



**VAN LANSCHOT
KEMPEN**

INVESTMENT MANAGEMENT

Engagement Policy Implementation Statement

Clara Pension Trust

30 September 2025



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Introduction

Clara Trustees Limited (the 'Trustee') is obliged, acting in its capacity as trustee of the Clara Pension Trust (the 'Sections'), to prepare a yearly statement setting out how it has complied with the Statement of Investment Principles (the 'SIP'), including:

- a description of any amendments to the SIP during the period covered by the statement.
- how and the extent to which, in the opinion of the Trustee, compliance with the SIP has been achieved.
- how the Trustee has demonstrated good stewardship over investments, which includes
 - o a demonstration of compliance with policies on investment rights (including voting) and engagement described within the SIP.
 - o a description of voting behaviour made by or on behalf of the Trustee.
 - o a statement on any use of a third-party proxy voting provider.

This statement relates to the period from 01 October 2024 – 30 September 2025 (the 'reporting period') and has been prepared in accordance with regulatory requirements and guidance published by the Pensions Regulator. This statement is based on the SIP that applied during the reporting period, the latest of which is available at the following link: [Clara's investment approach - Clara Pensions](#).

Amendments to SIP

There were no material changes to the governance arrangements of the Sections during the reporting period, nor to the investment policy, nature of risks, fee structure, or stewardship practices. As a result, the SIP was not amended during this reporting period.

Compliance with SIP

The Trustee monitors compliance with the SIP annually. In particular, the Trustee obtains confirmation from its fiduciary manager, Van Lanschot Kempen Investment Management (VLK) and other advisors that they have complied with the relevant SIP (insofar as is reasonably practicable) in accordance with Occupational Pension Schemes Regulations.

In particular, the Trustee has received periodic investment reports and investment updates from VLK that provide:

- details of the asset allocation and compliance of these allocations with the investment policies specified in the SIP.
- details of the value of investments, and the estimated value of the liabilities from which an estimated funding position can be determined.
- progress of the funding position with respect to funding targets.
- details of the performance of the individual investments, including relative to a benchmark.
- details of the performance of the total investments, including relative to the target return and investment objectives.
- details of the hedging of the interest rate and inflation risks associated with the liabilities, and whether the hedging is working as expected, and compliant with the bandwidths specified in the SIP.
- details of the investment risk of the underlying investments, and the change in the total investment risk over time.
- details of the underlying investment managers used in the portfolio.
- details of the engagement behaviour of both VLK and the underlying investment managers, including their voting behaviour.
- the responsible investment characteristics of the underlying investments.

The Trustee has reviewed the information provided by VLK and its other advisors, and is satisfied that the policies set out in the SIP have been followed, including:

- investing the assets according to the investment policy and the investment strategy advised and implemented by VLK.
- choosing suitable investments to achieve the right balance between risk and return, with a focus on security, quality, liquidity, and profitability of the assets.
- managing the key investment risks appropriately.

- monitoring the underlying managers of the investments, and the performance of those managers relative to the objectives.
- managing Environmental, Social, and Governance ('ESG') risks where financially material (note that non-financial factors, such as member views, are not taken into consideration).
- exercising of the rights (including voting rights) attaching to investments.

A summary of the stewardship behaviour of both VLK and a selection of the underlying investment managers they appoint on the Trustee's behalf is provided below. This includes information on voting behaviour, and votes considered significant by each of the investment managers. The Trustee has no influence on the underlying managers' definitions of "significant votes", but has noted these and is satisfied that they are reasonable and appropriate. It also includes information on the engagements undertaken by investment managers with the companies/issuers in which they invest.

VLK monitoring and engagement behaviour

Background

The Trustee does not monitor or engage directly with issuers or managers of debt or equity investments, but instead delegates this activity to VLK and to the underlying investment managers appointed by VLK. The Trustee expects VLK to undertake regular monitoring and engagement in line with its own corporate governance policies, taking account of current best practice, including the UK Corporate Governance Code and the UK Stewardship Code. The remainder of this document provides insights into VLK's responsible investment and engagement activities which have directly and indirectly helped the Trustee with its stewardship responsibilities.

VLK expects the underlying investment managers they select to exercise rights attached to their investments, including voting rights, and to engage with issuers of debt and equity (and other relevant persons) about matters such as performance, strategy, management of actual or potential conflicts of interest, and ESG considerations. ESG criteria are defined as a set of non-financial indicators relating to a company's operations that are used by investors to evaluate corporate behaviour and to determine how it may impact the future financial performance of companies. Environmental criteria consider how a company's interaction with the natural environment may affect its performance. Social criteria examine how it manages relationships with its stakeholders (employees, suppliers, customers, local communities etc.). Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

There are several levels of engagement at VLK: they engage with the investment managers they appoint, with companies in which they invest directly (e.g. within VLK-managed investment products), and via collaborative engagement with industry stakeholders, such as regulators, industry initiatives, benchmark providers, and peers.

VLK monitoring of investment managers

VLK has limited influence over external investment managers' investment practices (particularly where assets are held in pooled mutual funds). However, throughout the last 12 months, VLK has encouraged its appointed managers to improve their own stewardship and engagement practices and consider ESG (risk) factors when making investment decisions.

When assessing investment managers, VLK bases its ESG criteria on international conventions and initiatives, such as the UN Global Compact and the UN Principles for Responsible Investment (PRI).

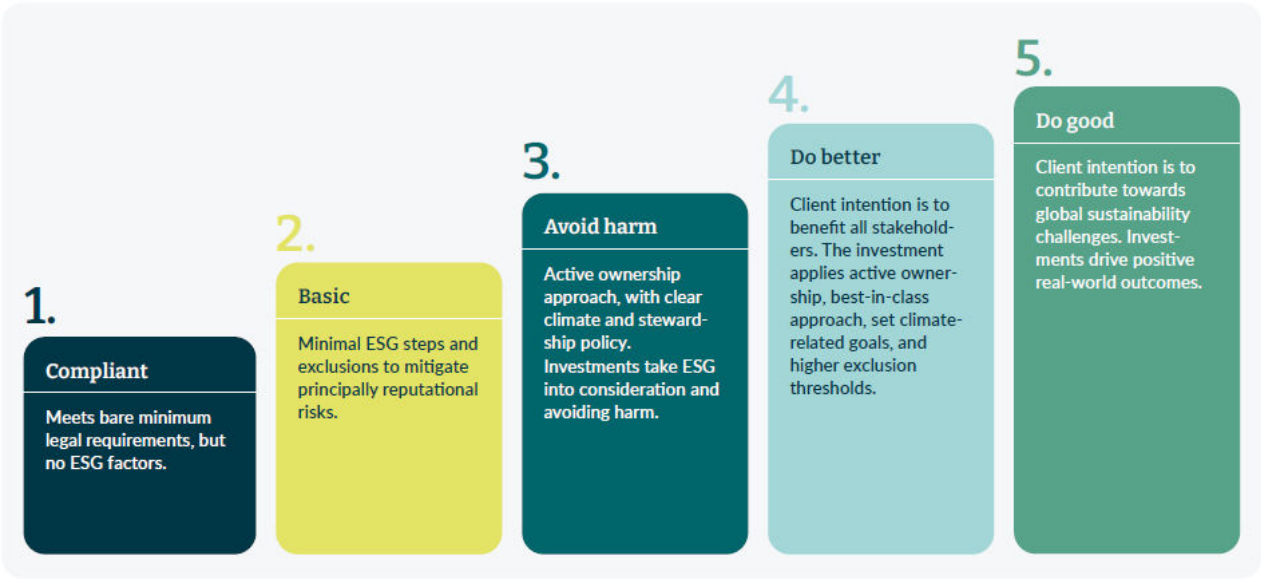
VLK has created a proprietary scoring framework ('the Sustainability Spectrum') to help them understand and evaluate how investment managers integrate various ESG factors into their investment processes. This framework assesses investment managers on six core pillars:

1. **Commitment to Responsible Investment:** policies and objectives relating to responsible investment.
2. **ESG Integration:** incorporation of ESG factors into investment processes and decision making.
3. **Active Ownership:** voting and engagement with underlying companies/issuers.
4. **Evidence & Transparency:** reporting and disclosure on ESG issues.
5. **Exclusion:** policy on avoidance of controversial sectors and companies with high ESG risk.
6. **Impact:** framework for measuring and managing environmental and social impacts.

Framework for assessing investment managers on ESG factors

Within this framework, investment managers and their products are classified into one of five different levels: Compliant (level 1), Basic (level 2), Avoid harm (level 3), Do better (level 4), Do good (level 5).

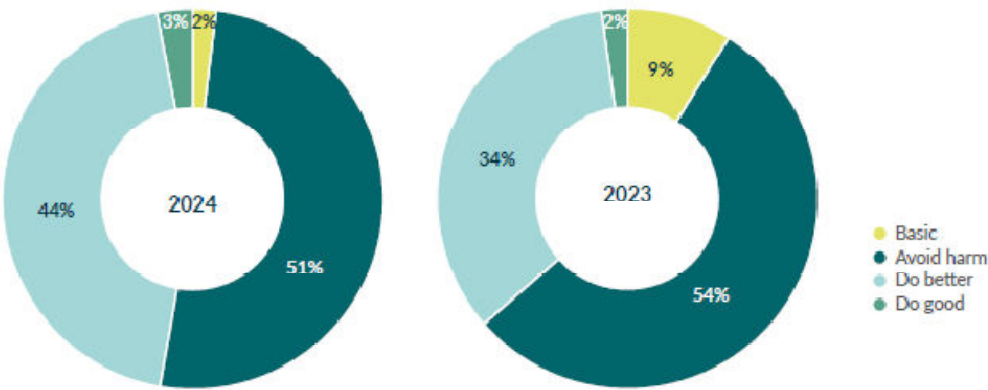
Five flavours of the Sustainability Spectrum



VLK’s scoring of investment funds

In 2024, VLK assessed 394 mutual funds. Each fund was assigned a score on the Sustainability Spectrum. These assessments are conducted by their Manager Research Solutions team, with research and conclusions shared across the organisation.

Sustainability Spectrum scores of investment managers



VLK highlights in 2024

During 2024, VLK:

- Proactively engaged with 38 different investment managers, covering 162 mutual funds. Many of these engagements centred around the upcoming fund naming guidelines of the European Securities and Markets Authority (ESMA). The ESMA guidelines aim for transparency and consistency in requirements for funds whose names include sustainability terms (such as ‘sustainable’, ‘ESG’ or ‘climate’)
- Assessed 394 mutual funds on ESG criteria (see above). This included assessments across six key ESG areas: Responsible Investment, ESG Integration, Active Ownership, Transparency, Exclusion, and Impact.
- VLK worked with its Dutch institutional clients to develop a biodiversity framework for Dutch clients on the integration of measurable key performance indicators (KPIs) and key risk indicators (KRIs).

- Conducted detailed research on key risk indicators (KRIs) relating to physical climate risk – the risk to physical assets posed by a changing climate. This included analysing third-party data providers, portfolio integration assessments, and climate modelling.
- VLK worked with its Dutch institutional clients to develop an impact investment framework for Dutch clients with an appetite for measurable sustainability impact. This includes advice on investment objectives, manager selection, implementation, and reporting and monitoring.
- Entered into a partnership with Collective Action, a private markets impact specialist.
- Produced three separate reports on the risks and opportunities created by (they believe) three of the most pressing economic transitions of our times: energy transition (decarbonisation and climate), food transition (making agriculture more sustainable), and material transition (focusing on the circular economy).
- Reviewed the Exclusion Policy, which applies across the entirety of the assets VLK manage (including its fiduciary management mandates). As the end of 2024, almost 300 companies were excluded (primarily due to involvement in controversial weapons, tobacco, and international sanctions).
- Reduced the Weighted Average Carbon Intensity of its discretionary assets under management by 17%.
- Were awarded "5 stars" for their "Policy & Governance Strategy" in their firmwide Principles for Responsible Investment Assessment Report 2024.
- Continued their involvement in industry initiatives, as members of PRI, GIIN (the Global Impact Investing Network), and ICGN (the International Corporate Governance Network).
- Remained signatories to the Dutch and UK Stewardship Codes.

VLK engagement with the Sections' appointed managers

VLK appoints a number of investment managers to manage assets in the Sections' portfolio. Below are some specific engagement examples to demonstrate how VLK are monitoring and engaging with some of the Sections' underlying managers on stewardship and ESG issues.

Manager engagement example – State Street

State Street – Sustainability commitments, voting & stewardship programme	
Engagement description	VLK provided feedback on sustainability commitments and the launch of new stewardship programme
Investment manager	State Street Global Advisors (SSGA)
Fund/Mandate	General
Rationale for engagement	Engagement to provide feedback on SSGA's sustainability commitments/practices and enhance existing voting capabilities. This was a pivotal engagement as SSGA manage VLK's flagship global equity mandate for UK fiduciary management clients.
Summary	VLK identified and engaged with SSGA to improve their commitment to responsible investing. This included areas such as becoming a signatory to initiatives like Science-Based Targets initiative (SBTi) and Finance for Biodiversity Pledge. Additionally, VLK noted that SSGA does not engage with companies on severe controversies, while also scoring lower in ShareAction's (a UK-based charity which provides responsible investment analysis) voting assessment compared to other equity index managers. Given this feedback alongside that of other clients, SSGA acknowledged the importance of strengthening their stewardship offering. This has been a point of attention for the organisation who have been working on a new stewardship programme aimed at clients focused on real-world sustainable outcomes. This programme was rolled out later in the year. The new stewardship programme offers clients an "opt-in" to a more ambitious stewardship approach. While the default policy will focus on governance-related issues, the new optional policies focus on three sustainability priorities: Climate Change, Nature, and Human Rights, with potential additions like Diversity, Equity, and Inclusion (DEI) to be considered at a later date. A new, dedicated team has been created to represent this new policy, ensuring clear delineation and transparency. Alongside this, VLK also engaged with SSGA over the course of the year to roll-out tailored voting policies for investors in the World TPI Climate Transition Index Equity Fund (VLK's flagship equity mandate for UK FM clients) to provide greater optionality related to sustainability-related votes. This would include a voting policy which is more ambitious on responsible investing issues (e.g. stronger policy on environment-related votes). VLK has successfully managed to engage with SSGA to drive change in this area. Over the course of the next year, VLK expects to roll out of the new voting policy for its clients' mandates. They also expect the improved stewardship programme to be finalised.
Conclusion	SSGA has significantly improved their stewardship and voting capabilities over the course of the year with significant resource allocation. Both developments will help better align with VLK's sustainability ambitions.

State Street – Sustainability commitments, voting & stewardship programme	
Next steps	VLK will continue to monitor progress and development across both these domains as they are rolled out to clients.

Manager engagement example – Insight

Insight – Exclusion policy for Oil & Gas	
Engagement description	VLK enquired about the rationale for environmental exclusion
Investment manager	Insight
Fund/Mandate	Insight Mature Buy & Maintain Credit Funds
Rationale for engagement	Insight had invested in bonds issued by Equinor, which had initially been flagged as having Unconventional Oil & Gas operations
Summary	Van Lanschot Kempen (VLK) is invested in Insight's Buy & Maintain Credit Funds ("the Funds"). The Funds had significant holdings in bonds issued by Equinor (a Norwegian oil and gas company). Equinor had been flagged as having "Unconventional Oil & Gas" operations (meaning extracting reserves located deep underground using complex methods which may damage the environment) due to their work in the Arctic Circle. However, this classification proved to be inaccurate. VLK engaged with Insight about this holding as part of VLK's monitoring and engagement with managers. Subsequently, Insight explained that MSCI ESG (a provider of business operation data which used by investment managers) has updated their policy. Originally, MSCI ESG had flagged Equinor as "Unconventional Oil & Gas" (i.e. at heightened risk of causing environmental damage through their operations due to complex extraction methods) due to their operations in the Arctic Circle. This classification was based solely on location, with no consideration for actual operations or extraction method. MSCI ESG has since updated its policy to only flag companies as Unconventional Oil & Gas that both operate in the Arctic Circle and drill directly through ice to access reserves (given the damage that ice drilling causes to local ecosystems). Given that only c.1% of Equinor's revenue comes from operations which meet this criteria, MSCI ESG decided to reclassify Equinor as "Conventional Oil & Gas".
Conclusion	Equinor is now classified as "Conventional Oil & Gas" and Insight continue to hold the position in their portfolio; VLK believes this classification to be more accurate. As VLK is committed to the energy transition (including reducing emissions from fossil fuels), they were pleased with both Insight and MSCI ESG's nuanced and pragmatic approach to this issue.
Next steps	VLK will continue to regularly monitor all funds for exposure to controversial sectors, such as Unconventional Oil & Gas.

Voting & engagement of the Sections' appointed managers

The Shareholder Rights Directive (SRD II) and The UK Stewardship Code 2020 both emphasise the importance of institutional investors and asset managers engaging with the companies in which they invest, and stress the importance of exercising shareholder voting rights effectively.

Via VLK's monitoring and engagement activities, the Trustee encourages all underlying investment managers to be engaged investors. Furthermore, the Trustee encourages the managers to report on these activities and to disclose information about responsible investing on their website and in their reporting.

The assets are invested in a diverse range of asset classes. The intention of this section is to provide specific details of the voting and engagement behaviour overview and examples of the Sections' equity managers who manage equity investments which have voting rights attached, as well as the engagement behaviour of the Sections' fixed income credit/bond managers. Government bonds are excluded from this analysis.

While investment managers may have used proxy voting services, the Trustee has not used proxy voting services itself during the reporting period.

Equity Managers

The Sections did not have any investments in listed equity. Therefore, there is no information on proxy votes to report here.

Fixed Income Managers

Below is an overview of the engagement activities of some of the Sections' fixed income managers.

Insight Maturing Buy and Maintain Bond Fund 2026-2030	
Period: 01 Oct 2024 – 30 Sep 2025	
Fund Information	Response
Name of fund / strategy	Maturing Buy and Maintain Bond Fund 2026-2030
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BHNGR021
What was the total AUM of the fund / strategy at the end of the period? (GBP)	£2.0b
What was the number of holdings in the fund / strategy as at the end of the period?	199
Engagement with portfolio companies	
How many engagements were initiated over the last 12 months which were relevant to this strategy?	125
How many entities did you engage with over the last 12 months which were relevant to this strategy?	78
What percentage of entities did you engage with over the 12 months which were relevant to this strategy?	39%
Meetings with portfolio companies	
How many times did you have a meeting/call with the board (or chair of the board) to discuss matters in the last 12 months which were relevant to this strategy?	0
How many times did you have a meeting/call with member(s) of C-suite to discuss matters in the last 12 months which were relevant to this strategy?	33
How many times did you have a meeting/call with a different individual (not covered in categories above) to discuss matters in the last 12 months which were relevant to this strategy?	81
ESG Engagements	
Please provide breakdown of engagements by theme/topic: Environmental Social Governance Other (specify)	Environmental - 86 Social - 49 Governance - 28 Other - 11

Engagement Case Study: Insight Maturing Buy and Maintain Bond Fund 2026-2030	
Name of fund / strategy	Insight Maturing Buy and Maintain Bond Fund 2026-2030
Name of entity you engaged	Volkswagen
Date	Q1 2025
Theme / topic of the engagement	Social (Human Rights)
Please describe your engagement method.	Volkswagen ('the issuer') is a global automobile manufacturer. Insight have engaged with this issuer several times over recent years due to weak ESG performance. Insight have monitored the issuer closely following allegations that a factory in China, operated by an outsourced partner, used forced labour in their production process. While a 2023 internal audit found no use of forced labour, Insight continue to monitor the issuer's human rights approach. The issuer appears to only have a reactive approach around labour rights when working with its (indirect) suppliers and partners. This falls short of Insight's understanding of the EU's Corporate Sustainability Due Diligence Directive (CSDDD). Therefore, Insight wanted to understand how the issuer plans to evolve its approach around this type of due diligence, particularly in high-risk regions.
Please comment on the outcomes from this engagement so far?	Insight queried whether the issuer would consider including metrics on indirect suppliers within its human rights reporting framework for direct suppliers. The issuer responded that it has a dedicated officer and function to conduct deep dives into parts of its supply chain that may be sensitive to human rights violations. Finally, Insight asked the issuer whether it intends to increase its coverage and assessments of its direct suppliers with self-assessment questionnaires and auditing coverage. The issuer highlighted it has instituted specific KPIs related to responsible and sustainable supply chains. 79% of its issuers are rated positively, representing 79% of its total procurement volume, with a target of greater than 95% by 2040. Insight communicated its views on best practice and continues to monitor the issuer closely.

Insight Maturing Buy and Maintain Bond Fund 2031-2035	
Period: 01 Oct 2024 – 30 Sep 2025	
Fund Information	Response
Name of fund / strategy	Maturing Buy and Maintain Bond Fund 2031-2035
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BHNGR138
What was the total AUM of the fund / strategy at the end of the period? (GBP)	£690m
What was the number of holdings in the fund / strategy as at the end of the period?	122
Engagement with portfolio companies	
How many engagements were initiated over the last 12 months which were relevant to this strategy?	77
How many entities did you engage with over the last 12 months which were relevant to this strategy?	46
What percentage of entities did you engage with over the 12 months which were relevant to this strategy?	38%
Meetings with portfolio companies	
How many times did you have a meeting/call with the board (or chair of the board) to discuss matters in the last 12 months which were relevant to this strategy?	0
How many times did you have a meeting/call with member(s) of C-suite to discuss matters in the last 12 months which were relevant to this strategy?	25
How many times did you have a meeting/call with a different individual (not covered in categories above) to discuss matters in the last 12 months which were relevant to this strategy?	46
ESG Engagements	
Please provide breakdown of engagements by theme/topic: Environmental Social Governance Other (specify)	Environmental - 53 Social - 31 Governance - 20 Other - 8

Engagement Case Study: Insight Maturing Buy and Maintain Bond Fund 2031-2035	
Name of fund / strategy	Insight Maturing Buy and Maintain Bond Fund 2031-2035
Name of entity you engaged	Ford Motor Company
Date	Q4 2024
Theme / topic of the engagement	Environment
Please describe your engagement method.	Ford ('the issuer') is a major US automotive manufacturer. Insight initiated the engagement with the issuer because it has a comparatively weaker ESG profile relative to its peers. Additionally, the issuer is in the top 70% of Insight's financed carbon emissions (meaning it accounts for a relatively high portion of the portfolio's carbon footprint). Insight's engagement focused on environmental issues, covering the issuer's emissions intensity and its plans to encourage sales of battery electric vehicles (BEVs). Unlike peers, the issuer has not set any sales targets for electric vehicles. In addition, the issuer reduced its capital allocation target for electric vehicles to 30% of its capital budget (down from 40% previously) and extended its deadline to transition to producing all electric vehicles in Europe from 2030 to 2035. Insight asked the issuer why it extended the target date for all electric vehicle production in Europe. The issuer replied that changes in the European auto market and the macroeconomic environment had created headwinds for BEVs. The issuer also stated consumers appear unwilling to pay more for BEVs. As a result, the issuer adapted its product strategy to respond to customer needs but also enhance its profitability.
Please comment on the outcomes from this engagement so far?	Despite highlighting increasing BEV sales during the engagement, the issuer has weakened its all-electric target in Europe and has no target to go fully electric in other markets. The issuer is also relatively weak in terms of its supply chain targets compared with peers (e.g. no requirements for battery manufacturers to procure renewable energy etc.). Additionally, Insight encouraged the issuer to become a signatory to the Global Battery Alliance (a public-private collaboration to help establish a sustainable, global battery value chain by 2030). Insight communicated to the issuer they would like to see a target for 100% vehicle sales to be electric vehicles in markets beyond Europe. Insight continues to monitor and engage with the issuer.

Insight Maturing Buy and Maintain Bond Fund 2036-2040	
Period: 01 Oct 2024 – 30 Sep 2025	
Fund Information	Response
Name of fund / strategy	Maturing Buy and Maintain Bond Fund 2036-2040
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BHNGQX81
What was the total AUM of the fund / strategy at the end of the period? (GBP)	£214m
What was the number of holdings in the fund / strategy as at the end of the period?	71
Engagement with portfolio companies	
How many engagements were initiated over the last 12 months which were relevant to this strategy?	55
How many entities did you engage with over the last 12 months which were relevant to this strategy?	37
What percentage of entities did you engage with over the 12 months which were relevant to this strategy?	52%
Meetings with portfolio companies	
How many times did you have a meeting/call with the board (or chair of the board) to discuss matters in the last 12 months which were relevant to this strategy?	0
How many times did you have a meeting/call with member(s) of C-suite to discuss matters in the last 12 months which were relevant to this strategy?	18
How many times did you have a meeting/call with a different individual (not covered in categories above) to discuss matters in the last 12 months which were relevant to this strategy?	38
ESG Engagements	
Please provide breakdown of engagements by theme/topic: Environmental Social Governance Other (specify)	Environmental - 53 Social - 36 Governance - 21 Other -5

Engagement Case Study: Insight Maturing Buy and Maintain Bond Fund 2036-2040	
Name of fund / strategy	Insight Maturing Buy and Maintain Bond Fund 2036-2040
Name of entity you engaged	Enel SPA
Date	Q3 2025
Theme / topic of the engagement	Environment – energy use
Please describe your engagement method.	Enel SPA ('the issuer') is a multinational power company that produces energy and distributes electricity for businesses and households globally. Insight engaged with the issuer to better understand its decarbonisation objectives, particularly in the context of recent political pressure around net zero targets. The issuer has been recognised as a pioneer in the power sector for transitioning its energy mix, reducing greenhouse gas (GHG) emissions, and embedding sustainability into its long-term strategy. Specifically, regarding its long-term strategy: - Complete coal phase-out by 2027 - Thermal generation phase-out by 2040 - Set renewable energy targets on capacity and production by 2030 - 100% grid digitalisation by 2030 The issuer acknowledged the importance of its changing energy mix, stating the additional €3.8 billion in CO2 allowances under the Emissions Trading System (ETS) it would have been subject to purchasing if it didn't change its coal capacity. This would have resulted in a significant drop in operating profits (EBITDA) to €19 billion (versus €22.8 billion). The issuer expects improvements in metrics related to advocacy and disclosures under the new Climate Action 100+ net-zero benchmark, which is expected to result in a favourable assessment of the issuer. Italy's energy policy and geopolitical crises have influenced the issuer's operations, particularly around coal and gas use, but the issuer discloses this clearly within their documentation and is still committed to closing all coal plants by 2027. Despite fears that the government may shift its green focus, the issuer noted it has been accelerating deployment of renewables in the country, adding 78 gigawatts annually in recent years compared with 1 GW at the beginning of the decade.
Please comment on the outcomes from this engagement so far?	Following the engagement, Insight maintain their view that the issuer is a leader in the power sector on energy transition and has shown strong progress in transitioning to renewables. They are confident that the issuer is on track to meet its 2027 coal phase-out and 2030 renewable energy targets given the heavy focus of capital expenditure going into renewables. Insight look forward to seeing the outcome of the Climate Action 100+ assessment in the benchmark.

Aegon European ABS Fund Period: 01 Oct 2024 – 30 Sep 2025	
Fund Information	Response
Name of fund / strategy	Fund: Aegon European ABS Fund Strategy: European ABS
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BYWL4Q20
What was the total AUM of the fund / strategy at the end of the period? (GBP)	Fund: £8.8b Strategy: £11.7b
What was the number of holdings in the fund / strategy as at the end of the period?	680
Engagement with portfolio companies	
How many engagements were initiated over the last 12 months which were relevant to this strategy?	105
How many entities did you engage with over the last 12 months which were relevant to this strategy?	76
What percentage of entities did you engage with over the 12 months which were relevant to this strategy?	44%
Meetings with portfolio companies	
How many times did you have a meeting/call with the board (or chair of the board) to discuss matters in the last 12 months which were relevant to this strategy?	51
How many times did you have a meeting/call with member(s) of C-suite to discuss matters in the last 12 months which were relevant to this strategy?	54
How many times did you have a meeting/call with a different individual (not covered in categories above) to discuss matters in the last 12 months which were relevant to this strategy?	0
ESG Engagements	
Please provide breakdown of engagements by theme/topic: Environmental Social Governance Other (specify)	Environment: 14 Social: 2 Governance: 29 General disclosure: 60

Engagement Case Study: Aegon European ABS Fund	
Name of fund / strategy	Aegon European ABS Fund
Name of entity you engaged	LGT
Year and quarter the engagement was initiated	Q3 2025
Theme / topic of the engagement	Engagement on Social Factors with New CLO Manager
Please describe your engagement method.	Earlier this year, Swiss-based LGT (a newly-established Collateralised Loan Obligation (CLO) manager), entered the ABS market. Senior Portfolio Managers in Aegon's ABS team initiated an engagement to discuss their ESG approach and requested completion of Aegon's CLO ESG questionnaire. Key social factor questions included: • Whether the firm is a signatory to the UN PRI or similar responsible investment initiatives. • Existence and scope of a Diversity & Inclusion policies, and their organisational impact. • Commitment to paying a living wage. The engagement was conducted via direct dialogue (phone call) and follow-up correspondences.
Please comment on the outcomes from this engagement so far?	In July 2025, when their first CLO was priced, the manager had not sufficiently addressed Aegon's ESG-related inquiries. Consequently, it chose not to participate in the inaugural CLO transaction. Given their early stage, Aegon recognises the need for time to establish a robust ESG framework. Its approach remains constructive: it aims to re-engage ahead of the next issuance to assess progress and support alignment with ESG standards.

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