



Aegon Master Trust

Task Force on Climate-Related Financial Disclosure (TCFD) Report Summary (2022-23)

This 'Task Force on Climate-Related Financial Disclosures' (TCFD) report summary, covering the 12-month period to 31 March 2023, outlines the progress of Aegon Master Trust towards better climate management and our net-zero targets. In our full report, we, the Trustees of Aegon Master Trust, explain our actions and approach to assessing and managing risks and opportunities associated with climate change but summarise below some of our key achievements.



We have **set minimum climate expectations with our asset managers**, to ensure that they adequately consider the impact of climate related risks and opportunities for your investments.



We introduced a new set of **climate scenario analysis** to test the potential effect of climate risks and opportunities on your investments, under different scenarios and time horizons aligned with the long-term nature of pension savings.



We agreed a **new voting and engagement approach with our asset managers, highlighting climate as a priority engagement theme**. Engagement is a powerful tool that our

asset managers use to drive positive change within the companies that your pension is ultimately invested in. If the asset manager identifies matters of concern, they will engage with that company, communicating in a targeted way to encourage change.



Recognising that real world change requires collective action, **we collaborate with key industry groups and policy makers**, such as Institutional Investors Group on Climate Change (IIGCC) and Net Zero Asset Owner Alliance. For example, we contributed to IIGCC's Net Zero Stewardship Asset Owner Alignment working group.



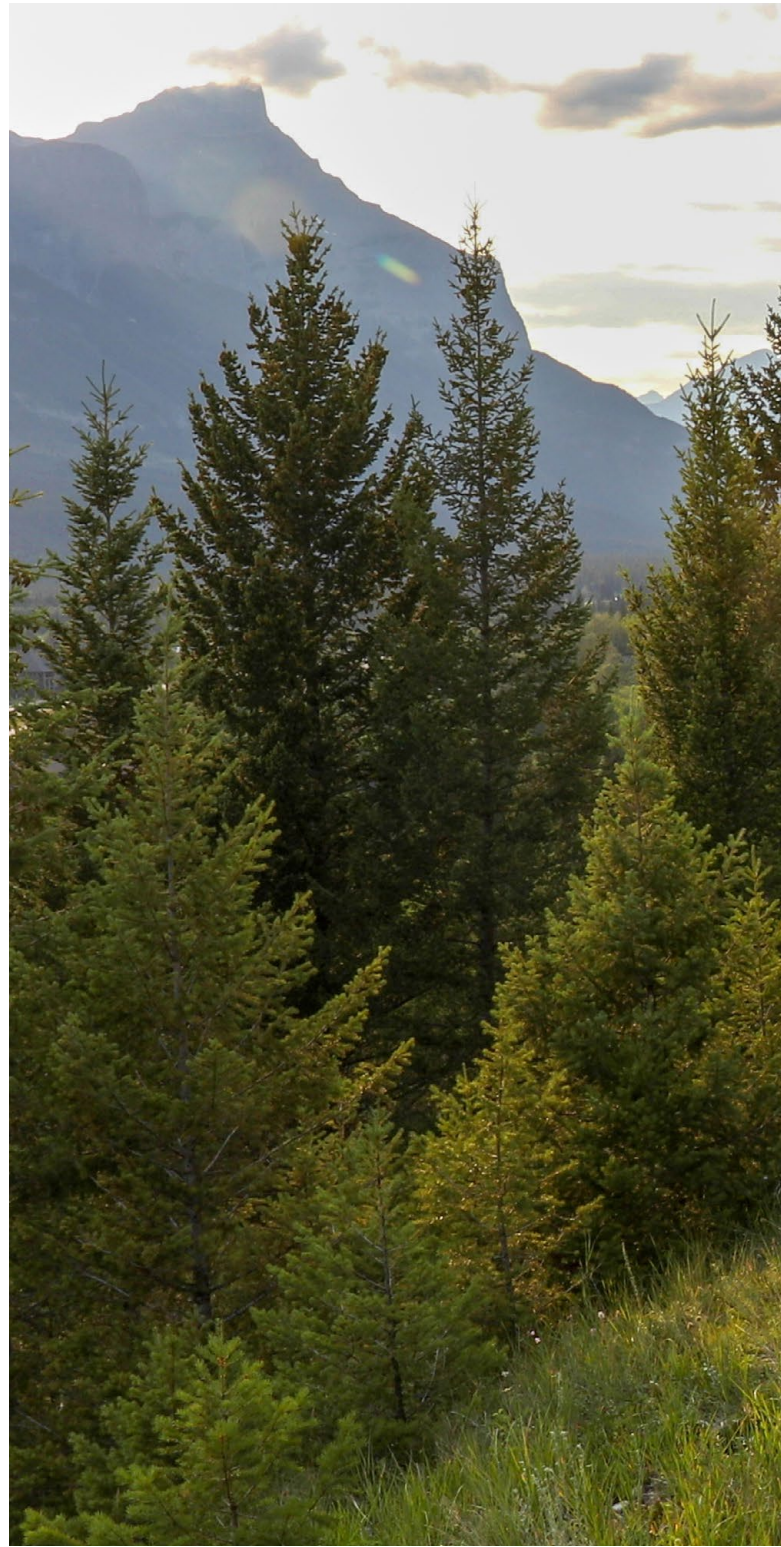
Aegon Master Trust is aiming to **reduce greenhouse gas emissions for our largest default fund by 50% by 2030, and to net zero by 2050**. We also worked with our main asset manager, BlackRock, who adopted their own 50% carbon emissions' reduction target for BlackRock LifePath against a 2019 baseline. This means a total reduction in the level of collective carbon emissions generated by the companies in which our largest default fund invests.



Together with our independent adviser Isio, we conducted a **full review of the Aegon Master Trust self-select fund range**, for those wishing to invest outside our default offering. A number of new funds have been added to the range, offering members more choice and diversification on a global basis with a focus on sustainable investing and addressing climate issues.

We hope this summary helps to illustrate our management of climate risks and opportunities for you, and our progress in this area over the current review period. Climate risks are quickly evolving, and we will continue to review and assess our performance annually, in line with new data available and market developments, to continually evolve our approach.

Climate change is an issue that demands global collaboration and we therefore welcome regulatory developments and requirements, driving additional climate transparency and accountability. We will continue to encourage market collaboration towards common goals, for your benefit and for the world we live in.



Aegon is a brand name of Scottish Equitable plc (No. SC144517) and Aegon Investment Solutions Ltd (No. SC394519) registered in Scotland, registered office: Edinburgh Park, Edinburgh, EH12 9SE. Both are Aegon companies. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Aegon Investment Solutions Ltd is authorised and regulated by the Financial Conduct Authority. Their Financial Services Register numbers are 165548 and 543123 respectively. © 2023 Aegon UK plc.

INV397361 10/23