

Annual Report 2024
Aegon Investment Management B.V.
Year ended 31 December 2024

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Company information

Members of the Management Board

D.F.R. Jacobovits de Szeged

T.E.J.F. Stassen

W.H.M. van de Kraats (resigned as per 1 April 2025)

O.A.W.J. van den Heuvel (resigned as per 1 November 2024)

R.R.S. Santokhi (resigned as per 1 February 2024)

Secretary

B.N. Geelkerken

Registered Office

Aegonplein 50

2591 TV, The Hague

The Netherlands

Independent Auditor

EY Accountants B.V.

Antonio Vivaldistraat 150

1083 HP, Amsterdam

The Netherlands

Annual report 2024

- Report of Directors
- Financial statements
- Other information

Report of Directors

General information

Aegon Investment Management B.V. (further: 'the Company', AAM NL or AIM) is a private limited liability company organised under Dutch law and recorded in the Commercial Register of The Hague under its registered address at Aegonplein 50, 2591 TV The Hague. AIM is registered under number 27075825 in the Commercial Register of the Chamber of Commerce and Industries for Haaglanden, The Hague, The Netherlands. The principal activities of the Company are that of management of investment funds and individual portfolio management and investment advice. The Company is incorporated and domiciled in the Netherlands and is regulated by De Nederlandsche Bank (DNB) and Autoriteit Financiële Markten (AFM). The Company is a wholly owned subsidiary of Aegon Asset Management Holding B.V., The Hague.

The Company's mission is to use its investment management expertise to help people to achieve a lifetime of financial security. The Company's investment management expertise is aimed at a wide variety of client groups such as institutional clients as well as retail customers in both the Netherlands as well as more broadly in Pan Europe.

The Company includes 2 branches in Germany and Spain. The branches are responsible for the identification of customers, distributing marketing material produced by the Manufacturing Entities (AAM NL, AAM UK and AAM US) and coordinating any marketing and promotion activities locally. The branches are responsible for the primary interaction with prospective investors, however, once engaged, the client relationship management is a joint responsibility of the Manufacturing Entities and the branches.

On 4 July 2023, Aegon Nederland N.V. was sold to ASR Nederland N.V. (a.s.r.). Anticipating that, on 19 June 2023, all Aegon NL insurance-linked funds were converted into AIFs and registered with the AFM. As a result of this transaction Aegon N.V. became a 29.99% shareholder of a.s.r. which qualifies as a significant influence and made ASR Nederland N.V. a related party to the Company.

On 30 September 2023, the ultimate parent of Aegon Investment Management B.V. Aegon N.V. was converted into Aegon Ltd. Its legal domicile was transferred to Bermuda, but it maintains its headquarters in the Netherlands and will remain a Dutch tax resident.

Performance of the Company and developments during the year

Performance of the Company

The Company delivered a loss after tax of EUR 0.4 million (2023: EUR 2.4 million loss). The result over 2024 was in line with Directors' expectations, and a slight improvement compared to the previous year. Total income and cost increased compared to 2023. The income increased due to a revenue stream generated from a long-term Framework Asset Management Agreement (FAMA) with a.s.r. since July 2023. The initial term of the contract is 10 years. In 2024 the Company paid EUR 11 million dividend to the parent company (2023: 0)

Revenues predominantly consist of management fees earned from the management of assets for affiliated insurance companies as well as external clients and service fees charged to the investment funds to cover for certain expenses. Overall income from affiliated managed assets and third party clients are higher compared to previous year. The main expenses of the Company are personnel expenses, investment management services fees, data, IT expenses and intercompany ("related parties") recharges. The higher costs compared to the previous year are mainly driven by projects costs, increase in number of funds the Company manages due to a.s.r. deal, further integration cost of onboarded a.s.r. Funds and higher amortisation of intangible

fixed assets (future servicing rights). The aforementioned developments led to a loss after tax of EUR 0.4 million (2023: EUR 2.4 million loss).

As at 31 December 2024, the Shareholder's equity amounted to EUR 168.7 million. Eligible capital amounted to EUR 161.5 million compared to the minimum capital required of EUR 50.4 million. The Company's solvency and liquidity position can be characterised as robust. The capital position throughout the year complies with the capital requirements and most of the assets are liquid. As a result, there is no funding need.

Developments of the Company during the year

The Assets under Management (AuM) increased with EUR 13.4 billion from EUR 107.2 billion to EUR 120.6 billion. The AuM in our Fiduciary Services & Multi-Management platform increased with EUR 4.6 billion from EUR 26.3 billion to EUR 30.9 billion. The AuM in our Fixed Income platform increased with EUR 5.4 billion from EUR 59.3 billion to EUR 64.7 billion. The AuM in our Multi-Assets and Solutions platform increased with EUR 2.3 billion from EUR 19.5 billion to EUR 21.8 billion. The AuM in our Real Assets platform and Other platform increased with EUR 0.9 billion from EUR 1.8 billion to EUR 2.9 billion, while the AuM in our Equities platform remained the same with an ending AuM of EUR 0.3 billion. All of this was the result of net asset inflow and market growth across all markets.

Investment performance over the full year was strong. All capabilities performed well during the year. From an operational perspective, the Company continued with migration activities aimed at standardising its processes and systems.

There are two large-scale projects which are currently in process, these are:

Simplification of our operating platform (Project Raft)

The goals of this project are:

- Create a radically simplified operating environment
- Create one global front office and one global risk environment
- Reduce our run rate cost by circa 25%
- Implemented within a 4-year time horizon

The project has been deployed in phases, with two out of three key milestones being completed as per the end of 2022, and the third milestone nearing completion at end of 2024. The final project phase is expected to be completed during 2025.

ASR integration

In the fourth quarter of 2022, Aegon reached an agreement with a.s.r. to combine its Dutch pension, life and non-life insurance, banking and mortgage origination operations. This created a leading Dutch insurance company and contributed to our parent's ambition to build leading businesses in its chosen markets.

At the same time AIM entered into a long-term asset management agreement with a.s.r. to manage the combination's general account illiquid fixed income, Private Debt and Renewable Energy funds with seed investment commitments of a.s.r. and growth potential for third-party clients.

During 2024 AIM asset management activities remained an integral part of the global Aegon Asset Management (AAM) business and has grown in its strategic areas of focus. Integration of a.s.r. continued throughout 2024 and is expected to be completed in 2025.

The Multi-Manager team continues to manage the external manager selection, monitor and oversight of Private Debt capabilities for a.s.r. AIM continues to manage the former Aegon

Cappital's Private Pension Institution (PPI) proposition and Aegon's Unit-Linked and Defined Contribution portfolios.

From 1 July 2024, AIM took over the a.s.r. Dutch Residential Mortgage funds, which it now manages, services and distributes alongside the former Aegon mortgage funds. AIM took over the relationship management of 136 third-party clients who have invested in these funds.

As the Investment Grade Credit, Sovereigns and Derivatives general account portfolios were successfully transitioned to a.s.r in 2023, the Company no longer derives revenues from these portfolios from 2024 onwards.

AIM continues to provide its Dutch investors with fiduciary services and the range of fixed income, real assets, equities and multi-asset & solutions capabilities.

AIM believes that the combined business with a.s.r. will result in a Dutch financial institution champion, benefiting from the talent, best practices and experiences of both companies that will be stronger overall and able to deliver a broad range of attractive products and services.

The long-term asset management agreement with a.s.r. is closely related to the sale of Aegon Nederland N.V. by Aegon Ltd and the exchanged asset management mandates are considered to be settled partly by transferring Aegon Nederland N.V. The net gain of the contracts is included in the gain/loss of disposal of Aegon Nederland N.V.

AIM involved external valuation experts to determine the fair value of these contracts. Based on their assessment the value of incoming asset management mandates was valued at EUR 123.9 million. Details are listed under note 4 of the notes to the financial statements.

General market developments

The global economy experienced a slight slowdown in growth in 2024 compared to 2023. However, what was particularly striking in 2024 were the large differences in economic conditions between regions. The US economy remained very strong, while Europe struggled with the aftermath of the energy crisis and the slowdown in global trade. China continued to grow but experienced a sharp slowdown in the real estate market and rising unemployment. Geopolitical tensions and elections dominated headlines and markets. The inflation picture improved in 2024 and central banks cut policy rates.

Financial markets

After a period of low interest rates, higher inflation led to a more restrictive monetary policy. As a result, interest rates in many countries have risen recently. In 2024, central banks started cutting policy rates, causing short-term interest rates to fall. However, long-term government bond yields rose slightly in 2024. Corporate bonds benefited from declining credit remuneration and low bankruptcies and had a good year. The same applied to alternative fixed-income securities.

Global equities delivered positive returns in 2024. US stocks performed strongly. The good performance of the US stock market was driven by sharply rising prices of companies active in AI or indirectly contributing to it. Japanese shares also achieved high returns, with exporting companies benefiting from the depreciation of the Japanese yen. Returns from European indices and emerging markets were positive but underperformed in other regions.

Under these circumstances the Fiduciary Services & Multi-Management platform assets under management increased from EUR 26.3 billion to EUR 30.9 billion. There was a positive market movement of EUR 2.9 billion and a net inflow of EUR 1.7 billion.

The Fixed Income platform assets under management increased from EUR 59.3 billion to EUR 64.7 billion. There was a positive market movement amounting to EUR 1.4 billion and a net inflow of assets of EUR 4.0 billion.

The Multi-Asset & Solutions platform assets under management increased from EUR 19.5 billion to EUR 21.8 billion. There was a positive market movement amounting to EUR 2.4 billion and a net outflow of assets of EUR 0.1 billion.

The Real Assets platform and Other platform assets under management increased from EUR 1.8 billion to EUR 2.9 billion. There was a positive market movement amounting to EUR 0.3 billion and a net inflow of EUR 0.8 billion.

The Equities platform assets under management remained the same with an ending balance of EUR 0.3 billion. There was a slight positive market movement and a net inflow of less than EUR 0.1 billion resulting in no change in AUM.

On an aggregate level, the Company's total assets under management have increased from EUR 107.2 billion as per the beginning of the year to EUR 120.6 billion as per the end of the year. The total positive market movement amounting to EUR 7.2 billion and a net inflow of assets of EUR 6.2 billion.

Responsible investment

AIM, as part of Aegon Asset Management, is an active, engaged, and responsible investor. We consider responsible investing a core part of our investment philosophy and process, as we believe that responsible investment (RI) practices are crucial for securing long-term value for our clients. Our approach to responsible investment is outlined in the Aegon AM Responsible Investment Framework.

As stewards of our clients' capital, we believe it is our responsibility to consider all potential risks and opportunities. With a focus on long-term results, we employ RI practices such as ESG (Environmental, Social, and Governance) integration and active ownership to ensure a comprehensive understanding of the investments we make on behalf of our clients in actively managed mandates and funds.

We believe that responsible investing creates opportunities to add value for our clients. A growing body of academic research demonstrates that good ESG practices can enhance corporate financial performance in the long term. This value can manifest in the form of lower costs and better access to capital, improved operational performance, reduced reputational risks, and potentially superior long-term risk-adjusted returns for investors.

Exogenous risks, such as natural disasters and pandemics, can disrupt industries and threaten business models. Failure to effectively mitigate such risks can lead to a range of financial, legal, and reputational consequences for the issuer. A company's capacity to mitigate these risks may impact their ability to create and sustain long-term value.

Integrating ESG factors into investment decisions may lead to better investment outcomes as we seek to maximize long-term performance. It is prudent investment practice to consider financially material ESG factors when analysing future profitability. Furthermore, focusing solely on financial metrics may inadvertently discard potential valuable business opportunities.

Our stewardship activities extend beyond existing investment opportunities. By spearheading engagement efforts and exercising shareholder voting rights, we use our voice and actions to help effect positive change. We are more effective in addressing sustainability challenges collectively as an industry, hence, for comprehensive sustainability oversight we collaborate with other investors and stakeholders to engage where we deem it is most effective.

A key principle is that the companies in which AIM invests on behalf of their clients must meet the requirements set out in the AIM Sustainability Risks and Impacts (SRI) Policies for AIM's fund range. These policies state that investee companies are expected to comply with international standards, such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact principles. These standards include, among others, human rights, labor rights, environmental aspects, and anti-corruption practices.

The SRI Policies impose restrictions on investments in companies that are the highest contributors to climate change, biodiversity loss, impact good health and well-being or seriously violate human rights. These include maximum revenue share thresholds for companies active in coal exploration, mining and production, companies that are not aligned with the Paris Agreement, unconventional oil & gas production, nuclear power exposure, and for companies active in thermal coal-fired electricity generation. Investee companies found to exceed these thresholds are excluded from the investable universe.

The SRI Policies also incorporate Principle Adverse Impact indicators (PAIs) as set out in the Sustainable Finance Disclosure Regulation. These PAIs cover various sustainability factors such as environmental, social, and employee matters, respect for human rights, anti-corruption, and anti-bribery matters. We aim to identify and monitor the PAIs on sustainability factors for AIM investments, as set out in the applicable SRI Policies.

As part of its approach to good governance, AIM screens its investments for compliance with the SRI policies and the included global norms. Companies identified for potentially breaching the SRI policies will enter our annual engagement program, where we seek to better understand if and how companies are addressing any such breaches.

AIM restricts the maximum duration of engagement with companies identified for breaching or at risk of breaching the SRI policies. In principle, AIM will allow a maximum period of one year for engagement with companies identified as being non-compliant with global norms, and three years for companies identified to be at risk of non-compliance. After this period, the identified companies may be excluded from our investable universe and added to our Exclusion List, unless we determine that the company has taken sufficient steps to address the identified actual or potential breaches.

In addition to ongoing ESG integration and to enhance data availability for specific PAIs, AIM also continues its climate- and biodiversity-oriented engagement activities for 2025. This includes engaging directly with top emitters and collaborating with various investor platforms such as Climate Action 100+ and the biodiversity-focused engagement initiative Nature Action 100.

Sustainability legislation

In the previous years, a substantial number of sustainability regulations came into force, including the Sustainable Finance Disclosure Regulation, the EU Taxonomy targeted changes to AIFMD, UCITS and MiFID. All pre-contractual requirements have been implemented in existing processes, including client conversations, precontractual, website and periodic disclosures on a product level, and entity level disclosures.

How AIM has implemented the Sustainable Finance Disclosure Regulation is set out in its Statement of Compliance. How AIM considered PAIs at legal entity level is set out in its Principle Adverse Impact Statement. The Statement sets out how PAIs may impact investment decisions or advice that results in a negative effect on sustainability factors, such as environmental, social and employee concerns, respect for human rights, anti-corruption, and anti-bribery matters. Both the Statement of Compliance and the Principle Adverse Impact Statement are available on our website.

Recently, we have seen several consultations that propose further changes to the sustainability legislation. We will continue to commit resources to monitor further regulatory developments and to ensure continued compliance with sustainability regulatory requirements as they evolve.

CSRD compliance

At the end of 2022, the European Parliament adopted the final CSRD text (Corporate Sustainability Reporting Directive), which requires companies in the EU to publicly disclose information and data around environmental, social affairs and governance (ESG) matters based on the ESRS as the underlying reporting framework. The EU Taxonomy, CSRD, and SFDR form

a pivotal triad of regulations designed to streamline and fortify sustainable investing practices. Together, they construct a coherent and efficient framework aimed at empowering investors to make more informed and responsible choices and creating a more transparent and accountable corporate environment. It can be said that the CSRD and the SFDR are interconnected since the CSRD extends corporate reporting obligations to asset managers, while the SFDR extends the reporting obligations of asset managers to investors in their funds.

Under the Corporate Sustainability Reporting Directive (CSRD), certain exemptions and flexibilities are available for companies. AIM's ultimate parent Aegon Ltd produces a consolidated sustainability report that conforms with the CSRD and as its subsidiary AIM is exempt. The report is available in <https://www.aegon.com/Investors/annual-reports>. SFDR is applicable to funds but not to the asset manager therefore it's also not applicable for the Company.

DORA compliance

The Digital Operational Resilience Act (DORA) is a regulatory framework aimed at enhancing the digital operational resilience of financial entities by ensuring they can withstand, respond to, and recover from all types of ICT-related disruptions and threats. To become compliant by January 17th, 2025, Aegon Asset Management undertook a comprehensive project that involved updating policies and procedures, creating an ICT Third Party Service Provider register, and negotiating contract amendments with ICT vendors. The project also included the development of a digital operational resilience testing program and the alignment of incident management processes with DORA requirements. Despite some challenges, such as the delay in regulatory guidance on subcontracting and TLPT, the project successfully transferred to Business as Usual (BAU) on January 17th, 2025. The next steps involve finalizing the ICT Third Party Service Provider register, completing contract amendments, and continuing to monitor and ensure compliance with DORA requirements.

Remuneration policy

Remuneration Policy

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

Transparency of remuneration rules in relation to the integration of sustainability risks

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

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

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

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

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

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

Fixed remuneration

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

Variable remuneration

A selection of AIM employees is eligible for variable remuneration. This variable remuneration is an integral part of the total remuneration package. For the calculation of the annual budget for variable remuneration, a so called bonus pool method is used. This means that the size of the pool (in other words, the budget) is determined by comparing the actual results to the predetermined goals. This consists of a mix such as long term and short term fund results, client satisfaction, profitability, sales figures and Aegon Ltd. results. Granting of any variable remuneration, within the budget, is done based on individual performance. For granting of variable remuneration at individual level, the performance indicators consist for a maximum of 50% of financial performance indicators and for at least 50% of non-financial indicators. In addition, employees that are not eligible for variable remuneration can, under strict conditions, be granted a variable remuneration.

Material Risk Taker (MRT)

On the basis of the AIFMD selection criteria, 5 internal positions have been qualified as MRT, of which 4 are senior management positions. This concerns staff members of which professional activities have significant influence on the risk profile of AIM and/or the managed funds.

When qualifying for a certain fixed income and variable remuneration, no distinction is made between MRT and other employees. Different rules do, however, apply in the area of personal targets and payment of variable remuneration. The personal targets of Identified Staff are assessed in advance on the degree of risk control and are, where required, adjusted accordingly. In addition, in case of MRT variable remuneration is not paid in cash in one instalment. The

initial 50% are paid directly in cash after the year of performance. The other 50% are paid directly in instruments, either in Aegon shares or in so-called phantom shares. The phantom shares are subject to a holding period of three years. They are made available after that. Before each of these elements is paid, it is established whether there are still facts on the basis of which the variable remuneration should be adjusted downward. The phantom shares are linked to the fund performances of the main funds of the Manager. After allocation the shares are held for a year before they are settled and paid to the employee in cash.

Remuneration overview

The table below consists of the fixed remuneration (12 times the monthly salary, income tax, social security contributions, pension contributions and the flexible budget) and the variable remuneration granted to all employees and temporary employees of AIM in 2024. The amounts have been split to management, MRT and other employees.

The remuneration disclosure is prepared based on granted variable compensation figures which relates to the 2024 performance year. This deviates from the figures in the P&L which are based on estimated variable compensation figures assuming an expected bonus pool size as well as that all employees score at target. In addition, for deferred variable compensation schemes, the expenses are recognized over the longer vesting period based on IAS 19.

Personnel compensation for the financial year 2024

Groups (amounts x EUR 1,000)	Number of personnel	of FTE⁽¹⁾	Fixed salary⁽²⁾	Variable remuneration
Board of directors	4	4	1,804	690
MRT	5	5	2,044	1,525
Other staff	382	355	46,357	7,257
Total AIM employees	391	364	50,205	9,472

Personnel compensation for the financial year 2023

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

⁽¹⁾ 1 FTE = 40 contractual hours per week

⁽²⁾ This consists of twelve times the monthly salary and a fixed flexible budget (including, among others, holiday allowance and 13th month allowance).

The remuneration for the employees includes activities performed for Aegon Nederland N.V. Employees are not directly employed by or working exclusively for specific individual funds.

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

Corporate governance, capital management and financial instruments

The Company has established a governance framework for monitoring and overseeing strategy, conduct of business standards and operations of the business across the group that includes a clearly stated corporate organisational structure, appropriate delegated authorities and

independent internal audit and risk management functions. Risk management for the Company operates within this governance framework.

The Company operates a formal risk management framework to assess financial, operational and business risks and mitigating controls. In addition, the Company reviews risks as part of its Internal Capital Adequacy and Risk-Assessment Process (ICARAP). The directors consider that the Company is subject largely to market risk, reputational risk and operational risk. The ICARAP process ensures that after taking account of mitigating actions, the Company maintains a level of capital that is appropriate for the risks it faces.

- Market risk considers the impact of significant falls in both equity and bond markets on assets under management and fee income.
- Reputational risk considers the impact of events such as potential poor investment performance or poor service delivery on sales and withdrawals.
- Operational risk considers the impact of inadequate or failed operational processes, which may impact in terms of higher costs and cause reputational damage.

The Company's objective in managing its capital is to ensure that there are adequate resources to meet the Company's liabilities as they fall due, and to allocate capital efficiently to support growth. The Company manages its capital by measuring its resources and cash available on a regular basis.

The Company is regulated by De Nederlandsche Bank (DNB) and Autoriteit Financiële Markten (AFM). The Company maintains capital in line with the requirements from DNB. The Company reports its capital position to DNB on a quarterly basis.

The Company is not exposed to significant financial instrument risk. Financial instruments held by the Company comprise of trade receivables, cash and short-term deposits. Credit risk is relatively low as assets are primarily cash and short-term deposits, which are placed with major banks of acceptable credit standing and with a degree of diversification.

Risk Management

General

The Company operates within the requirements of the Operational Risk Management Policy of Aegon Group and the AIM Risk Management Policy. This policy sets out the principles and methodologies to identify, assess and manage risk. The Company complements this with a robust control framework, overseen via monthly risk dashboard, periodic meetings such as the Governance, Risk & Compliance Committee meetings (GRCC) and AIM BV Board. The Company also applies other policies setting out the standards that hold specifically for AIM and/or that apply to specific subjects (e.g., Conflicts of interest, Personal account dealing, Gifts & Hospitality, Whistle-blower, Anti-Money laundering, Anti-bribery, etc.).

The Risk Tolerance of the Company is defined in line with the methodology of the Operational Risk Management Policy of Aegon and is updated on an annual basis. The Company is primarily exposed to operational risks and to a lesser extent to financial risks.

Operational and fraud risk

Like other companies, AIM faces operational risk resulting from operational failures or external events, such as processing errors, inaccuracies in models used, negative behaviour by personnel, non-compliance to laws and regulations, and natural or man-made disasters, including climate change. In addition, major programs or organisational transformations may also increase potential for operational risks. AIM's systems and processes are designed to support complex products and transactions, and to help protect against such issues as system failures, business disruption, financial crime, and breaches of information security. AIM monitors and analyses these risks and retains flexibility to update and revise where necessary. AIM's

operational risk universe distinguishes multiple risk types: business risk, legal, regulatory, conduct and compliance risks, tax risk, financial crime risk, processing risk, information technology and business disruption risk, people risk, facility risk, information security risk, fraud risk, Environmental, Social & Governance (ESG) risk, and pandemic risk.

The Company seeks to minimise operational risk events and has no tolerance for single event related losses exceeding EUR 8.0 million more frequently than once every 10 years and has no tolerance for single event related losses exceeding EUR 1 million more frequently than once every 12 months. The Company has a Operational Risk Management department which facilitates identification of operational risk by line management, manages risk events and monitors follow up of issues and actions. The Key control framework is maintained by line management. Effectiveness of key controls is tested by the Risk Control team that operates independently from the COO domain and is part of the risk function. The operational risk profile of the Company is discussed quarterly in the Global Risk and Control Committee by the Global Chief Risk and Compliance Officer and members of the AIM Board. No risk events exceeding the tolerances mentioned above occurred. Also for fraud risks no risk events occurred exceeding our tolerance. We have controls and anti-fraud policies in place to mitigate the risk on fraud.

Legal & compliance risk

Legal & compliance risk is defined as the risk that losses occur resulting from non-voluntary legal liabilities, inadequate legal documentation; or products, services, people, and actions failing to deliver the reasonable expectations of its customers and other stakeholders; or failure to comply with laws, regulations, and internal company rules and policies, as well as late identification of significant and potential legal and regulatory developments. This includes the risk of failure to comply with established good business practices and expectations of key stakeholders such as customers, employees and society. The Company has a dedicated legal department that actively identifies and addresses developments in the regulatory environment and translates this into a regulatory calendar. The Company's independent compliance department also has a monitoring program in place to monitor compliance with laws, regulation and internal policies.

Following an internal review, Aegon Investment Management B.V. is working on further enhancing its measures on customer due diligence to set up a more robust framework. This includes streamlining and harmonizing processes and bringing these in line with market standards. It is expected that these measures will be finalized and implemented by Q2 2025.

In addition, Aegon Investment Management B.V. has taken additional measures to strengthen the operational due diligence processes applied when investing with external portfolio managers. This includes requiring additional information from such managers and conducting more in-depth reviews of the manager's operational risks management, in addition to the measures which are already in place. It is expected that this will also be finalized in 2025.

Financial risk

The main financial risks are credit risk, liquidity risk and market risk, with the principal elements of market risk being interest rate risk and equity price risk. In addition to the financial risks, the Company has identified group risk. The Company is not exposed to significant currency risk other than through exposure to the funds it manages. The corporate governance, capital management and financial instruments section of the Report of the Directors describes the Company's general approach to risk management and the management of financial risks.

Credit risk

Credit risk is the risk that a counterparty defaults on contractual or other agreed obligations (including supplied credits, loans, claims and received warranties) whether or not because of being subject to limitations of foreign payments. The policy of the Company is not to carry out credit activities, hence the main credit risk is concentrated around the bank accounts we use. There is a very limited risk within the Company of not being able to collect management fees from the funds the Company manages. The Company considers that the exposure to credit risk is limited given the prior experience where the Company has not had to write off any significant bad debts over the past 10 years.

A counterparty management policy is in place which limits the maximum amount of our own funds which the Company deposits with individual banks. During normal market conditions a bank balance above the Company's internal set minimum of EUR 15 million will be deposited at a minimum of two counterparties with a high credit rating. This ensures that the Company always engages with a minimum of three counterparties and thereby limiting the risk in this area.

The Company offers standard industry credit terms to clients. The credit risk to clients is very limited as the fee income is related to funds and a.s.r. The credit risk relates to the clients of the Company with a discretionary portfolio. On average the fee income from the clients of the Company with a discretionary portfolio represent a marginal amount of the total fee income. As the risk is insignificant the Company accepts this risk. The third-party growth strategy could lead to an increasing number of discretionary portfolios and consequently a higher amount of receivables on which credit risk applies.

Aged items are monitored by the Finance team of the Company and action is taken to recover such debts (through deduction from client assets if appropriate). The Company does not impose restrictions on the size of such debts, but aims to collect them in a timely way, thus reducing the amount of capital required to cover them. The Company has no appetite for on-balance sheet trading activity that might create counterparty risk.

Details of these balances are listed under notes 6 and 7 of the notes to the financial statements.

Liquidity risk

Liquidity risk considers the probability that insufficient cash is available to fulfil obligations. Liabilities that require liquid capital from the Company are in relation to operating expenses and the Company has a liquidity policy requiring a minimum level of working capital that enables it to manage liquidity risk. The key feature of this policy is that the Company is required to hold liquid capital to cover at least 3 months expenditure on a continuous basis. In practice liquid assets are considerably higher than this. The Company monitors the composition of the balance sheet as well as the size of the balance sheet. The Company reviews the cash balances available to make payments as they fall due. The review of the future forecasts shows that the Company is able to maintain sufficient liquid assets to meet its liabilities. Details of these balances are listed under notes 11, 12 and 13 of the notes to the financial statements.

Market risk

Market risk is the risk resulting from exposure to changes in market prices of tradable financial instruments within a portfolio. The Company does not have a complex balance sheet. The balance sheet consists largely of cash, short-term assets and liabilities and all client assets are held separately off-balance sheet for the risk of clients. Except for the possibility of holding seed capital positions in certain circumstances, it is policy of the Company that investments are not carried out for its own account and therefore the direct exposure to market risk is limited. Currently, the Company does not hold any seed capital positions.

The Company is exposed to indirect market risk caused by fluctuations in the wider financial markets that will affect the valuation of the assets that the Company manages. The Company is therefore subject to indirect market risk through market impacts on fee income. Although the Company retains the ability to hedge this risk in certain situations the Company generally considers it uncontrollable, as it is inherent in the business of asset management. In practice, the exposure to this risk is diversified, to a degree, by having significant exposure to both bonds and equities.

Group risk

The Company is part of the Aegon Group and within this is a member of the Aegon Asset Management Group and is thus subject to group risk. This is inherent to our organisational structure. Group risk may impact us in several ways:

- potential financial or reputational difficulties at Group level
- the Group's control over our actions or spending power
- Group actions such as takeover activity or strategic announcements (considered to be an inherent risk but mitigated through close communication).

The Company considers the benefits of membership of Aegon outweigh these potential risks. A key benefit of group membership is that capital and liquidity support over and above the Company's own capital requirement could be available as an additional buffer, depending on circumstances.

Creditor payment policy

The objective is to treat suppliers fairly and in accordance with good commercial practice. Suppliers' invoices are settled in accordance with agreed contractual terms or, if no terms are scheduled, generally within 30 days of the appropriate invoice date.

Outlook

The directors believe the Company is well positioned for the future and in 2025 our aim is to continue to diversify our asset and client base while continuing to achieve operational excellence. The focus of the Company will be on third party asset gathering with funds that have been launched in recent years and with funds that will be developed to meet clients' needs, predominantly in Alternative Fixed Income. We also aim to grow in the fiduciary business, servicing Dutch pension funds with integrated asset management solutions.

We will continue to invest in our business while remaining profitable. Our 2025 priorities will be to deliver on the global front office implementation project for European client reporting and accounting & performance in the first half of 2025. Furthermore, we will complete the remaining transition of services from and to a.s.r., continue with the preparations to be ready for the Wtp (Dutch Pension Act) transition of our Dutch pension fund clients and work towards reducing our cost base. In the second quarter of 2025, we will move out of our The Hague office and move into our new office at Schiphol.

Management and Supervision Act

As of 1 January 2022, a new regulation came into effect regarding a growth ratio to make the number of men and women in the board more balanced. The new act requires large sized B.V.s such as the Company to have as far as possible a balanced distribution on their Board. At the year-end 2024 33% of the Board was occupied by women.

Directors and their interests

Directors at the date of signing who served throughout the year:

D.F.R. Jacobovits de Szeged

T.E.J.F. Stassen

W.H.M. van de Kraats (resigned as per 1 April 2025)

O.A.W.J. van den Heuvel (resigned as per 1 November 2024)

R.R.S. Santokhi (resigned as per 1 February 2024)

The directors have declared that they had no interest in the share capital of the Company in the financial year ended 31 December 2024.

This report was approved by the Board of Directors and authorised for issue.

The Hague, The Netherlands

29 April 2025

D.F.R. Jacobovits de Szeged

T.E.J.F. Stassen

Financial statements

- Balance sheet before profit appropriation as at 31 December 2024
- Profit and loss account for the year ended 31 December 2024
- Cash flow statement for the year ended 31 December 2024
- Notes to the financial statements

Balance sheet as at 31 December 2024
(all amounts are in thousands of euros)

	Notes	31 December 2024	31 December 2023
Assets			
Non-current assets			
Intangible fixed assets	3	7,217	7,655
Future servicing rights	4	105,315	117,705
Tangible fixed assets	5	257	197
Security deposit		41	41
Total non-current assets		112,830	125,598
Current assets			
Trade receivables, prepayments and other receivables	6	50,138	45,316
Intercompany receivables	7	26,405	29,314
Corporation tax receivable	14	329	815
Cash and cash equivalents	8	75,570	78,027
Total current assets		152,442	153,472
Total assets		265,272	279,070
Shareholder's equity			
	9		
Share capital		1,134	1,134
Share premium		158,097	158,097
Other reserves		2,651	15,576
Legal reserve		7,217	7,655
Net result for the year		(365)	(2,363)
Total shareholder's equity		168,734	180,099
Provisions			
Provisions	10	2,910	2,936
		2,910	2,936
Non-current liabilities			
Non-current liability due to bonus reservation	11	1,990	1,274
Deferred tax liabilities	15	3,816	4,489
		5,806	5,763
Current liabilities			
Trade payables and other liabilities	12	55,007	44,223
Intercompany payables	13	32,815	46,049
Total current liabilities		87,822	90,272
Total shareholder's equity, provisions and liabilities		265,272	279,070

Profit and loss account for the year ended 31 December 2024
(all amounts are in thousands of euros)

	Notes	31 December 2024	31 December 2023
Management fee	16	131,858	116,083
Service fee	17	18,283	16,337
Performance fee		176	207
Other income	18	16,702	16,280
Management fee expense	19	(6,000)	(5,039)
Service fee expense	17	(17,158)	(14,379)
Net turnover		143,861	129,489
Staff expenses	20	(74,320)	(78,269)
Other operating expenses	21	(56,671)	(45,396)
Other expenses		(647)	(478)
Amortisation of intangible fixed assets and future servicing rights	3,4	(13,863)	(8,276)
Depreciation of tangible fixed assets	5	(184)	(133)
Total expenses		(145,685)	(132,552)
Operating (loss)/profit for the year		(1,824)	(3,063)
Addition to provisions	10	(831)	(2,767)
Other gains/(losses)	22	53	(195)
Interest income	23	2,120	2,833
Profit on ordinary activities before taxation		(482)	(3,192)
Corporation tax	24	117	829
Profit/(loss) for the year		(365)	(2,363)

Cash flow statement for the year ended 31 December 2024

(all amounts are in thousands of euros)	Notes	2024	2023
<i>Operating activities:</i>			
(Loss)/profit on ordinary activities before taxation		(482)	(3,192)
<i>Adjustments to reconcile Operating (loss)/profit before tax to net cash flow from operating activities:</i>			
Depreciation, amortisation and impairments	3,4,5	14,047	8,409
<i>Movements in working capital:</i>			
(Increase) in current assets		(1,426)	(50,045)
(Decrease)/Increase in current liabilities		(2,450)	22,540
<i>Other movements:</i>			
Increase in non-current liabilities		17	1,119
Corporate income tax	24	117	829
Net cash flow generated from/(used in) operating activities		9,823	(20,340)
<i>Investment activities:</i>			
Investment in intangible fixed assets	3	(1,036)	(988)
Investment in tangible fixed assets	5	(244)	(139)
Net cash flow used in investment activities		(1,280)	(1,127)
<i>Financing activities:</i>			
Dividend paid	9	(11,000)	-
Net cash flow (used in)/generated from financing activities		(11,000)	-
Net decrease in cash and cash equivalents		(2,457)	(21,467)
Cash and cash equivalents as at 1 January	8	78,027	99,494
Cash and cash equivalents as at 31 December	8	75,570	78,027
		(2,457)	(21,467)

Notes to the financial statements

1. General information

Aegon Investment Management B.V. (the Company) is an Investment Management Company, incorporated and domiciled in the Netherlands. The Company is a private limited liability share company organised under Dutch law and recorded in the Commercial Register of The Hague, Chamber of Commerce number 27075825, under its registered address at Aegonplein 50, 2591 TV The Hague. The Company is a wholly owned subsidiary of Aegon Asset Management Holding B.V. with the ultimate parent company being Aegon Ltd., which is incorporated and has its headquarters in the Netherlands and domiciled in Bermuda.

The principal activities of the Company are management of investment funds, individual portfolio management and investment advice. The Company is the manager of:

- Aegon Funds (Aegon Paraplufonds I before 1 April 2025), Aegon Asset Management QIF Plc whose sub funds are registered with the Authority for the Financial Markets (AFM).
- Various Alternative Investment Funds (AIFs), which are also regulated and registered with the AFM, and various pools.
- Aegon Asset Management Europe ICAV, an open-ended Irish Collective Asset Management Vehicle which is constituted as an umbrella fund with segregated liability between sub-funds and variable capital.

The Company has two foreign branches in Germany and Spain. The primary function of these branches is to introduce prospective investors to the Manufacturing Entities in selected countries. Manufacturing Entities are the entities that offer investment products and services to investors. The Manufacturing Entities include: the Company, Aegon USA Investment Management LLC and Aegon Asset Management UK plc., which are all subsidiaries of AAM.

The two branches are responsible for the identification of customers, distributing marketing material produced by the Manufacturing Entities and coordinating any marketing and promotion activities locally. The branches are responsible for the primary interaction with prospective investors, however, once identified, the client relationship management is a joint responsibility of the Manufacturing Entities and the branches.

The Company outsourced part of the asset management activities to BlackRock Advisors (UK) Limited, Aegon Asset Management UK Plc, Aegon USA Investment Management LLC and La Banque Postale Asset Management. These companies are part of the Aegon Group, except for BlackRock Advisors (UK) Limited.

The Company outsourced the administration of the funds and pools to Citi Fund Services (Ireland) Limited.

2. Summary of significant accounting policies

General concepts of accounting principles

The financial statements are prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('*Raad voor de Jaarverslaggeving*').

Unless otherwise stated, all other assets and liabilities are recognised initially at fair value and subsequently measured at amortised cost. In the balance sheet, profit and loss account and the cash flow statement, references are made to the notes.

The 2024 financial statements are denominated in euros, unless otherwise stated. This is both the functional currency and presentation currency of the Company. Assets and liabilities

denominated in foreign currencies are translated into euros at rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into euros at the rates prevailing at the date of the related transaction. Exchange differences that arise from settlement or translations of monetary items are recorded in the profit and loss account.

All amounts are reported in thousands of euros unless otherwise stated.

Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year, except the correction of an error in legal reserves.

Correction of an error in legal reserves

Within the 2024 financial statements, a material error that was included in the 2023 financial statements has been corrected. The error relates to the legal reserve: in 2023 a legal reserve was accounted for, for the total amount of intangible assets, including Future servicing rights. However, as these rights were externally acquired during 2023, no legal reserve is applicable for this intangible asset. Consequently, the figures of the previous year have been restated with EUR 117,705 thousand from EUR 125,360 thousand to EUR 7,655 thousand. The opposite effect is visible in the other reserves. There is no impact on Shareholder's equity or Profit and Loss.

Management's assessment of going concern

The financial statements of AIM have been prepared assuming a going concern basis of accounting based on the reasonable assumption that the Company is, and will be, able to continue its normal course of business in the foreseeable future. Relevant facts and circumstances relating to the financial position on December 31, 2024, were assessed to reach the going concern assumption. The main areas assessed are the financial performance, capital adequacy, financial position, liquidity, the level of cash capital, management assessment of future forecasts and the medium-term plan. Considering all these areas management concluded that the going concern assumption for AIM is appropriate in preparing the financial statements.

Accounting principles

Intangible fixed assets

Intangible fixed assets consist of capitalised software costs. Intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses determined individually for each asset. A periodic impairment test is performed on assets that are in use and on assets that have not been fully implemented or are not fully in operation. Amortisation starts when the asset is in use. The amortisation is calculated using the straight-line method over the expected useful economic life of the intangible assets, not exceeding a period of five years. A legal reserve is formed for the capital expenditures on the balance sheet, if not purchased externally.

Future servicing rights

Future servicing rights (FSR) are also intangible fixed assets and represents the rights and obligations to service institutional investors underlying the incoming asset management contracts transferred from a.s.r., as part of the deal between Aegon Ltd and a.s.r. The incoming asset management contracts relate to the transfer of the mortgage and illiquid funds from a.s.r. asset management to the Company. The FSR asset represents the benefits that are expected from the asset management contracts. The determination of value of the FSR is based on an independent valuation analysis by a third party using the discounted cash flow approach.

The acquisition of the portfolio of investment contracts without discretionary participation features under which the Company will render investment management services, the present

value of future servicing rights should be recognized as an intangible asset when the following two requirements are met:

- It is likely that the future economic benefits are expected to flow,
- The expenses of the asset can be reliably measured.

The intangible fixed asset acquired in a merger or acquisition is measured at its fair value at the time of the acquisition. If an intangible fixed asset is measured after the initial recognition using the cost model then, the asset shall be carried as cost less accumulated amortisation and accumulated impairment.

The present value of the future servicing rights is amortised over the servicing period of 10 years and is subject to periodic impairment testing.

Tangible fixed assets

Tangible fixed assets are valued at historical cost less straight-line accumulated depreciation. Depreciation of tangible fixed assets is calculated using fixed percentages of the historic purchase cost and based upon the economic life of the asset.

Impairment of fixed assets

On each balance sheet date, the Company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use.

An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. The costs deducted in determining net realisable value are based on the estimated costs that are directly attributable to the sale and are necessary to realise the sale. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset or cash-generating unit.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

Security deposits

Security deposits represents a registration deposit. This deposit is not at free disposal and not expected to be returned within one year from balance sheet date.

Intercompany receivables, trade receivables, prepayments, other receivables, and tax receivables

Intercompany receivables, trade receivables, prepayments, other receivables, and tax receivables are recognised initially at fair value and subsequently measured at amortised cost, unless stated otherwise.

At the end of each reporting period, financial assets measured at cost or amortised cost are reviewed for objective evidence of impairment. If such objective evidence exists, an impairment loss needs to be calculated. Impairment losses are recognised in the income statement immediately. If the objective evidence reverses in a subsequent period, impairment losses are reversed in the income statement of subsequent periods. However, in respect of current assets an entity is allowed to recognise an impairment loss that is expected as a result from a future event happening within a short term after the balance sheet date, though this method is not recommended. Intercompany activities refer to activities with other parties within the Aegon Group; the activities are performed at arm's length.

Cash and cash equivalents

Cash at banks represents cash balances and deposits with terms of less than three months, which can be sold immediately. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is measured at nominal value.

Equity

Share capital is stated at par value. The share premium reserve, relates to capital contributions which have occurred since incorporation without issuing new shares. Other reserve consist of retained earnings since incorporation. Unrealized gains and losses, impairment are recognized through the income statement. Legal reserve consist of and amounted to the book value of intangible fixed assets if not purchased externally. Dividends and other distributions to holders of equity instruments are recognized directly in equity in other reserve.

Provisions

Provisions are recognised for legally enforceable or constructive obligations that exist at the balance sheet date, and for which it is probable that an outflow of resources will be required, and a reliable estimate can be made.

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. The provision concerns a restructuring provision resulting from ongoing organisational changes that were partially implemented in 2022, 2023 and 2024 and conversion of outstanding holidays of employees on the payroll for 2024. The amount accounted for reflects payables for contract terminations and unused holidays. The provisions are measured at nominal value.

Intercompany payables, trade payables, other liabilities and tax payables

Intercompany payables, trade payables and other liabilities, and tax payables are initially measured at fair value, and are subsequently measured at amortised cost.

Principles for the determination of the result

The result is the difference between the realisable value of the services provided and the costs and other charges during the year. The result on transactions is recognised in the year in which they are realised.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

Principal – agent method

The Company recognises management fees as revenues in line with principal-agent method. Based on management's assessment, the Company operates as principal in relation to the sub advised services provided to the AIM asset management clients. As a principal, AIM recognises and presents the total gross contractual fees for the provided services as revenue.

Management fees, service fees and performance fees

Management fees and service fees comprise the fair value of the service rendered in the ordinary course of the Company's activities. The Company recognises management and service fees in the accounting period in which the service is provided. Management fees for the funds are calculated on the fund's net asset value using pre-determined percentages disclosed in the fund's prospectus. The same principle applies for the service fees that are charged to the funds to cover for administrative, custody and other operational expenses. The Company is authorised to grant clients a discount on the total amount of costs and fees. The amount of such a discount is based on the outcome of commercial negotiations. Discounts are calculated on the (average) net asset value of the fund(s) of the client and deducted from the management fees. For institutional clients with an individual investment mandate the management fees are calculated over the quarterly average net asset value.

Performance fees are additional fees, beyond a base management fee, charged by the Company based on the predefined benchmark. A predefined benchmark is a relevant measure used to determine whether the manager has outperformed. Performance fees are calculated as a percentage of the outperformance above the agreed benchmark of relevant assets under management and recorded in the accounting period earned. Performance fees are not directly received from the funds but invoiced to the clients that invest in these funds.

Management fee expenses and service fee expenses

Management fee expenses comprise of sub advisory costs which are payable to third parties and related parties. These costs are recorded when the service has been provided and is based on predetermined percentages of average net asset under management. The service fee expenses comprise of administration, custody, depository, supervision, external reporting, registration, independent auditor and bank expenses which are charged to the Company by external parties.

Staff and Other operating expenses

Staff and other operating expenses are incurred are allocated to the period to which they relate. Costs are determined on a historical basis.

Other income and expenses

Other income and expenses are accounted for on an accrual basis.

Other gains and losses

Other gains and losses consist of foreign exchange gains and losses. Exchange differences on monetary items are recognized in the income statement when they arise.

Interest income and expense

Interest income and expenses consist of interest earned on Security deposits, bank interest and charges and expense on loans and other borrowings. It is recognised in the income statement in the period it occurred and based on the effective interest rate of the instrument.

Related party transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. Transactions between related parties have taken place on an arm's length basis, and include rendering and receiving of services, leases, transfers under finance arrangements and provisions of guarantees or collateral.

Incentive plans

Share-based bonuses are long-term share and cash incentive plans awarded to eligible employees and are accounted for over the period between the date of award and the date of vesting. For employees marked as Identified Staff (IS), the variable remuneration consists of a 50% upfront payment in cash and a 50% 3-year deferred payment in cash (based on cliff vesting) with the NAV of a reference portfolio determining the ultimate pay out. Due to the implementation of Alternative Investment Fund Managers Directive (AIFMD) share-based bonus plans are no longer based on the Capital Requirements Directive (CRD) IV. Share based bonuses are granted in Aegon shares or in phantom shares which is a fictional instrument. At the date of vesting the fictional phantom shares will be paid out in cash.

Variable compensation

Part the employees within AIM are eligible for variable remuneration. This forms an integral part of the total employment conditions package. For the calculation of the annual variable budget remuneration, the so-called bonus pool method is used. The height of the pile (with in other words, the budget) calculated by comparing the achieved business results against predetermined goals. It looks at a mix of long- and short-term fund performance, customer satisfaction, profitability, sales figures, risk management, strategy execution and Aegon Ltd. business performance. The award of the variable remuneration, within this budget, is based on individual performance. For the allocation of variable remuneration at individual level, the performance indicators consist of a maximum of 50% non-risk-adjusted financial performance indicators and at least half non-financial indicators.

Corporation tax

Corporation taxes are computed by applying the current tax rate to the result for the financial year, considering the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and adjusted for exempted sources of income and tax allowances. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Pillar 2 – Global Minimum Tax Disclosure

AIM BV is part of a multinational enterprise (MNE) group that, on a consolidated basis, meets the revenue threshold set out under the OECD's Global Anti-Base Erosion (GloBE) Model Rules (commonly referred to as "Pillar 2"). As such, the MNE group is, in principle, within the scope of Pillar 2 legislation. However, based on the applicable legislation in the relevant jurisdictions and the nature and scale of AIM's operations, no top-up tax is payable by AIM nor the ultimate parent company in relation to AIM BV for the reporting period. The company operates as a regulated asset manager and does not meet the criteria for standalone application of top-up tax under the Pillar 2 rules. Furthermore, no top-up tax allocation applies to the company under any qualified domestic minimum top-up tax (QDMTT) or income inclusion rule (IIR) for the reporting year. Accordingly, no Pillar 2 tax expense or liability is recognized in these financial statements.

Deferred tax liabilities

Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income tax is provided on temporary differences arising on future servicing rights, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probably that the temporary difference will not reverse in the foreseeable future. Deferred tax balances are measured at nominal value.

Cash flow statement

The cash flow statement was prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks, except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Interest paid and received, and income taxes are included in cash from operating activities. Investments in intangible fixed assets and tangible fixed assets are recognised as cash used in investment activities. Dividends paid are recognised as cash used in financing activities. Transactions not resulting in inflow or outflow of cash are not recognised in the cash flow statement.

Significant accounting judgments, estimates and assumptions

The preparation of annual financial statements requires the use of judgment and estimates that affect the recognition and valuation of assets and liabilities, the disclosure of contingent liabilities as of the date of the annual financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, the actual results may differ ultimately from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

If it is necessary to provide the true and fair view required under Book 2, article 362, paragraph 1, the nature of these estimates and judgements, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Key sources of estimation uncertainty*Fair value of future servicing rights*

Future servicing rights are Intangible fixed assets in the form of asset management contracts. It was initially recognised at the present market value which was determined using the discounted cash flow method under income approach (Fair value under RJ210). The present value of the future servicing rights is amortised over the servicing period and is subject to impairment testing.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and/or option pricing models, making allowance for entity-specific inputs.

Restructuring provision

The reorganisation plans are communicated with the employees in several ways, making a justified expectation by the employee that the reorganisation will take place. Different parts of the reorganisation are already set in motion as at balance sheet date. The restructuring provision concerns commitments related to job placement services and the discharge of employees. A change in assumption and estimates may affect the actual costs of the restructuring, including choice of outflow and time.

Management fees

The Company recognises management fees as revenues in line with principal-agent method. Based on management assessment, the Company operates as principal in relation to the sub advised services provided to the AIM asset management clients. As a principal AIM recognises and presents the total gross contractual fees for the provided services as revenue.

Useful lives of tangible and intangible assets

The Company reviews the estimated useful lives of tangible and intangible assets at the end of each reporting period. Currently the useful lives are determined as follows:

- Computer & equipment : 3 years
- Furniture & equipment : 4 years
- Leasehold improvements : 5 years
- Future servicing rights : 10 years
- Other intangible fixed assets : 2-5 years

Notes to the balance sheet as at 31 December 2024
3. Intangible fixed assets

	Software cost
Balance as at 1 January 2024	
Historical cost	25,034
Cumulative amortisation	(15,629)
Cumulative impairment losses	(1,750)
Book value	<u>7,655</u>
Movements	
Investments	1,035
Amortisation of intangible fixed assets	(1,473)
Balance	<u>(438)</u>
Balance as at 31 December 2024	
Historical cost	26,069
Cumulative amortisation	(17,102)
Cumulative impairment losses	(1,750)
Book value	<u>7,217</u>
Balance as at 1 January 2023	
Historical cost	24,046
Cumulative amortisation	(13,547)
Cumulative impairment losses	(1,750)
Book value	<u>8,749</u>
Movements	
Investments	988
Amortisation of intangible fixed assets	(2,082)
Balance	<u>(1,094)</u>
Balance as at 31 December 2023	
Historical cost	25,034
Cumulative amortisation	(15,629)
Cumulative impairment losses	(1,750)
Book value	<u>7,655</u>

Intangible assets on the balance sheet are comprised of capitalised software packages. As at 31 December 2024, several systems were implemented and operational. Amortisation was initiated for these software packages using the straight-line method over the expected useful economic life of two to five years.

4. Future servicing rights

	<u>Rights costs</u>
Balance as at 1 January 2024	
Investments	123,900
Amortisation of intangible fixed assets	(6,195)
Book value	<u>117,705</u>
Movements	
Investments	-
Amortisation of future servicing rights	(12,390)
Balance	<u>(12,390)</u>
Balance as at 31 December 2024	
Historical cost	123,900
Cumulative amortisation	(18,585)
Book value	<u>105,315</u>
Balance as at 1 January 2023	
Historical cost	-
Book value	<u>-</u>
Movements	
Investments	123,900
Amortisation of intangible fixed assets	(6,195)
Balance	<u>117,705</u>
Balance as at 31 December 2023	
Historical cost	123,900
Cumulative amortisation	(6,195)
Book value	<u>117,705</u>

Future servicing rights were acquired as part of the sale of Aegon Nederland N.V. to a.s.r. transaction and valued at EUR 123,900. This was settled via the capital contributions from the Aegon Group. The value of the mandates transferred to a.s.r. was valued at EUR 17,400 but to comply with AIM's accounting policies and Dutch GAAP, the contracts were transferred at the zero-value resulting in no gain and also in the deferred tax liability of EUR 4,489, see note 15. The settlement of this deferred tax liability was done via Aegon Group making the net capital contribution EUR 119,411. Future servicing rights are expected to depreciate in 10 year time. As of 31 December 2024, the Company undertook an impairment test, and Future servicing rights showed no signs of impairment. Therefore the net value is equal to the book value, which is the initial cost less accumulated depreciation, EUR 105,315.

5. Tangible fixed assets

	Computer and Equipment	Furniture and Equipment	Total
Balance as at 1 January 2024			
Acquisition costs	1,083	294	1,377
Cumulative impairments and depreciation	(892)	(288)	(1,180)
Book values	191	6	197
Movements			
Investments	244	-	244
Depreciation of tangible fixed assets	(184)	-	(184)
Balance	60	-	60
Balance as at 31 December 2024			
Acquisition costs	1,327	294	1,621
Cumulative impairments and depreciation	(1,076)	(288)	(1,364)
Book values	251	6	257
Balance as at 1 January 2023			
Acquisition costs	944	294	1,238
Cumulative impairments and depreciation	(759)	(288)	(1,047)
Book values	185	6	191
Movements			
Investments	139	-	139
Depreciation of tangible fixed assets	(133)	-	(133)
Balance	6	-	6
Balance as at 31 December 2023			
Acquisition costs	1,083	294	1,377
Cumulative impairments and depreciation	(892)	(288)	(1,180)
Book values	191	6	197

The economic lives of tangible fixed assets are 3 years.

6. Trade receivables, prepayments and other receivables

	31 December 2024	31 December 2023
Trade receivables, prepayments and other receivables	41,679	39,981
Management fee receivable from the funds	7,683	4,791
Service fee receivable from the funds	776	544
Total	50,138	45,316

Outstanding balances are unsecured and cash settlement is generally expected to be settled within one year from invoice date. Fair value of receivables approximates book value. At balance sheet date the prepayments amounted to EUR 1,089 (2023: EUR 1,818). During the year ended 31 December 2024 the Company has not made any provision for doubtful debtors. In comparative year 2023 Management fees receivable from the funds Aegon Asset Management Europe ICAV and Aegon Asset Management QIF Plc was reclassified from trade receivables, prepayments and other receivables into Management fee receivable from the funds.

7. Intercompany receivables

	31 December 2024	31 December 2023
Intercompany receivables with:		
Aegon Asset Management Holding B.V.	25,765	28,776
Aegon Asset Management Hungary B.V.	214	119
Aegon Asset Management Pan-Europe B.V.	424	382
Aegon Asset Management (Asia) Limited	2	9
TransAmerica Life Insurance Company	-	28
Total intercompany receivables	26,405	29,314

The intercompany receivables represent intercompany activities, mainly asset management services. The intercompany balance with AAM Holding B.V. represents the financing of settling its debt with the ultimate parent. Fair value of intercompany receivables approximates the carrying value. They are expected to be settled within one year from balance sheet date.

8. Cash and cash equivalents

	31 December 2024	31 December 2023
Cash at banks	1,803	7,700
Short-term deposits	73,767	70,327
Total cash and cash equivalents	75,570	78,027

Cash and cash equivalents in the balance sheet comprise of cash held at banks, bank guarantee and short-term deposits with an original maturity of three months or less. For the cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above. Of the cash and cash equivalents EUR 1,803 is free at disposal. The short-term deposits of EUR 73,767 which are not free at disposal, are divided over several counterparties with a minimum rating in accordance with Aegon Group Credit Name Limit Policy (CNLP). In accordance with the CNLP policy, all counterparties should have a CNLP rating of A or above. The CNLP rating is a composite agency rating, which is determined by reviewing the available solo agency ratings of Standard & Poor's, Moody's and Fitch.

9. Shareholder's equity

Issued share capital and reserves were attributable to the shareholder of Aegon Investment Management B.V.

	31 December 2024	31 December 2023
Share capital – par value		
Authorised share capital		
11,350 Ordinary shares of EUR 100 each	1,134	1,134
Allotted, called up and fully paid		
11,350 Ordinary shares of EUR 100 each	1,134	1,134

The movement in shareholder's equity is as follows:

	Share capital	Share premium	Other reserves	Legal reserve	Net result for the year	Total shareholder 's equity
As at 1 January 2023	1,134	38,686	14,259	8,749	223	63,051
Capital contribution	-	119,411	-	-	-	119,411
Add result prior year to other reserves	-	-	223	-	(223)	-
Additions to legal reserve from other reserves	-	-	1,094	(1,094)	-	-
Result for the year	-	-	-	-	(2,363)	(2,363)
As at 31 December 2023	1,134	158,097	15,576	7,655	(2,363)	180,099
Dividends paid	-	-	(11,000)	-	-	(11,000)
Add result prior year to other reserves	-	-	(2,363)	-	2,363	-
Additions to legal reserve from other reserves	-	-	438	(438)	-	-
Result for the year	-	-	-	-	(365)	(365)
As at 31 December 2024	1,134	158,097	2,651	7,217	(365)	168,734

In 2024 the Company paid EUR 11,000 dividend to the parent company (2023: 0). No capital contribution took place in 2024 (2023: 119,411). The Company is subject to legal restrictions regarding the amount of capital contribution. It is required to have a legal reserve against the book value of intangible fixed assets, if not purchased externally.

10. Provisions

	31 December 2024	31 December 2023
As at January 1	2,936	1,493
Additions	831	2,767
Release	(857)	(492)
Withdrawal	-	(832)
Total provisions	2,910	2,936

The provision as at 31 December 2024 relates to a restructuring provision 2024: EUR 666 thousand (2023: 1,109 thousand) resulting from organisational changes related to back-office migration. The provision also consists of an unused vacation balance 2024: EUR 2,244 thousand (2023: 1,827 thousand).

11. Non-current liability due to bonus reservation

	31 December 2024	31 December 2023
As at January 1	1,274	1,598
Additions	1,523	1,163
Amounts paid	(1,182)	(1,393)
Other	375	(94)
Total non-current liabilities	1,990	1,274

12. Trade payables and other liabilities

	31 December 2024	31 December 2023
Payables due to bonus reservation	9,851	7,473
Payables due to management fee expenses to sub advisors	642	566
Payables due to fund administration expenses	2,055	1,536
Other payables and accrued expenses	42,459	34,648
Total trade payables and other liabilities	55,007	44,223

Trade payable and other liabilities are obligations expected to be settled within one year from balance sheet date. The fair value of the trade and other payables approximate their carrying value since the trade and other payables are non-interest bearing. The increase in other payables and accrued expenses is mainly driven by the increase in the amount of discounts on the management fee income from the third party clients which is also significantly increased in 2024, see note 16.

13. Intercompany payables

	31 December 2024	31 December 2023
Intercompany payables to:		
Aegon Asset Management UK PLC	14,290	6,996
Aegon EDC Limited	541	599
Aegon Ltd	12,838	35,957
Aegon USA Investment Management LLC	5,146	2,497
Total intercompany payables	32,815	46,049

Intercompany payables are expected to be settled within one year from balance sheet date. Fair value of intercompany payables approximates the carrying value. The EUR 12,838 balance with Aegon Ltd is related to the accounts payable and payroll services which they provide since 20 November 2023.

14. Corporation tax receivable

The Company (completely) together with certain of its subsidiaries is part of the fiscal unity headed by AAM Holding for Dutch corporate income tax purposes. The tax charge or receipt is classified as tax payable or receivable and will be settled directly AAM Holding.

15. Deferred tax liabilities

In 2023 the company recognised a deferred tax liability EUR 4,489 due to the disposal of the outgoing future servicing rights to a.s.r. Although the outgoing contracts were transferred at carrying value, for tax purposes the contracts were transferred at the fair market value amounted to EUR 17,400. Whereby AIM rolls-over the gain of the incoming contracts by forming and releasing a reinvestment reserve, resulting in a deferred tax position. There is no current tax payable because of the deal. The deferred tax liability will be amortised in 10 years, starting from 2024.

Notes to the profit and loss account for the year ended 31 December 2024

16. Management fee

Management fees for the funds are calculated on the fund's net asset value using pre-determined percentages. Discounts are calculated on the average net asset value of the fund(s) of the client and deducted from the management fees.

	2024	2023
Management fee income from related parties	54,154	50,506
Management fee income from third parties	77,704	65,577
Total management fee income	131,858	116,083

The increase in management fee income from third parties is mainly driven by acquiring the Dutch Residential Mortgage fund as of 1 July 2023 of which the Company became the fund manager from July 2024. There is an uncertainty in the management fees 2024 caused by interpretation differences of an underlying contract. The bandwidth in the interpretation differences varies from -/- EUR 4.8 up to +/- EUR 3.1M (2023; -/- EUR 2.0M to +/- 1.2M).

17. Service fee

A service fee is charged to the applicable funds to cover for expenses such as costs of supervisors, custody, independent auditor, (legal) advice, administration and marketing and communications. The service fee expense is incurred by the Company.

	2024	2023
Service fee income Aegon funds	14,645	12,990
Service fee income MM funds	3,638	3,347
Total service fee income	18,283	16,337
Service fee expense Aegon funds	(13,286)	(11,133)
Service fee expense MM funds	(3,872)	(3,246)
Total service fee expense	(17,158)	(14,379)

18. Other income

	2024	2023
Security lending fee	180	210
Other income related parties	7,033	8,212
Other income third parties	9,489	7,858
Total other income	16,702	16,280

Other income represents additional fee income in respect of non-portfolio management services such as client reporting services, derivatives and hedging services and investment solutions expertise.

19. Management fee expense

	2024	2023
Management fee expense to Aegon USA Investment Management LLC	(2,510)	(2,909)
Management fee expense to Aegon Asset Management UK PLC	(1,064)	(1,000)
Management fee expense related to intercompanies	(3,574)	(3,909)
Management fee expense to Blackrock Advisors (UK) Limited	(1,265)	(1,130)
Management fee expense to a.s.r. illiquid funds insourcing	(684)	-
Management fee expense to La Banque Postale Asset Management	(477)	-
Total management fee expense	(6,000)	(5,039)

20. Staff expenses

Staff expenses are EUR 74,320 (2023: EUR 78,269). It relates to recharges to the Company by Aegon Employees Netherlands B.V., via Aegon Ltd for salaries, pension, social charges, etc. Terms and conditions relating to related party transactions, we refer to note 25. The decrease in staff expenses compared to 2023 is due to the reduction in contractors. The total share-based payments in 2024 amounted to EUR 10,682 (2023: EUR 6,693).

Aegon Employees Netherlands B.V. employs all staff of Aegon Investment Management B.V. whose costs are included in staff expenses.

21. Other operating expenses

Intercompany charges from:	2024	2023
Aegon Asset Management UK PLC	(6,523)	(6,777)
Aegon USA Investment Management LLC	(2,133)	(2,033)
Aegon Asset Management Holding B.V.	(3,351)	(2,956)
Aegon EDC Limited	(3,905)	(3,854)
Aegon Asset Management Hungary B.V.	(1,469)	(1,736)
Aegon Asset Management (Asia) Limited	2	27
Aegon Asset Management Pan Europe B.V.	205	(70)
Total intercompany charges	(17,174)	(17,399)
Software expenses	(6,803)	(7,144)
Data/Research services expenses	(6,957)	(5,973)
Other administrative expenses	(25,737)	(14,880)
Total other operating expenses	(56,671)	(45,396)

The intercompany recharges consist of other operating expenses that are recharged between Aegon entities. These recharges relate to services provided between the Company and other

Aegon entities. Since 2023 Aegon Asset Management UK PLC has operated on a global basis and recharges other AAM entities. Other administrative expenses include expenses from various services providers (e.g. third-party administrator, consultants, independent auditor, tax advisors, etc.), rent and travel expenses. The independent auditor's expenses for 2024 consist of:

	2024	2023
Audit of the financial statements	317	168
Other audit procedures	2,078	2,088
Total independent auditor expenses	2,395	2,256

The fees listed above relate to the audit of the financial statements, regardless of whether the work was performed during the financial year. The other audit procedure expenses are comprised of audit expenses for the investment funds, client mandates and audit expenses for the ISAE 3402 II reporting. The increase in audit fees was due to the audit overrun of 2023 financial statement due to the a.s.r. transaction, which was bared in 2024.

22. Other gains/losses

Other gains/losses relate to the foreign exchange difference between the moment of invoice registration and the actual payment of the invoice.

23. Interest income/(expense)

	2024	2023
Bank charges and overdraft interest income	563	319
Short-term deposits interest income	2,100	2,545
Interest expense	(543)	(31)
Total interest income	2,120	2,833

The interest expense of EUR 543 was charged on the outstanding intercompany balance with Aegon Ltd due to its funding of the accounts payable and payroll services since 20 November 2023. The interest is charged at the current market rate on the outstanding balance which is 30 days or older. As at 31 December 2024, the Company had no outstanding balance of 30 days or older with Aegon Ltd.

24. Corporation tax charge

Reconciliation of corporation tax	2024	2023
Accounting (loss)/profit before tax	(482)	(3,192)
Accounting (loss)/profit multiplied by the Netherlands standard rate of corporation tax of 25.8%	169	876
Accounting profit multiplied by the Germany standard rate of corporation tax of 31%	(41)	(52)
Accounting profit multiplied by the Spain standard rate of Corporation tax of 25%	(11)	(9)
Tax adjustments prior year	-	14
Total corporation tax charge	117	829

The effective tax rate of the Company is 24.3% (2023: 26.0%). The Company is part of the fiscal unity headed by Aegon AAM Holding. The tax charge or credit is a payable or receivable to AAM Holding and is expected to be settled within one year from the balance sheet date. The tax charge for the German and Spanish branch are directly settled with local tax authorities. Tax adjustments prior year is the difference between the financial and fiscal tax amounts.

25. Related party transactions

(a) Immediate parent undertaking

The immediate parent company is Aegon Asset Management Holding B.V., which is incorporated in the Netherlands. The group accounts of Aegon Asset Management Holding B.V. are available from the Company Secretary, Aegon Asset Management Holding B.V. Aegonplein 50, 2591 TV The Hague.

(b) Ultimate parent undertaking

The ultimate parent company is Aegon Ltd, which is incorporated and has its headquarters in the Netherlands and domiciled in Bermuda. The group accounts of Aegon Ltd, are available from the Company Secretary, Aegon Ltd. Aegonplein 50, 2591 TV The Hague.

(c) Other related Parties

Other related parties are Aegon Asset Management Hungary B.V., Aegon Asset Management Pan-Europe B.V., Aegon Custody B.V., ASR Nederland N.V. (from 1 July 2023) which are all incorporated in the Netherlands, Aegon Asset Management (Asia) Ltd and TransAmerica Life (Bermuda) Ltd are both incorporated in Hong Kong, Aegon – Unión Aseguradora S.A. incorporated in Spain, Aegon Asset Management UK plc, Aegon Global Technology Europe, both incorporated in the United Kingdom, Aegon USA Investment Management LLC and, Aegon US AGT TransAmerica, are both incorporated in the United States of America.

On 1 July 2023, Aegon Nederland N.V. was sold to ASR Nederland N.V. (a.s.r.). As a result of this transaction Aegon N.V. became a 29.99% shareholder of a.s.r., which qualifies as a significant influence and made ASR Nederland N.V. a related party to the Company.

(d) Year end balances and transactions with related parties

The Company provides investment management services to other members of the Aegon Group at prices that are agreed from time to time between the Company and the recipients of the service, considering the size and nature of the service (see note 16, 17, 18 and 19 for total amount of such transactions).

Staff and other operating expenses are recharged to the Company at cost by Aegon Ltd. (see note 20 for the total amount of such transactions). The intercompany balance with Aegon Ltd is an interest bearing at the current market rate. Since 20 November 2023 Aegon Ltd provides accounts payable and payroll services on prepayment basis and changes interest on the outstanding balance older than 30 days. The intercompany balances with other related parties are non-interest bearing and mainly relates to recharges across the asset management units. These recharges were made for cross border personnel and other expenses. This includes balances with Aegon Asset Management Holding B.V., Aegon Asset Management UK Plc, Aegon Asset Management Asia Limited, Aegon Global Technology Europe, Aegon USA Investment Management LLC, Aegon Asset Management Pan-Europe B.V., Aegon Asset Management Hungary B.V., Aegon – Unión Aseguradora S.A., TransAmerica, Aegon Asset Management SSC B.V. and Aegon Ltd. Year end balances for related party transactions are detailed in notes 7 and 13. There are no provisions for doubtful debts or individually significant bad debt expenses recognised on outstanding balances with related parties.

26. Risk Management**General**

The Company operates within the requirements of the Operational Risk Management Policy of Aegon Group and the AIM Risk Management Policy. This policy sets out the principles and methodologies to identify, assess and manage risk. The Company complements this with a robust control framework, overseen via a monthly risk dashboard, periodic meetings such as the Governance, Risk & Compliance meetings (GRCC) and AIM BV Board. The Company also applies other policies setting out the standards that hold specifically for AIM and/or that apply to specific subjects (e.g., Conflicts of interest, Personal account dealing, Gifts & Hospitality, Whistle-blower, Anti-Money laundering, Anti-bribery, etc.).

The Risk Tolerance of the Company is defined in line with the methodology of the Operational Risk Management Policy of Aegon and is updated on an annual basis. The Company is primarily exposed to operational risks and to a lesser extent to financial risks.

Operational and fraud risk

Like other companies, AIM faces operational risk resulting from operational failures or external events, such as processing errors, inaccuracies in models used, negative behaviour by personnel, non-compliance to laws and regulations, and natural or man-made disasters, including climate change. In addition, major programs or organisational transformations may also increase potential for operational risks. AIM's systems and processes are designed to support complex products and transactions, and to help protect against such issues as system failures, business disruption, financial crime, and breaches of information security. AIM monitors and analyses these risks and retains flexibility to update and revise where necessary. AIM's operational risk universe distinguishes multiple risk types: business risk, legal, regulatory, conduct and compliance risks, tax risk, financial crime risk, processing risk, information technology and business disruption risk, people risk, facility risk, information security risk, fraud risk, Environmental, Social & Governance (ESG) risk, and pandemic risk.

The Company seeks to minimise operational risk events and has no tolerance for single event related losses exceeding EUR 8.0 million more frequently than once every 10 years and has no

tolerance for single event related losses exceeding EUR 1 million more frequently than once every 12 months. The Company has an Operational Risk Management department which facilitates identification of operational risk by line management, manages risk events and monitors follow up of issues and actions. The Key control framework is maintained by line management. Effectiveness of key controls is tested by the Risk Control team that operates independently from the COO domain and is part of the risk function. The operational risk profile of the Company is discussed quarterly in the Global Risk and Control Committee by the Global Chief Risk and Compliance Officer and members of the AIM Board. No risk events exceeding the tolerances mentioned above occurred. Also for fraud risks no risk events occurred exceeding our tolerance. We have controls and anti-fraud policies in place to mitigate the risk on fraud.

Legal & compliance risk

Legal & compliance risk is defined as the risk that losses occur resulting from non-voluntary legal liabilities, inadequate legal documentation; or products, services, people, and actions failing to deliver the reasonable expectations of its customers and other stakeholders; or failure to comply with laws, regulations, and internal company rules and policies, as well as late identification of significant and potential legal and regulatory developments. This includes the risk of failure to comply with established good business practices and expectations of key stakeholders such as customers, employees and society. The Company has a dedicated legal department that actively identifies and addresses developments in the regulatory environment and translates this into a regulatory calendar. The Company's independent compliance department also has a monitoring program in place to monitor compliance with laws, regulation and internal policies.

Following an internal review, Aegon Investment Management B.V. is working on further enhancing its measures on customer due diligence to set up a more robust framework. This includes streamlining and harmonizing processes and bringing these in line with market standards. It is expected that these measures will be finalized and implemented by Q2 2025.

In addition, Aegon Investment Management B.V. has taken additional measures to strengthen the operational due diligence processes applied when investing with external portfolio managers. This includes requiring additional information from such managers and conducting more in-depth reviews of the manager's operational risks management, in addition to the measures which are already in place. It is expected that this will also be finalized in 2025.

Financial risk

The main financial risks are credit risk, liquidity risk and market risk, with the principal elements of market risk being interest rate risk and equity price risk. In addition to the financial risks, the Company has identified group risk. The Company is not exposed to significant currency risk other than through exposure to the funds it manages. The corporate governance, capital management and financial instruments section of the Report of the Directors describes the Company's general approach to risk management and the management of financial risks.

Credit risk

Credit risk is the risk that a counterparty defaults on contractual or other agreed obligations (including supplied credits, loans, claims and received warranties) whether as a result of being subject to limitations of foreign payments. The policy of the Company is not to carry out credit activities. There is a very small risk within the Company of not being able to collect management fees from the funds the Company manages. The Company considers that the exposure to credit risk is limited given the prior experience where the Company has not had to write off any significant bad debts over the past 10 years.

A counterparty management policy is in place which limits the maximum amount of our own funds which the Company deposits with individual banks. During normal market conditions a

bank balance above the Company's internal set minimum of EUR 15 million will be deposited at a minimum of two counterparties with a high credit rating. This ensures that the Company always engages with a minimum of three counterparties and thereby limiting the risk in this area.

The Company offers standard industry credit terms to clients. The credit risk to clients is very limited as the fee income is mainly related to funds and ASR Nederland N.V. (up until 1 July 2023 Aegon Nederland N.V.). The credit risk relates to the clients of the Company (not related to ASR Nederland N.V.) with a discretionary portfolio. On average the fee income from the clients of the Company with a discretionary portfolio represent a marginal amount of the total fee income. As the risk is insignificant the Company accepts this risk. The third-party growth strategy could lead to an increasing number of discretionary portfolios and consequently a higher amount of receivables on which credit risk applies.

Aged items are monitored by the finance team of the Company and action is taken to recover such debts (through deduction from client assets if appropriate). The Company does not impose restrictions on the size of such debts, but aims to collect them in a timely way, thus reducing the amount of capital required to cover them. The Company has no appetite for on-balance sheet trading activity that might create counterparty risk.

Details of these balances are listed under notes 6, 7 and 8 of the notes to the financial statements.

Liquidity risk

Liquidity risk considers the probability that insufficient cash is available to fulfil obligations. Liabilities that require liquid capital from the Company are in relation to operating expenses and the Company has a liquidity policy requiring a minimum level of working capital that enables it to manage liquidity risk. The key feature of this policy is that the Company is required to hold liquid capital to cover at least 3 months expenditure on a continuous basis. In practice liquid assets are considerably higher than this. The Company monitors the composition of the balance sheet as well as the size of the balance sheet. The Company reviews the cash balances available to make payments as they fall due. The review of the future forecasts shows that the Company is able to maintain sufficient liquid assets to meet its liabilities. Details of these balances are listed under notes 11, 12 and 13 of the notes to the financial statements.

Market risk

Market risk is the risk resulting from exposure to changes in market prices of tradable financial instruments within a portfolio. The Company does not have a complex balance sheet. The balance sheet consists largely of cash, short-term assets and liabilities and all client assets are held separately off-balance sheet for the risk of clients. Except for the possibility of holding seed capital positions in certain circumstances, it is policy of the Company that investments are not carried out for its own account and therefore the direct exposure to market risk is limited. Currently, the Company does not hold any seed capital positions.

The Company is exposed to indirect market risk caused by fluctuations in the wider financial markets that will affect the valuation of the assets that the Company manages. The Company is therefore subject to indirect market risk through market impacts on fee income. Although the Company retains the ability to hedge this risk in certain situations the Company generally considers it uncontrollable, as it is inherent in the business of asset management. In practice, the exposure to this risk is diversified, to a degree, by having significant exposure to both bonds and equities.

Group risk

The Company is part of the Aegon Ltd. Group and within this is a member of the Aegon Asset Management Group and is thus subject to group risk. This is inherent to our organisational structure. Group risk may impact us in several ways:

- potential financial or reputational difficulties at Group level
- the Group's control over our actions or spending power
- Group actions such as takeover activity or strategic announcements (considered to be an inherent risk but mitigated through close communication)

The Company considers the benefits of membership of Aegon outweigh these potential risks. A key benefit of group membership is that capital and liquidity support over and above the Company's own capital requirement could be available as an additional buffer, depending on circumstances.

27. Number of employees

Per 1 July 2023 Aegon Employees Netherlands B.V. employs all staff that work for the Company. Prior 1 July 2023 Aegon Nederland N.V. employed all staff that work for the Company. As such the Company had no direct employees during the years 2024 and 2023. The number of average FTE that work for the Company in 2024 is 331 (2023: 321). All employees that work for the Company are based in the Netherlands.

Directors' remuneration

During the financial year 4 directors held office (2023: 4). The total remuneration of the directors in respect of their service to the Company was as follows:

	2024	2023
Statutory directors on payroll in the Netherlands	2,494	1,601
Total directors' remuneration	2,494	1,601

During the financial year 1 director (2023; 2) held office for just a small period of which the remuneration was not taken into account in the above table.

28. Contingent assets and liabilities

As at 31 December 2024, the Company has a contingent liability or asset caused by interpretation differences of an underlying contract. The total bandwidth varies from -/- EUR 6.8M to +/- EUR 4.3M (2023; -/- EUR 2.0M to +/- EUR 1.2M).

29. Subsequent events

Between 31 December 2024 and the date of this report there were no subsequent events.

Signing of the annual financial statements

The Hague, The Netherlands

29 April 2025

D.F.R. Jacobovits de Szeged

T.E.J.F. Stassen

Other information

Statutory provision regarding appropriation of the result

Article 26 of the articles of association provide that the net result for the year is subject to disposition to be decided upon by the Annual General Meeting of Shareholders.

Independent auditor's report

To: the shareholders and the board of directors of Aegon Investment Management B.V.

Report on the audit of the financial statements 2024 included in the annual report**Our opinion**

We have audited the accompanying financial statements for the financial year ended 2024 of Aegon Investment Management B.V. based in the Hague, the Netherlands.

In our opinion, the financial statements give a true and fair view of the financial position of Aegon Investment Management B.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2024
- The profit and loss account for 2024; and
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

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

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

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

*Our focus on fraud and non-compliance with laws and regulations***Our responsibility**

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Aegon Investment Management B.V. and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how management exercises oversight, as well as the outcomes.

We refer to section Operational and fraud risk of the Report of Directors for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the Aegon Code of Conduct, Whistleblower Policy, Code of Ethics, Conflicts of Interest Policy and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

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

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in the Notes to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition, in particular relating to the recognition of the management- and service fees as a result of management override. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.

We considered available information and made enquiries of relevant executives and directors of Aegon Asset Management Holding B.V. (including Aegon Investment Management B.V.), including internal audit and the legal, compliance and risk departments.

The fraud risk we identified, enquiries and other available information, did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, inspection of the integrity risk analysis (SIRA), reading minutes, inspection of internal audit reports – insofar as relevant for management – and reports from the compliance department, as well as performing substantive audit procedures of classes of transactions, account balances or disclosures.

We also inspected reports of the legal department and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section Management's assessment of going concern in the Notes to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism.

We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Report on other information included in the annual report

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

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

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

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

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

Amsterdam, 29 April 2025

EY Accountants B.V.

Signed by Q. Tsar