e. board composition, quality of management, corporate policies and processes). The Manager does not include in the portfolio borrowers that are identified as having poor governance structure.

(e) Proportion of the investments



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

(f) Monitoring of environmental or social characteristics

How are the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms?

The Fund adheres to the Aegon AM NL Sustainability Risks and Impacts Policy. As part of that policy, the Manager conducts screening to determine which issuers breach the policy's exclusion criteria. The exclusion of borrowers that breach the exclusion criteria is integrated in Portfolio Risk Control processes.

(g) Methodologies

What are the methodologies to measure how the social or environmental characteristics promoted by the financial product are met?

The strategy excludes a number of securities issued by entities identified according to a set of ESG exclusion criteria listed in the Aegon AM NL Sustainability Risks and Impacts Policy. The key sustainability indicators to measure the attainment of the ESG characteristics this strategy promotes is the share of investments in loans identified to be engaging in the excluded activities. A full list of these excluded activities can be found in the Aegon AM NL Sustainability Risks and Impacts Policy.

(h) Data source and processing

How are the data sources used to attain each of the environmental or social characteristics promoted by the financial product?

Due to the lack of ESG data relevant to these asset classes from specialist data providers, Aegon Asset Management teams work to obtain ESG information directly from the originators for use in our proprietary analysis processes. Portfolio managers engage with the issuers/originators to obtain data.

What measures are taken to ensure data quality?

Given the lack of accounting standards and, in turn, standardised data from data providers and issuers of this type of debt/transaction, a systematic assessment of data quality is challenging and occurs on a case by case basis by the portfolio managers in the context of the overall investment due diligence.

How is data processed?

Data is processed by the portfolio managers during their proprietary analysis processes. Data obtained from issuers is stored in internal locations with restricted access rights.

What proportion of the data is estimated?

Data obtained from public sources and data from originators may be estimated to some extent, however no systematic measures are available to establish whether such data has been estimated and how accurately.

(i) Limitations to methodologies and data

What are potential limitations to the methodologies or data sources and how do such limitation not affect how the environmental or social characteristics promoted by the financial product are met?

Limitations are tied to the data obtained directly from originators, its availability and accuracy. Aegon AM follows an internal proprietary research process using the data obtained from originators on a case by case basis. ESG data obtained from originators is used as a basis and complement to a holistic analysis of the overall investment which also considers other types of data from other sources.

(j) Due diligence

What due diligence is carried out on the underlying assets of the financial product (including the internal and external controls)?

Aegon AM always maintains at least two ESG data providers and utilises multiple data metrics from their data sets for funds promoting ESG characteristics. This allows Aegon AM to compare different sources to allow sufficient certainty that the promoted ESG characteristics can be reasonably attained. The data used will be specific to each fund.

Aegon Asset Management has incorporated the above mentioned sustainability characteristics as well as its sustainability risk management practices into its due diligence processes, which covers both the selection and monitoring of the investments. More information on this can be found in the relevant policy, the Aegon AM NL Sustainability Risks and Impacts policy, which can be accessed through www.aegonam.com.

(k) Engagement policies

What is the engagement policy applied, in the case that engagement is part of the environmental or social investment strategy (including any management procedures applicable to sustainability-related controversies in investee companies)?

This Fund is subject to Aegon AM's Active Ownership Policy, which can be found at www.aegonam.com. For a description of procedures applicable to sustainability related controversies in investee companies for this Fund, we refer to the Sustainability Risks and Impact Policy as referred to in section (d) Investment strategy.

(l) Designated reference benchmark

Has an index been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product?

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

When fund has a designated reference benchmark

How is that index aligned with the environmental and social characteristics promoted by the financial product?

Not applicable.

What input data is used for the reference benchmark?

Not applicable.

Which methodologies are used to select the data in the reference benchmark?

Not applicable.

Which rebalancing methodologies are used for the reference benchmark?

Not applicable.

How is the reference benchmark calculated?

Not applicable.

If information is available on the website of the benchmark administrator, this is the hyperlink to the website:

Not applicable.

(m) Summary Translations



Samenvatting

Dit product promoot ecologische en sociale kenmerken door op continue basis bepaalde beleggingen die een belangrijk ongunstig effect hebben op duurzaamheidsfactoren actief uit te sluiten. Gedurende de due diligence houdt het product geen rekening met de belangrijkste ongunstige effecten, aangezien de indicatoren met betrekking tot de belangrijkste ongunstige effecten mogelijk niet beschikbaar zijn. Het product past maatregelen toe om ondernemingen te screenen op onvoldoende maatregelen op het gebied van goed bestuur hanteren.. Het grootste deel van de beleggingen in het product is afgestemd op de ecologische en sociale kenmerken. De beheerder gebruikt een grote verscheidenheid aan interne en externe gegevens uit verschillende bronnen als input voor zijn beslissingen.