

VIG EMERGING MARKET ESG EQUITY INVESTMENT FUND

2022 ANNUAL REPORT
(FREE TRANSLATION)

This report has been prepared by AEGON Magyarország Befektetési Alapkezelő Zrt. as the fund manager of VIG Emerging Market ESG Equity Investment Fund (hereinafter: the Fund), on the basis of Sections 131 and 132 of (Hungarian) Act XVI of 2014 on collective investment forms and their managers as well as on the amendment of certain finance-related laws (hereinafter: Kbtv), for the purpose of presenting the Fund's operations in the year 2022.

Further information on the general operation of the Fund is contained in the prospectus approved by the National Bank of Hungary (MNB) for the public offering of the Fund's investment units, which can be found at AEGON Magyarország Befektetési Alapkezelő (AEGON Hungary Investment Fund Management), the places of distribution of the Fund's investment units and on the Fund Manager's website ([www.aegonalapkezelo .hu](http://www.aegonalapkezelo.hu)).

Budapest, 26. April 2023

Péter Kadocsa
Chairman and CEO

Bálint Kocsis
Chief Administration Officer

For security reasons, this document does not include an image of a handwritten signature. The content of this document may be deemed substantially identical in all respects to the original document furnished with an official corporate signature and with the electronic signatures of other responsible persons and is fully valid and authoritative even without a handwritten signature.

GENERAL INFORMATION ABOUT THE FUND

Name of the Fund

VIG Emerging Market ESG Equity Investment Fund

Abbreviated name of the Fund

VIG Emerging ESG Equity Fund

Registration number of the Fund

1111-221

Kind of the Fund

open-end

Type of the Fund

public

Series and type of Investment Units traded in the reporting period

Series	Currency	ISIN code	Series	ISIN code	
A	HUF	HU0000705272	U	USD	HU0000723705
B	EUR	HU0000705934	R	HUF	HU0000723663
I	HUF	HU0000723655	L	PLN	HU0000724273
P	PLN	HU0000724265	C	CZK	HU0000723697
EI	EUR	HU0000729553	UI	USD	HU0000729561

Yield Payment

The Fund do not pay a yield against any capital growth; the entire capital growth is reinvested in accordance with the investment policy of the Fund. Investors can realise the capital growth as the difference between the purchase and resale prices of the Investment Units they own, as a price gain.

Eligible Investors

Investment Units may be purchased by both resident (Hungarian) and non-resident (foreign) individuals, juridical entities (e.g. companies) and unincorporated business entities.

Details of the Fund Manager AEGON Magyarország Befektetési Alapkezelő Zrt.
1091 Budapest, Üllői út 1.
Phone: (06-1) 476-20-59

Details of the custodian Unicredit Bank Hungary Zrt.
1054 Budapest, Szabadság tér 5-6.

Details of the auditing firm engaged by the Fund: PricewaterhouseCoopers Könyvvizsgáló Kft.
1055 Budapest, Bajcsy-Zsilinszky út 78.
Trade registry number: 01 09 063022
Registration number: 001464

Details of the auditor employed by the auditing firm: Szilvia Szabados
Chamber membership number: 005314

I. NET WORTH STATEMENT

Composition of the assets and liabilities of the investment fund at the start and at the end of the reporting period and the share of each asset within total assets:

Description	2021. 12. 31.		2022. 12. 30.	
	Amount / Value (HUF)	NAV in percent (%)	Amount / Value (HUF)	NAV in percent (%)
Bank balances	1 620 297 969	11,81	238 638 363	3,64
Repo				
Negotiable securities	12 556 020 831	91,55	6 309 839 146	96,25
Derivative transactions		0,00	114 517	0,00
Other assets	36 761 154	0,27	41 765 203	0,64
Total assets	14 213 079 954	103,64	6 590 357 229	100,53
Liabilities	-498 552 662	-3,64	-34 766 360	-0,53
Net asset value	13 714 527 292	100,00	6 555 590 869	100,00

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

II. NUMBER OF INVESTMENT UNITS IN CIRCULATION

Investment unit					2021. 12. 31.	2022. 12. 30.
fund	series	currency	ISIN			
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	A	HUF	HU0000705272	2 206 014 949	1 749 009 236	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	B	EUR	HU0000705934	1 136 062	1 060 648	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	I	HUF	HU0000723655	5 327 062 634	1 848 760 523	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	U	USD	HU0000723705	584 910	333 264	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	R	HUF	HU0000723663	240 430 688	43 354 582	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	L	PLN	HU0000723689	13 000	1 033 647	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	P	PLN	HU0000723671	13 000	13 000	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	C	CZK	HU0000723697	80 000	80 000	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	F	EUR	HU0000729553		30 136	
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	V	USD	HU0000729561		26 274	

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

III. NET ASSET VALUE PER INVESTMENT UNIT

Investment unit				2021. 12. 31.	2022. 12. 30.
fund	series	currency	ISIN		
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	A	HUF	HU0000705272	2.309343	1.995695
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	B	EUR	HU0000705934	1.570747	1.251432
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	I	HUF	HU0000723655	1.382735	1.209516
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	U	USD	HU0000723705	1.351499	1.012591
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	R	HUF	HU0000723663	1.389546	1.217307
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	L	PLN	HU0000723689	1.306492	1.074795
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	P	PLN	HU0000723671	1.310329	1.06537
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	C	CZK	HU0000723697	1.180542	0.954218
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	F	EUR	HU0000729553		0.93206
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	V	USD	HU0000729561		0.979645

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

IV. COMPOSITION OF THE INVESTMENT FUND

Description	2021. 12. 31.		2022. 12. 30.	
	Amount / Value (HUF)	In percent (%)	Amount / Value (HUF)	In percent (%)
Investment units of EMU non-money-market funds	7 297 033 335	58,12	2 801 784 303	44,40
Investment units of other foreign non-money market funds	1 734 119 128	13,81	548 789 064	8,70
Shares - Hungarian monetary market	38 528 600	0,31		
Shares - Other foreign	3 098 405 159	24,68	2 959 265 779	46,90
Total officially listed negotiable securities	12 168 086 222	96,91	6 309 839 146	100,00
Total negotiable securities traded on other regulated markets				
Total recently issued negotiable securities				
Investment units of Hungarian non-money-market funds	387 934 609	3,09		
Other negotiable securities	387 934 609	3,09		
Total debt securities				
Total securities	12 556 020 831	100,00	6 309 839 146	100,00

The table was prepared on the basis of the net asset values valid as at the last trading day of the period

V. Changes in the assets of the investment fund

Income from investment:

	Data in HUF k
Income from financial transactions	2022
Dividends of shares	243 578
Exchange gains on shares	2 083 289
Interest received from financial institutions	4 166
Exchange gains on derivative transactions	112 461
Profits on derivative transactions	186 154
Total:	2 629 648

Prepared on the basis of the data in the 2022 accounting records of the Fund

	2022
Expenses of financial transactions	
Exchange losses on derivative transactions	372 581
Option fees	12 336
Payable interests	551
Exchange losses on shares	1 532 947
Total:	1 918 415

Prepared on the basis of the data in the 2022 accounting records of the Fund

Other income and other expenses:

In 2022, the Fund recognised a penalty commission of **HUF 84K**, a security related income of **HUF 66k** as **Other income**, and its security related expenses of **HUF 53K** and rounding differences of **HUF 1k** under **Other expenses**

Costs, fees and taxes recognised in the business year:

Működési költségek	2022
Fund management fees	90 413
Custodial fees	6 954
Auditor's fee	1 803
Supervisory fees	3 724
Commission fees	9 963
Brokerage commission	11 044
Transaction fees	3 214
Main distributor's commission (trailer fees)	5 311
Distributor's commission (trailer fees)	38 429
KELER (clearinghouse) fees	21
Index usage fee	3 209
Performance fees	27
Bank charges	363
Összesen:	174 475

Prepared on the basis of the data in the 2022 accounting records of the Fund.

Net income, changes on the capital account and increases in investment value:

	Data in HUF k
Capital growth:	2022
Value difference of repurchased investment units	631 128
from revaluation difference	-768 537
from the profit of previous years	1 964 404
from the profit of the business year	531 560
Total:	2 358 555

Prepared on the basis of the data in the 2022 accounting records of the Fund.

The fund had no distributed or reinvested income in 2022.

VI. Change in the net asset values and the net asset value per unit

Fund	Serie	Currency	ISIN	Net Asset Value	Unit price	Value date
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	A	HUF	HU0000705272	2 635 032 633	1,837432	2019.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	A	HUF	HU0000705272	4 232 185 856	2,190348	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	A	HUF	HU0000705272	5 094 445 180	2,309343	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	A	HUF	HU0000705272	3 490 488 987	1,995695	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	B	EUR	HU0000705934	330 804	1,396314	2019.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	B	EUR	HU0000705934	1 403 626	1,505694	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	B	EUR	HU0000705934	1 784 466	1,570747	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	B	EUR	HU0000705934	1 327 329	1,251432	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	I	HUF	HU0000723655	6 701 184 313	1,295659	2020.12.31.

Fund	Serie	Currency	ISIN	Net Asset Value	Unit price	Value date
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	I	HUF	HU0000723655	7 365 915 951	1,382735	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	I	HUF	HU0000723655	2 236 105 433	1,209516	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	U	USD	HU0000723705	219 662	1,405046	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	U	USD	HU0000723705	790 505	1,351499	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	U	USD	HU0000723705	337 460	1,012591	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	R	HUF	HU0000723663	303 687 972	1,301864	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	R	HUF	HU0000723663	334 089 501	1,389546	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	R	HUF	HU0000723663	52 775 836	1,217307	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	L	PLN	HU0000723689	4 465 116	1,238763	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	L	PLN	HU0000723689	16 984	1,306492	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	L	PLN	HU0000723689	1 110 959	1,074795	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	P	PLN	HU0000723671	16 361	1,258560	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	P	PLN	HU0000723671	17 034	1,310329	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	P	PLN	HU0000723671	13 850	1,065370	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	C	CZK	HU0000723697	95 834	1,197923	2020.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	C	CZK	HU0000723697	94 443	1,180542	2021.12.31.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	C	CZK	HU0000723697	76 337	0,954218	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	F	EUR	HU0000729553	28 089	0,932060	2022.12.30.
VIG Feltörekvő Piaci ESG Részvény Befektetési Alap	V	USD	HU0000729561	25 739	0,979645	2022.12.30.

VII. Derivative transactions

Transaction	maturity	open	deal price	last f. price	value	currency	day
FTSE Taiwan Index Feb22 Vétel	2022.02.24.	14	1 547,000	1 529,2500	-3 185 372	HUF	2022.01.31.
FTSE CHINA A50 Feb22 Vétel	2022.02.25.	185	15 295,400	14 751,0000	-32 274 808	HUF	2022.01.31.
Összesen						HUF	2022.01.31.
FTSE CHINA A50 Mar22 Vétel	2022.03.30.	185	14 462,649	14 737,0000	16 789 754	HUF	2022.02.28.
Összesen						HUF	2022.02.28.
MSCI China Future Jun22 Vétel	2022.06.17.	66	541,121	521,7000	-21 283 649	HUF	2022.03.31.
FTSE CHINA A50 Apr22 Vétel	2022.04.28.	185	13 432,038	13 749,0000	19 473 093	HUF	2022.03.31.
Összesen						HUF	2022.03.31.
MSCI China Future Jun22 Vétel	2022.06.17.	66	541,121	499,0000	-49 592 421	HUF	2022.04.29.
FTSE CHINA A50 May22 Vétel	2022.05.30.	90	13 337,333	13 489,0000	4 870 047	HUF	2022.04.29.
Összesen						HUF	2022.04.29.
CZK/USD 22.07.20 Forward Vétel	2022.07.20.	80 000	23,544	23,1959	18 854	HUF	2022.05.31.
MSCI China Future Jun22 Vétel	2022.06.17.	25	462,650	508,1000	20 867 799	HUF	2022.05.31.
MSCI EmgMkt Jun22 Vétel	2022.06.17.	36	1 006,367	1 063,3000	37 641 929	HUF	2022.05.31.
MSCI EmgMkt Jun22 Vétel	2022.06.17.	40	1 007,415	1 063,3000	41 054 239	HUF	2022.05.31.
FTSE CHINA A50 Jul22 Vétel	2022.07.28.	25	13 197,000	13 397,0000	1 836 550	HUF	2022.05.31.
Összesen					18 854	HUF	2022.05.31.
CZK/USD 22.07.20 Forward Vétel	2022.07.20.	80 000	23,544	23,7604	-11 794	HUF	2022.06.30.
FTSE CHINA A50 Jul22 Vétel	2022.07.28.	25	13 197,000	14 883,0000	16 016 579	HUF	2022.06.30.
MSCI China Future Sep22 Vétel	2022.09.16.	25	527,000	546,7000	9 357 254	HUF	2022.06.30.
MSCI EmgMkt Sep22 Vétel	2022.09.16.	18	987,211	1 002,7000	5 297 061	HUF	2022.06.30.
Összesen					-11 794	HUF	2022.06.30.
CZK/USD 22.08.19 Forward Vétel	2022.08.19.	76 000	24,252	24,1344	6 055	HUF	2022.07.29.
MSCI China Future Sep22 Vétel	2022.09.16.	25	527,000	490,8000	-17 892 755	HUF	2022.07.29.
MSCI EmgMkt Sep22 Vétel	2022.09.16.	18	987,211	998,5001	4 017 503	HUF	2022.07.29.
Összesen					6 055	HUF	2022.07.29.
CZK/USD 22.10.19 Forward Vétel	2022.10.19.	81 000	24,182	24,7204	-29 793	HUF	2022.08.31.
MSCI China Future Sep22 Vétel	2022.09.16.	21	527,000	490,4000	-15 597 968	HUF	2022.08.31.
MSCI EmgMkt Sep22 Eladás	2022.09.16.	22	1 016,191	981,9000	15 309 794	HUF	2022.08.31.
Összesen					-29 793	HUF	2022.08.31.

Transaction	maturity	open	deal price	last f. price	value	currency	day
CZK/USD 22.10.19 Forward Vétel	2022.10.19.	75 000	24,182	25,0714	-47 252	HUF	2022.09.30.
WIG20 INDEX FUT Dec22 Vétel	2022.12.16.	29	1 547,966	1 393,0000	-7 776 418	HUF	2022.09.30.
MSCI China Future Dec22 Vétel	2022.12.16.	17	471,850	426,5000	-16 520 302	HUF	2022.09.30.
Összesen					-47 252	HUF	2022.09.30.
CZK/USD 23.02.21 Forward Vétel	2023.02.21.	70 000	25,172	24,8892	13 228	HUF	2022.10.28.
WIG20 INDEX FUT Dec22 Vétel	2022.12.16.	29	1 547,966	1 520,0000	-1 416 330	HUF	2022.10.28.
MSCI China Future Dec22 Vétel	2022.12.16.	17	471,850	357,5000	-40 284 476	HUF	2022.10.28.
MSCI EmgMkt Dec22 Eladás	2022.12.16.	19	895,974	856,2000	15 660 371	HUF	2022.10.28.
Összesen					13 228	HUF	2022.10.28.
CZK/USD 23.02.21 Forward Vétel	2023.02.21.	70 000	25,172	23,6753	69 632	HUF	2022.11.30.
MSCI China Future Dec22 Vétel	2022.12.16.	24	430,146	461,1000	14 618 045	HUF	2022.11.30.
WIG20 INDEX FUT Dec22 Vétel	2022.12.16.	29	1 547,966	1 740,0000	9 725 702	HUF	2022.11.30.
MSCI China Future Dec22 Vétel	2022.12.16.	17	471,850	461,1000	-3 595 972	HUF	2022.11.30.
Összesen					69 632	HUF	2022.11.30.
CZK/USD 23.02.21 Forward Vétel	2023.02.21.	70 000	25,172	22,7490	111 717	HUF	2022.12.30.
CZK/USD 23.02.21 Forward Vétel	2023.02.21.	8 000	23,240	22,7490	2 800	HUF	2022.12.30.
MSCI China Future Mar23 Vétel	2023.03.17.	41	489,606	482,4000	-5 549 735	HUF	2022.12.30.
WIG20 INDEX FUT Mar23 Vétel	2023.03.17.	29	1 812,494	1 816,0000	173 537	HUF	2022.12.30.
Összesen					114 517	HUF	2022.12.30.

VIII. Changes in the operations of the investment fund manager and major factors affecting developments in the investment policy

The following major changes took place with regard to the operations of the Fund Manager

Vienna Insurance Group (VIG) has acquired the Hungarian business of Dutch Aegon after receiving the approval of the Hungarian authorities. The closing concerned the sale of two Dutch holdings (Aegon Hungary Holding B.V., Aegon Hungary Holding II B.V.), which were 100% owners of the shares of the Hungarian Aegon companies. On March 25, 2022, the Hungarian state holding Corvinus acquired a 45 percent ownership stake in VIG Group's Hungarian business.

As of March 23, 2022, the positions of Supervisory Board members Jane Philippa Louise Daniel, Hindrik Eggens, Olaf Adriaan Wilhelmus Johannes van den Heuvel were terminated, and Gerhard Lahner, Gábor Lehel and Gerald Weber were appointed at the same time. Based on the relevant permission of the Supervisory Authority, Dr. Andreas Grünbichler and Dr. Berta Adrienn and Mikešy Álmos are members of the supervisory board as of March 25, 2022, and as of March 29, 2022. On March 29, 2022, the Board of Directors added a new member in the person of Zsolt Kovács, while Gábor Réti's membership on the board of directors ceased on September 13, 2022.

In January 2022, compliance with the ESMA success fee calculation methodology directive was incorporated into the Fund's official documents. The above change did not affect the fund's investment policy.

In May 2022, in addition to maintaining the Fund's investment objective, the Fund Manager launched new currency-hedged series.

The fund aims to share the GDP growth of developing economies through stock price increases or dividend payments of listed companies directly (individual equity investments) or indirectly (ETFs, investment funds), taking into account environmental, social and governance (ESG) criteria. The geographical distribution is determined by MSCI's emerging market specification, in which, in addition to its significant Asian weight, AEGON HUNGARY FUND MANAGEMENT LTD

the size of European and Latin American companies is also emphasized. The use of forward equity and index futures is also permitted for the purpose of hedging and efficiently building the Fund's portfolio. Thus, there was a significant change in the equity composition of the portfolio during the year.

IX. Remuneration paid by the Fund Manager

(a)- (b) the total amount of remuneration, broken down by fixed and variable remuneration paid to employees and by employee category, with an indication of the number of beneficiaries

	Total amount of remuneration	Persons who have a significant impact on the risk profile of the AIF through their activities (including senior managers)
Headcount data (persons)	57	7
Fixed	651 041 876	198 517 450
Variable	264 588 069	164 558 553
Profit share	0	0

X. In respect of all EU AIFs distributed by the AIFM and all AIFs distributed by the AIFM in EEA countries, not including AIFMs referred to under Section 2, subsection (2),

a) the share of the AIF's assets to which, due to their non-liquid nature, special rules apply:

The share of non-liquid assets in the Fund, as defined in the Fund's Liquidity Policy, is 0,85%.

b) all new agreements made in the relevant period relating to the liquidity management of the AIF,

The Fund Manager did not conclude any new agreements in the reporting period in relation to the liquidity management of the Fund.

c) Current risk profile of the AIF and the risk management systems applied by the AIFM to manage these risks.

Series "A" of the Fund, denominated in the base currency of the Fund, has the following investor profile:

Name of Fund	Base currency of Fund	recommended minimum investment period (Series A)	risk classification
VIG Emerging Market ESG Equity Investment Fund	HUF	4 years	6 (high)

The Fund is primarily intended for Investors who plan to invest for at least the recommended minimum investment period and who consider the indicated value on a scale of 1 to 7 of the risk/reward profile to be acceptable in light of their risk appetite.

The fund aims to benefit from the economic growth of emerging countries. The fund achieves this objective primarily through individual equity investments, however, it may also hold collective investment instruments if this is justified for the efficient management of the portfolio. These may be, in particular, exchange-traded ETFs and open-ended public investment funds. In selecting shares, the Fund pays special attention to the compliance of individual companies with ESG criteria, so in addition to analyzing financial factors, portfolio managers also take environmental, social and corporate governance factors into account in the investment decision process. The Fund Manager seeks to build a portfolio in which the positive ESG characteristics of companies prevail, with a predominance of companies with high ESG ratios over those with low ESG ratios. The environmental criterion includes the elements during which a company comes into contact with the environment. This includes, for example, a company's energy use, waste management, pollutant emissions and the conservation of natural resources. Social criteria include all the relationships a company has with external partners, customers, and internal employees. Corporate governance criteria are the legal factors that affect the sound operation of a company. The Fund's main strategy is to provide broad emerging equity market exposure and to outperform the emerging market index through active equity market allocation. An active strategy allows you to achieve a surplus over the reference index. The risk exposure arising from the geographical distribution of the Fund is close to the benchmark.

The Fund Manager establishes a separate department to perform risk management and compliance tasks, with the risk management and compliance officer being responsible for its operation. Within the department, the risk management unit aims to develop risk management practices that are suitable for identifying, measuring, continuously monitoring and managing the Fund's risks. The procedures and rules applied ensure that the risk profile disclosed to investors is in line with the risk limits set out in the Fund's management regulations.

As part of the risk management process, the risk management unit operates a limit system, which monitors, in separate subsystems, the legal, contractual and internal limits on the conclusion of individual transactions, the exposure to each partner, and the investment limits set by the Fund Manager in the Fund's management regulations and communicated to its investors.

The Fund Manager applies a liquidity management system for the Fund to monitor the liquidity risks of the Fund and to ensure that the liquidity profile of the investments of the Fund comply with the obligations of the Fund.

XI. Use of leverage

The Fund may apply leverage only within the legal limits: The total net risk exposure of the investment fund may not be higher than twice the net asset value of the investment fund, i.e. the maximum leverage that may be applied by the Fund is 2. The Fund's investment policy has no other restrictions.

In the reporting period, the Fund concluded derivative transactions for hedging purposes and for efficient portfolio development. The Fund also concluded hedging transactions to reduce the foreign exchange risks of its various individual series against the base currency. The total netted risk exposure of the Fund as at 31 December 2022 was as follows: 1,07.

XII. Income Statement**Aegon Emerging Market ESG Equity Investment Fund**

	2021	2022
	eFt	eFt
I. Income from financial transactions	2 023 644	2 629 648
II. Expenses of financial transactions	713 530	1 918 415
III. Other income	582	150
IV. Operating costs	220 014	174 475
V. Other expenses	6 843	5 348
VI. Paid and payable yields	0	0
Profit/loss for the reporting year (I.-II.+III.-IV.-V.-VI.)	1 083 839	531 560

Prepared using the data in the 2022 accounting records of the Fund