

Aegon Emerging Market ESG Equity Investment Fund EUR series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MSCI Emerging Net Total Return USD Index
ISIN code:	HU0000705934
Start:	10/29/2007
Currency:	EUR
Total Net Asset Value of the whole Fund:	5,734,074,375 HUF
Net Asset Value of EUR series:	406,502 EUR
Net Asset Value per unit:	1.315983 EUR

INVESTMENT POLICY OF THE FUND:

The objective of the fund is to benefit on the economical growth of emerging countries. The fund accomplishes this goal basically via individual equity investments, however it may also hold collective investment instruments, if it is necessary for the efficient management of the portfolio. These can primarily be ETFs listed on the stock exchange, bank deposit, account money, repo transactions, and open-end public investment funds. In the course of selecting the equities the Fund dedicates special attention to the compliance of individual companies with ESG (environmental, social, governance) criteria, so in addition to analyzing the financial factors, portfolio managers also take into consideration environmental, social and governance factors during the investment decision making process. The goal of the Fund Manager is to establish a portfolio, in which the average of indicators measuring ESG compliance of the individual companies is more favorable than the aggregated indicator of the benchmark index, i.e. their operation is characterized by more advanced environmental, social and governance responsibility. Environmental criteria include elements in the course of which the company comes into contact with the environment. Besides these, no additional special goals are set by the Fund. These include for example the energy utilization, waste management, pollutant emission and/or the preservation of natural resources. Social criteria include all relations maintained by the company with its external partners, customers and internal employees. Corporate governance criteria are legal factors impacting reliable operation of a company.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Aegon Životná poisťovňa, a.s., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt., SC Aegon ASIGURARI DE VIATA SA

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 08/01/2019 - 07/31/2020



— Aegon Emerging Market ESG Equity Investment Fund EUR series — Benchmark

Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Lyxor MSCI Korea UCITS ETF	investment note	Lyxor MSCI Korea UCITS ETF (LU)	
Xtrackers ESG MSCI EM UCITS ETF	investment note	Xtrackers ESG MSCI EM UCITS ETF (IE)	
HSBC MSCI CHINA UCITS ETF	investment note	HSBC MSCI CHINA UCITS ETF (IE)	
KraneShares CSI China Internet UCITS	investment note	KraneShares CSI China Internet UCITS (IE)	
Taiwan Semiconductor Manufact	share	TSMC (TW)	

MARKET SUMMARY:

It appears that in Europe, the first wave of the corona virus has ended, but there are already signs that the second wave is about to start. EU Member States have opened their internal borders, but this situation can change at any time, depending on the infection rates. The situation in the United States is not as good. The states manage the epidemic independently, which resulted that, there are states where the number of new infections has already dropped to the European level, but there are also some, especially in the south-west where the infection rate is at new highs. U.S. lawmakers are also trying to adapt to this emergency situation, and have voted to extend the job retention program until August 8th. In addition, the Secretary of the Treasury is working on a proposal that would allow for another \$1,000 billion aid package. In Europe, Angela Merkel has softened the "thrifty four" to support the € 750 billion EU Reconstruction Fund. By the end of the month, the economic aid package and the € 1,074 billion European budget had been passed. The epidemic broke out in China first, so we can also say that they are also moving ahead of the rest of the world in economic recovery. This is shown by the better-than-expected June China Purchasing Managers' Index, with the manufacturing industry index at 50.9 and the service sector at 54.4, both data referring pre-pandemic times, a period of the official 6 percent economic growth. In Hungary, the MNB also reduced the key interest rate by 15 basis points at its July meeting to 60 bps. Based on the MNB's communication, we can say that the central bank fine-tuned its bond purchase program, and we can most likely say that we have reached the end of the interest rate cut cycle. The fund achieved a positive return in July and also outperformed the benchmark index. Emerging markets significantly outperformed developed markets in July. Within the larger markets, Brazil and Taiwan achieved the best returns, while Korea slightly underperformed. We are currently underweighting Brazil and Thailand in the fund, while overweighting the core Asian markets. Last month, we built an overweight position in the South African market due to the pricing picture. It is difficult to find stocks in emerging markets that are trading below long-term valuation metrics. In terms of sectors, the IT sector with a better-than-average ESG score is overweight in the fund.

ASSET ALLOCATION OF THE FUND ON 07/31/2020

Asset type	Weight
Collective securities	61.62 %
International equities	25.04 %
Current account	22.47 %
Liabilities	-9.74 %
Receivables	0.62 %
total	100.00 %
Derivative products	10.63 %
Net corrected leverage	110.75 %

Assets with over 10% weight

There is no such instrument in the portfolio

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.82 %	1.25 %
2019	13.91 %	17.14 %
2018	-10.12 %	-11.18 %
2017	17.78 %	20.00 %
2016	5.17 %	5.74 %
2015	0.27 %	0.80 %
2014	17.18 %	17.03 %
2013	-3.06 %	-2.57 %
2012	14.96 %	17.00 %
2011	-16.08 %	-16.74 %
2010	26.07 %	29.44 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	26.84 %
Annualized standard deviation of the benchmark's weekly yields:	25.65 %
WAM (Weighted Average Maturity):	0.00 years
WAL (Weighted Average Life):	0.00 years