Financial Report
for the period 12 December 2017
through 31 December 2017

Aegon Global Multi Manager High Yield Fund – Unhedged

TKP Investments

Contents

1 General Fund information

Fund Manager
TKP Investments B.V. (hereafter: 'TKPI'), with registered offices in Groningen, is the sole manager of the Fund.

Fund Manager's board of directors
The Fund Manager's board of directors consists of Coos Luning, Robert Leenes, Wouter Peters (as of 1 January 2018), Annemieke Docter (as of 1 January 2018), Roelie van Wijk-Russchen (up to and including 31 December 2017) and Anne Laning (up to and including 31 December 2017).

Depositary
Citibank Europe Plc. (Netherlands Branch), with registered offices at Schiphol, Schiphol Boulevard 257, is the depositary of the Fund.

Aegon Custody B.V., with registered offices in The Hague, Aegonplein 50, 2591 TV, fulfils the duty of title holder.

Investment Committee
The Fund Manager's investment committee consists of prof. dr. E. Sterken, drs. M.J.M. Jochems and drs. Ph.D. H. Menco RBA.

Office address
Europaweg 31
9723 AS Groningen

Postal address
P.O. box 5142
9700 CG Groningen

Telephone: 00 31 (0)50 317 53 17
Internet address: www.tkpinvestments.com

Independent auditor
PricewaterhouseCoopers Accountants N.V.

Accounting
TKP Investments B.V.

Prospectus
A prospectus is drawn for this product, which is available at www.tkpinvestments.com.

For this product a Key Investor Information document is available with information regarding the Funds, charges and risks. This Key Investor Information document is available at www.tkpinvestments.com. Ask for and read this Key Investor Information document before buying this product.

2 Profile

The Aegon Global Multi Manager High Yield Fund – Unhedged (hereafter 'the Fund') is a mutual fund and qualifies as an Enterprise for collective investment in transferable securities within the meaning of Article 1:1 of the Dutch Act on Financial Supervision. The Fund is an undertaking for collective investment in transferable securities ('UCITS') within the meaning of Article 1, section 2 of the Directive 2009/65/EC on UCITS.

This paragraph is an integral part of the financial statements and should be read in accordance with them.

Investment objective
To achieve a three-year annualized outperformance of 2% with a maximum allowed ex-ante tracking error of 7%, through investing primarily in bonds.

Investment policy
The investment policy is to outperform the benchmark of the Fund. The benchmark is a dispersed, market-capital-weighted and international index, is "total net return" and the measured portfolio performance includes incurred costs. The investments of the Fund are effected within the 'multi-manager' concept whereby multiple selected specialized Investment Managers are assigned to a Fund through detailed mandates.

From a risk point of view and potentially adding value, the Fund can use other financial instruments, techniques, financial derivatives and structures. Some examples are cash and bond futures, currency forwards, currency futures, structured notes, cash, money market instruments and/or units in funds investing in instruments. In the event that new techniques, instruments and/or other structures will become available within the financial markets, which are suitable within the investment policy of the Fund and can be justified by the changed circumstances according to the Fund Manager, the Fund Manager is allowed to use certain techniques, instruments and/or structures.

Managers
The Fund has assigned 2 managers with an active mandate.

Investment process
Within the Fund and within the investment funds in which the Fund invests directly and/or indirectly different specialised third party investment managers can be selected for executing the investment policy. The security selection process has been delegated to these third party managers. These managers have specific knowledge and skills to manage a portfolio for the Fund and meet the requirements as set out by the Fund Manager. In this way optimal advantage is taken of the specific market knowledge of the third party investment manager. Proper attention is paid to the selection and monitoring of all third party managers. A maximum tracking-error and so-called "linear" restrictions are imposed on each individual external portfolio managed by the investment manager.

Benchmark
ICE BofAML Global High Yield Constrained Index.

Structure
The Fund has an open-end status, which means that the Fund will upon request issue and redeem Participations subject to certain restrictions as described in the Prospectus and the Terms and Conditions.

Legal entity and conditions

The Fund is not a legal entity, but the aggregate of all Fund assets and Fund obligations, in which monies or assets are called or received for the purpose of collective investment by the participants, as governed by inter alia the terms and conditions. The terms and conditions form part of the agreement entered into between the Fund Manager, the depositary and a participant and as such apply to their legal relationship.

The Fund nor the terms and conditions nor any acts ensuing there from (including the entering into of a Subscription Form) form a partnership, commercial partnership or limited partnership (maatschap, vennootschap onder firma or commanditaire vennootschap).

Participations

Participations are in registered form. Participations cannot be transferred or assigned or be made subject to any encumbrance. Participations give the participant a contractual claim against the depositary for payment of an amount equal to the value of a pro rata share in the applicable Fund subject to the relevant terms and conditions. Participations are issued and redeemed at the option of the Participant. The Fund Manager reserves the right to accept or reject any application in whole or in part at its absolute discretion. Under exceptional circumstances and only in the interest of the participants, the subscription date may be a different day. Under exceptional circumstances, in the interest of the participants, the redemption date may be a different day. Participations are issued and redeemed at the net asset value per participation according to the relevant terms and conditions. The participations do not have a par value. The participations are fully paid.

Participation Classes

The Fund can have multiple participation classes. Within each participation class, a participation will entitle the holder thereof to a proportional part of the Fund investments and the Fund obligations in relation to that participation class. The value of participations within a participation class is determined by the terms as described in the Fund facts or the terms and conditions. Participation classes are also used to account for potential differences in the fiscal status of participants.

Pooling

The Fund’s assets will be pooled by the depositary with assets of other investment institutions, provided that the depositary will be able to evidence at all times which assets are held for a specific Fund. The Fund Manager and the depositary are authorized to give instructions to the custodian to enable the pooling of the Fund assets with the assets of other investment funds managed by the Fund Manager or other investment managers belonging to the Aegon group. The depositary shall remain responsible for the execution by the custodian of the services to be provided by it.

Law and regulation

The Fund is an investment fund within the meaning of Article 1:1 of the Dutch Act on Financial Supervision. The Fund is an undertaking for collective investment in transferable securities (‘UCITS’) within the meaning of Article 1, section 2 of the Directive 2009/65/EEC on UCITS. TKP Investments B.V. is authorised by the Netherlands Authority for the Financial Markets (‘AFM’) to act as Fund Manager of UCITS in the Netherlands and has been granted a licence accordingly pursuant to the Dutch Act on Financial Supervision on 8 August 2007. TKP Investments B.V. is listed in the register held by the AFM. The Fund is registered with the AFM.

Fiscal

The Fund is fiscally transparent.

Establishment

The Fund was established on 5 December 2017 and commenced operations as of 12 December 2017.

3 Key figures

Fund and participation class assets and participations	**31 December 2017**
Fund	
Net asset value (x € 1,000)	452,690
Participation Class A	
Net asset value (x € 1,000)	452,319
Outstanding number of participations	4,599,577
Net asset value per participation (x € 1)	98.34
Participation Class I	
Net asset value(x € 1,000)	371
Outstanding number of participations	3,771
Net asset value per participation (x € 1)	98.34

Investment results *(amounts x € 1,000)*	**12 December 2017 through 31 December 2017**
Fund	
Investment result	-7,302
Other results	-344
Charges	-42
Net result	**-7,688**
Participation Class A	
Investment result	-7,296
Other results	-344
Charges	-42
Net result	**-7,682**
Participation Class I	
Investment result	-6
Other results	-
Charges	-
Net result	**-6**

Performance	12 December 2017 through 31 December 2017
Participation Class A	
Net performance	-1.7%
Performance benchmark	-1.8%
Out/Underperformance	0.2%
Out/Under performance since inception	0.2%
Participation Class I	
Net performance	-1.7%
Performance benchmark	-1.8%
Out/Underperformance	0.2%
Out/Under performance since inception	0.2%

Development value per participation *(amounts x € 1)*	2017
Participation Class A	
Net asset value as at the beginning of the period	100.00
Net asset value as at the end of the period	**98.34**
Investment result	-1.58
Other results	-0.07
Charges	-0.01
Net investment result	**-1.66**
Participation Class I	
Net asset value as at the beginning of the period	100.00
Net asset value as at the end of the period	**98.34**
Investment result	-1.58
Other results	-0.07
Charges	-0.01
Net investment result	**-1.66**

Ongoing charges figure, turnover and other information	2017
Ongoing charges figure	
Participation Class A	0.01%
Participation Class I	0.01%
Turnover ratio	**-**
Average number of outstanding participations	
Participation Class A	4,623,656
Participation Class I	3,812

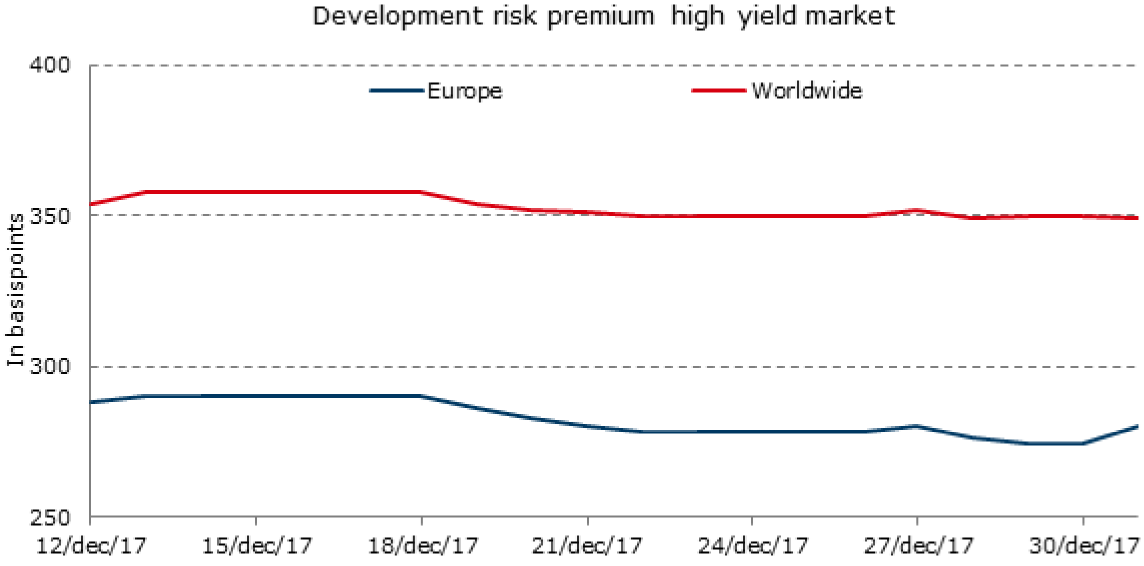
4 Investment management report

4.1 Market developments

Global High Yield had a strong year in 2017 as witnessed by the strongly decreased risk premium. The risk premium is measured by the Option-Adjusted Spread (OAS). The OAS measures the spread above US and German government bonds corrected for options like the right of early prepayment. The OAS started 2017 at 436 basis points and finished 2017 at 350 basis points.

Helped by the strong decline of the OAS the Global High Yield benchmark returned 5.9% over the full year 2017. Global High Yield has outperformed a comparable portfolio of US and German government bonds by 6.7%.

Differences between the industry sectors were benign. Insurers and Utilities were amongst the strongest sectors returning respectively 13.4% and 9.7%. Sectors that performed less than the market (6.7%) included Retail (2.5%) and other consumer related industries (3,3%).
Based on rating, CCC rated securities returned 10.2% while BB and B returned respectively 6.6% and 6.2%.



Source: Bloomberg

4.2 Investment policy

The Fund started on 12 December 2017. The external managers in the Fund have an active investment policy, with the objective to outperform the benchmark. They have a mandate to take limited additional risk in comparison to the benchmark. Overall, the managers ran a risk neutral portfolio positioning. The managers were moderately overweight USD corporates and underweight EUR corporates. The strategy and results of the different managers were broadly in line with expectations given market developments. During 2017 there were no changes to the manager set-up of the Fund.

4.3 Return

Aegon Global Multi Manager High Yield Fund - Unhedged Participation Class A achieved a return of -1.7% compared to a return of -1.8% for the benchmark in 2017. Aegon Global Multi Manager High Yield Fund - Unhedged Participation Class I achieved a return of -1.7% compared to a return of -1.8% for the benchmark in 2017.

4.4 Outlook

Market
Worldwide economic growth is becoming more and more widespread. And also for the coming year growth expectations have been revised upward. In the eurozone in particular, the economy is picking up substantially; there has been growth for 18 quarters in a row. Business profits are rising due to, among other things, inexpensive financing opportunities and the absence of an increase in wage costs. Even though political risks are clearly present, they have no great influence on market expectations for the time being.

Despite a rise in oil prices in 2017, European price inflation has remained low, and clearly under the ECB objective. In particular, core inflation in the eurozone remains well below 2%. At the end of October 2017, the ECB decided to halve its purchasing program, but also to extend it to September 2018. The ECB is expected to raise its interest rates only after the end of the purchasing program. Consequently, the rise in interest rates for longer maturities may be limited in 2018.

At the end of 2017, valuations were reaching historically high levels with unprecedented low volatility. Investors are confident that the policy of the central banks is focused, among other things, on stabilizing the financial markets and in combination with the improving world economy this is seen as an important cause of the low volatility and falling risk premiums. However, vulnerabilities in the financial system can develop against this background since investors are prepared to take on more risk, and credit provision is motivated by the current low and stable interest charges. Specific examples of fundamental risks for the world economy are the increasing use of debt in business financing and the growth model of the Chinese economy that is based on strong credit growth.
Businesses with a less strong balance sheet are making use of the current circumstances by offering bond investors fewer contractual guarantees. Meanwhile, valuations of such high-risk bonds are based on the long-term continuation of economic growth.

The relative calm on the financial markets may persist in 2018. This is supported by the cautious policy of the central banks and positive growth expectations for the world economy. TKPI believes the phaseout of the purchasing program announced by the ECB is a logical step to preserve the calm on the financial markets. TKPI expects that interest rates will not yet rise significantly in the coming period. The Federal Reserve (FED) is also expected to be cautious in raising its policy rate.
Worldwide high-yield bonds have shown very high returns since 2009 because the spread on global high yield has narrowed substantially. The downside is that high-yield bonds have become relatively expensive and are expected to compensate less well for the bankruptcy risk and costs. Although economic growth is at an acceptable level at the moment, high-yield bonds in particular are dependent on continuation of the current economic upturn in the coming years. A downturn in economic conditions will cause the spreads to rise again.

Fund
The Fund’s policy and strategy will be continued in 2018.

4.5 Risk management

Financial risks
The Fund Manager is responsible for monitoring the financial risks faced by the Fund. The Fund Manager has identified a number of risks in this respect, the key ones for this Fund being:

1. Active risk
2. Market risk
3. Currency risk
4. Concentration risk
5. Counterparty risk
6. Liquidity risk
7. Interest rate risk
8. Credit risk

Risk measures in the form of restrictions have been drawn up for each type of financial risk in order to manage the risks. These restrictions depend on the Fund's strategy and are contained in the Fund mandates. All restrictions are, where possible, monitored daily by the Fund Manager and by Citibank, which operates independently as depositary. Citibank was appointed as depositary in response to the AIFM directive that requires managers to have monitoring performed by an independent body. If the restrictions are transgressed, this is immediately taken up with the relevant stakeholders and actions are determined to resolve transgressions as quickly as possible. All transgressions and warnings are reported periodically to all stakeholders, including the management.

Below is a description of the Fund's objectives and policy in the area of risk management concerning the use of financial instruments in managing risks. The measures taken to manage the risks are also set out.

Active risk
Active risk denotes the risk that the Fund's risk-return profile differs from that of the benchmark. In order to be able to realize the Fund's objective, the portfolio must deviate from the benchmark to a certain extent. The degree of deviation can be monitored by means of the tracking error. By limiting the tracking error of both the Fund and the external managers in the Fund the active risk is managed. The tracking error does involve a number of limitations, however, such as the fact that risks are underestimated or overestimated depending on whether the market showed a higher or in fact lower level of volatility in the previous period. The external managers within the Fund who implement the active policy can lag behind their benchmark, temporarily or for a longer time, because of particular market conditions or as the result of making incorrect choices. Combining different managers in the Fund can prevent the Fund from becoming dependent on one particular investment style.

The external managers within the Fund are monitored on the basis of various risk parameters in order to assess whether a manager deviates sufficiently, but not excessively, from the benchmark set.
Because the tracking error is largely determined by market conditions, efforts are made to keep the Fund's tracking error well within the tracking error restrictions set. This is to prevent the Fund's active risk from having to be reduced in times of stress.

Market risk
Market risk is defined as the risk of losses arising as a result of movements in market prices.

Currency risk
The Fund has taken steps to reduce the currency risk. The external managers are only qualified to do spot currency transactions. The external managers also have cash restrictions. In addition, also on fund level the cash exposure is limited and the cash position is monitored daily. The currency risk is also limited by the tracking error restrictions.

Concentration risk
Concentration risk is the risk that a large portion of the Fund's assets is invested in a small number of issuers, which can make the return (strongly) dependent on the return of this small group of issuers.

The Fund is allowed to take active positions relative to the issuer weight in the benchmark. The maximum allowed exposure to issuers that are constituents of the benchmark, is the issuer weight in the benchmark (expressed as a percentage of the aggregate value of the benchmark) plus or minus 2.5 percentage points, with a permitted minimum weight, of 0% (no short positions are allowed). Sector exposure is limited to a minimum of 0% on an absolute level and a maximum of the sector's benchmark weight plus 18 percentage points on a relative level. On average, the largest issuer in the benchmark has a weight of around 1.5%.

Counterparty risk
Counterparty risk is the risk that a counterparty to a transaction cannot satisfy its contractual obligations. All buying and selling in the Fund takes place on the basis of delivery/receipt versus payment, except for markets where a different method prevails as the market practice. This strongly reduces the counterparty risk in the Fund.

Liquidity risk
Liquidity risk is the risk that the Fund is unable to trade a position quickly enough at a reasonable price. Liquidity decreases in times of stress.

Interest rate risk
Interest rate risk relates to negative price developments resulting from movement in the market interest rate. The sensitivity of a bond's price to a change in the market interest rate is measured with reference to its duration. For the managers within the Fund, a maximum deviation can be stipulated with respect to the duration of the benchmark.

Credit risk
Credit risk involves the risk that a debtor's creditworthiness deteriorates, possibly resulting in a downgraded rating, or that the debtor fails to satisfy its obligations to make payment on coupons and redemption on time. Losses in connection with credit risk can manifest in the form of missed payments and/or negative price fluctuations.

Within the Fund, the maximum allowed weight of securities rated CCC/Caa2 or below is limited to the benchmark weight of these securities + 20 percentage points. The total amount held in bank loans is not permitted to exceed 20% of the aggregate value of the Fund.

Financial instruments
The Fund utilises various financial instruments to realise investments. The Fund invests in or can invest in bonds, financial derivatives and deposits.
Financial derivatives contain rights and obligations, subject to one or more of the financial risks of the underlying security (investments), that are being transferred between parties. They do not lead to the delivery of the underlying primary financial security at the start of the contract, and delivery does not always have to take place at the expiration of the contract.

The following risks are generally tied to the use of financial instruments:

- Through market forces the value of the financial instrument can change. Financial instruments within the Fund are, however, applied to acquire a certain market exposure. Fluctuations in the value of the financial instrument are not being viewed as a risk as long as the financial instrument is within the universe of investments instruments. Through the use of a derived financial instrument, it is possible to gain more exposure than that which is inherent to the underlying value. This risk leverage is, similar to other exposure restrictions in regards to the financial derivative, monitored on a daily basis so that the total Fund exposure adheres to the determined Fund restrictions.
- The risk that a position in financial instruments cannot be liquated for a reasonable price. At the choice for selecting a financial instrument, liquidity is taken into account in regards to which financial instrument is best to be used. The liquidity of financial instruments is additionally taken into account when determining the position to be taken. The possible liquidity risk is reduced through the use of financial instruments with different maturities, wherein the positions taken are relatively large.
- The risk that either party involved in a derivative contract goes bankrupt or reaches suspension of payments, becomes negligent or deals fraudulently or that a counterparty defaults. A large part of the trading is regulated where listed derivatives are being settled on a daily basis. This limits the financial risk. For the miscellaneous financial instruments, the counterparty policy is valid. Counterparties must meet strict criteria such as for example a minimal credit rating to apply as a counterparty.

The pricing of the derivatives is based on the market value of the instruments at the balance sheet date. Due to market developments or new information, the market of the direct and derivative financial instruments and thus the value of the Fund could increase or decrease. The increase or decrease of the value of financial instruments and thus the value of the Fund after the balance sheet date is a risk inherent to investing.

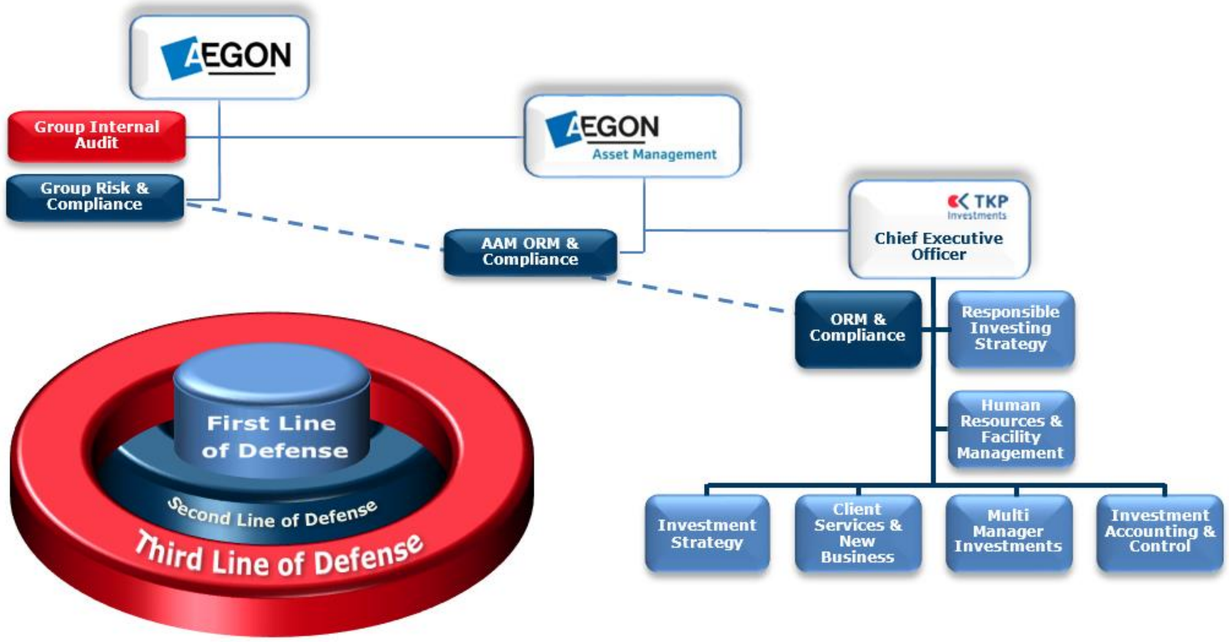
Operational risk

Risk management is an integral part of operational management at TKPI. Central to this is the risk estimate by TKPI itself, the Risk Control Self Assessment (RCSA) of TKPI's operational processes, including the outsourced processes. The input for the RCSA comes on the one hand from the permanent monitoring of the process performance and on the other from the planning and control cycle at TKPI. The analysis also takes into account the quality of the control measures at outsourcing partners, based on the ISAE 3402 Type II reports from these parties. The RCSA results in the identification of risks and the degree to which these risks are hedged. The identified risks are monitored using risk measurement systems and internal control measures. The structure, existence and functioning of the internal control measures are described in TKPI's ISAE 3402 Type II report. These control measures relate to the various components of TKPI's operational management, such as the appointment and monitoring of external managers, the drafting of strategic investment plans, the reporting on investment results and various other focal areas within TKPI. This ISAE 3402 report is provided with an assurance report from an independent auditor which contains an opinion on the effectiveness of the control measures and the degree to which the control objectives described are achieved.

As regards the financial reporting risks, TKPI's internal risk management and control systems adequately guarantee that the financial reporting contains no material inaccuracies and that the internal risk management and control systems worked well during the year under review. The functioning of the risk management and control systems was tested as part of the ISAE 3402 audit.

Risk management by Fund Manager

In order to assure TKPI's clients that the TKPI organisation is 'in control', the risk management model has been set up based on the 'Three Lines of defense' model. The model distributes the full set of instruments and measures needed to be 'in control' across three layers in the organisation.



First Line of defense
The line organisation is the first line where the primary operational processes are carried out. Logically, many of the risk management measures are embedded in these processes. As a result, it can be expected with a high degree of probability that the processes are carried out properly. Common ways of doing this include, for example, the segregation of duties and the four-eyes principle.
The monitoring of positions and the related investment risks takes place on the level of the overall client portfolios, the investment portfolios and the individual external asset managers.

Second Line of defense
The task of the second line is to test, advise and support the line organisation. It also monitors whether the management is actually following through on its responsibilities. The second line is executed by the Operational Risk Management, Portfolio Risk Management and Compliance department (ORM&C). The task of ORM&C is to identify, register and monitor TKPI's risks and assess, advise and supports the first line. The risk management and compliance officers enforces the risk culture within the first line to encourage the management board on its risk management responsibilities and establishes a dialogue with the management board about this topic.

Third Line of defense
Finally, within the organisation there is a function that gives an objective, independent opinion on the first and second line. This function is the third line, which operates entirely separately from all other organizational divisions. At Aegon, Internal Audit is the Third Line of defense. This department is entirely independent of every operational process. Internal Audit has the mandate to assess all processes within TKPI.

Operational risks of the Fund

Risks and impact
Operational risks in relation to the multi-manager funds mainly concern the selection of external managers, the contracting of agreements (Investment Management Agreement or IMA) and the performance by the external managers. If these risks occur, the impact relates to the appointment of a manager who does not satisfy expectations, which can manifest in inadequate performance or incidents, insufficient legal guarantees if issues arise with the external manager or insufficient insight into the manager's performance (qualitative and quantitative), which can manifest in losses.

Control measures
Risks in relation to the selection process are managed by means of a robust and intensive selection process aimed at appointing high-quality managers for each asset class and subclass worldwide. Important selection criteria include: the investment philosophy espoused, the investment process, the personnel and organisation, performance and opportunities for diversification. There are strict procedures for documenting the outcomes of the due diligence investigation into external managers and the resulting opinion, the confirmation of selected managers in the portfolio manager meeting and the authorization of a selected manager by the Manager Equities, Fixed Income & Commodities and the Chief Investment Officer (CIO). The process is also reviewed by Operational Risk Management before the contract is signed.

Risks relating to the contracting of agreements with external managers are managed by having the agreements drafted by expert lawyers on the basis of standard contracts. The process and the IMA are also reviewed by Operational Risk Management.

Risks relating to the performance by the external managers are managed by monitoring undertaken by the Fund Administrator, Operations and the portfolio managers.

This includes, amongst other things, checks of the performance by external managers (qualitative/quantitative), compliance breaches and fee notes. Portfolio managers constantly follow the performance of the external managers on the basis of portfolio information, company news, attribution analyses and risk and return criteria. There is also a clear dismissal policy on the basis of qualitative and quantitative criteria.

The control measures mentioned above are tested annually in the ISAE 3402 audit.

Legislation and regulations
Legal and compliance risks are the risks of, amongst other things, losses due to legal liability, inadequate legal documentation and reputational or integrity damage because the Fund or its manager does not comply with legislation and regulations and/or internal rules or because developments in applicable legislation and regulations are identified too late. This is monitored by TKPI's own legal experts and the legal experts at Aegon Asset Management. In cases that arise, external advice is also sought on new regulations and agreements are drafted by reputable parties.

Risk awareness and embedding within the organisation
The trustee is well aware of the attention directed towards demeanour and conduct in regards to the risk management and compliance, the so called soft controls.

The policy is aimed at the trustee complying to the statutory, administrative and societal norms. This entails that a breach, or the appearance of a breach, of valid law and legislation can affect trust adversely:
- While performing financial services and the ensuing commitments towards to trustee;
- In the financial markets wherein the trustee operates.

Compliance to the external regulations has additionally been given shape by the composition of internal regulations. The various regulations that apply to the trustee and/or her employees, are listed on the intranet and are available to all employees.

The customer is the point of focus and the know-your-customer rules have already been applied with the trustee before it was recorded in the legislation and the provision of information receives ample attention, for example in the form of tailored customer reports.

To maintain confidence in the financial markets, the trustee handles various procedures that, as per example, are focused on avoiding conflicts of interest and to ensure that no customers with a heightened level of integrity risk (for example due to money laundering or the financing of terrorism) are being admitted.

The trustee additionally handles the procedures that guarantee that (international) sanction laws are being met. Sanctions could, for example, relate to certain persons, whose assets need to be frozen or to which no financial services should be given. Sanctions could also entail that no investments are allowed to be made in certain areas and/or instruments. When new sanctions are being issued or current sanctions are being altered, the compliance department will forward this information as quickly as possible to the relevant departments that apply such alterations in the portfolios.

An important part of the organisational rooting of risk management and compliance is, among others, the raising of awareness in regards to the relevant law and regulations and the monitoring of processes and procedures. The integrity risk of the trustee is being controlled through internal guidelines, pre-employment screening, codes of conduct, e-learning modules for all employees and measures in the customer acceptation process. The compliance role plays an important part in the creation of the desired degree of awareness.

Changes in the risk management system
The second line of defense management function at TKPI has been expanded since April 2017 by adding the Portfolio Risk Management & Control function. This function monitors and advises on Portfolio Risk Management within TKPI. Focus areas are for example the monitoring of portfolios and follow-up of open breaches, product development, 'emerging risks' and the use of derivatives.

DUFAS
Through Aegon Asset Management, TKPI has voluntarily joined the Dutch Fund and Asset Management Association (DUFAS) and is compliant with its code of conduct ('Code Vermogensbeheerders').

GIPS
TKPI complies with the Global Investment Performance Standards (GIPS). An external auditing firm verifies the compliance to GIPS of the investment funds of TKPI on a yearly basis, with positive results since the year 2000. This emphasizes the reliability and performance measurement of our investment funds.

4.6 Socially Responsible Investing

TKPI is convinced that integration of Environmental, Social and Governance (ESG) aspects into the investment process contributes to a better risk/return profile for investments. The policy is formalized via the Terms & Conditions of the Fund.

The Responsible Investment policy consists of:

- Periodic screening of companies in which investment is made for compliance with the UN Global Compact Principles (UNGCP);
- Conducting a dialogue (engagement) with companies that do not comply with the UNGCP;
- Exclusion of specific companies;
- Exclusion of government bonds of specific countries.

Policy

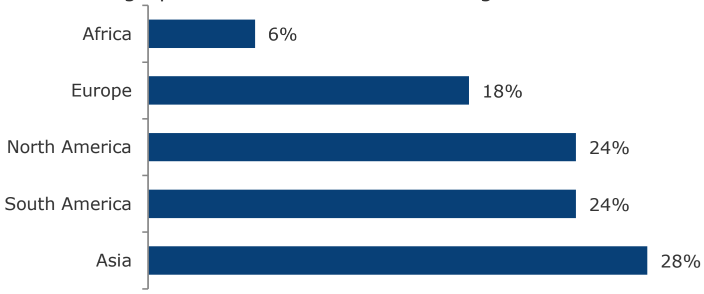
TKPI portfolio managers and the appointed external managers also give substance to the Responsible Investment policy. The integration of ESG criteria into the investment process is an established part of TKPI's multi-manager selection and monitoring process. The degree to which and the way in which this is implemented, are therefore expressly considered in the selection of active managers. In addition, TKPI periodically screens investments on ESG criteria using independent research. TKPI initiates a discussion with the external manager on investments that are designated as controversial.

Screening and engagement

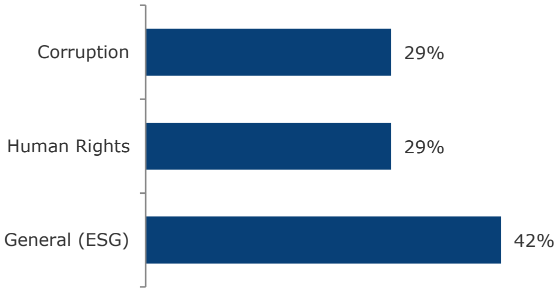
An important guiding principle is that all companies in which investment is made, behave according to the UNGCP in the areas of human rights, labor rights, the environment and corruption, as established by the United Nations (UN). Investments managed by TKPI are screened annually for compliance with these principles using Sustainalytics, a specialized external party. A dialogue is conducted with companies that do not behave in compliance with the UNGCP. In principle, an engagement process runs for a maximum of three years. In the event of insufficient progress, a company is added to the exclusion list. The results of the 2017 engagement program have been assessed and determined by TKPI management.

In the screening of investments in the TKPI Investment Funds at the end of 2016, 18 companies did not comply with the UNGCP (year end 2015: 17 companies). In the beginning of 2017, the positions of one of these companies were sold, so that TKPI conducted a dialogue with 17 companies on the 2017 Engagement focus list in 2017. Seven of these companies are in the final phase of the engagement process. The dialogue involved various topics. The graphs below show the screening by region and by topic. The data originate from Sustainalytics.

Geographic distribution of TKPI dialogues in 2017



Distribution by topic of TKPI dialogues in 2017



Two companies (General Motors and Alstom S.A) with which a dialogue has been conducted, have improved significantly in 2017, so that they were no longer assessed as noncompliant and were therefore removed from the engagement focus list in 2017.

The company Tokyo Electric Power Co. Inc. and the two state-owned companies China Petroleum & Chemical Corporation (SINOPEC) and Petróleos de Venezuela S.A. (PDVSA) were added to the TKPI exclusion list after the dialogue cycle because insufficient progress had been made. It was decided to extend the dialog cycle for three companies because the progress made shows that it is probable that these companies are on the way to becoming compliant with the UNGCP.

The Fund is conducting a dialog with 5 companies in total. As of the end of the year, the weight of these companies in the Fund amounts to 3.6%.

Exclusion of companies

The exclusion list is updated and determined by TKPI management annually. Changes in the list are incorporated into the contracts with the external managers. Daily compliance monitoring takes place for compliance with the list with exclusions. The exclusion list involves:

- Controversial weapons, on the basis of the Controversial Weapons Radar (CWR) drawn up by Sustainalytics. The following types are classified as controversial weapons: biological weapons, nuclear weapons, chemical weapons, anti-personnel mines, cluster munitions, munitions with depleted uranium and white phosphorus (if a controversial application is involved).
- Coal mining companies that obtain 30 percent or more of their revenue from extraction of thermal coal. This type of coal is burned for the purpose of generating electricity and/or heat and has a strongly polluting impact on the environment. These companies are not diversified and run a great risk with regard to so-called ‘stranded assets’.
- Companies that are noncompliant with the UNGCP and have shown insufficient progress in the dialogue, are included in the exclusion list.

In 2017, the exclusion list contains eight companies that have previously been added on the grounds of this criterion. These are: Freeport-McMoran Inc. (2012), PetroChina Co. Ltd. (2015), Barrick Gold Corporation (2015), Wal-Mart Stores Inc. (2015), Southern Copper Corp. (2016), Grupo México S.A.B. de C.V. (2016), Chevron Corporation (2016) and SNC Lavalin Group Inc. (2017). At the end of 2017, the Chevron Corporation was found to be no longer noncompliant and is therefore being removed from the exclusion list.

181 companies were on the 2017 exclusion list (2016: 59 companies). The Fund therefore does not invest in these companies, which do enter into the benchmark. These excluded companies represent 1.2% of the benchmark as of the end of 2017. The exclusion policy may therefore be a cause of the deviation of the return with regard to the benchmark.

Exclusion of countries

A number of countries are excluded from investment (in government bonds) on the basis of universally recognized condemnations. These are countries that are involved in serious human rights violations. In 2017, 13 countries were on this TKPI exclusion list (2016: 14 countries).

No countries that are in the benchmark of the Fund are on the exclusion list. The exclusion policy therefore has no effect on the return with regard to the benchmark.

ESG and carbon footprint

In 2017 measurement of the sustainability scores of the investments in the TKPI funds was undertaken. This involves taking inventory of the ESG scores and the ecological footprint (carbon footprint).

The ESG scores indicate how the investments perform on factors such as the environment, society and governance. The carbon footprint represents the intensity of the CO2 emissions. TKPI will develop this further.

Outlook

In recent years the value of global assets invested according to sustainability principles has grown strongly. Increasingly, investors all over the world are paying closer attention to whether companies are developing and sustaining high environmental, social and governance standards. Furthermore, various government agencies and non-profit organizations (for example Eurosif) are appealing to asset owners to support and take an active part in the transition to sustainable and renewable energy.

Recent academic and commercial publications suggest that the performance of sustainable investment strategies can match or outperform those of traditional investment approaches. Notably, organizations with better policies and practices for managing the risks of externalities generated by their business operations are expected to outperform in the long-run. For this reason, metrics of environmental, social and governance performance are becoming increasingly popular with investors.

To serve its clients' needs, TKPI continues to focus on developing and extending its expertise in sustainable investing. With this in mind, in 2017 TKPI began a project aimed at evaluating the exposure of various asset classes to ESG risks and opportunities. In 2018 TKPI will continue to assess the performance of the Fund against ESG criteria. TKPI is also looking to increase cooperation with experts in the field of sustainable investing. TKPI its goal is to find optimal sustainable investment solutions for its clients. One of the main goals is to investigate the value impact of the climate related developments within the Fund.

4.7 Statement set up conduct of business

At 31 December 2017 TKPI has a description available of their operational structure and control framework in the form of an ISAE 3402 report that complies with the requirements of article 4:14, first subsection of the Dutch Act on Financial Supervision. TKPI performed management testing to assess the operational effectiveness of the control framework during the past financial year. Our management testing did not give rise to any findings that would lead us to conclude that the description of the operational structure does not comply with the requirements of article 4:14, first subsection of the Dutch Act on Financial Supervision. On that basis we declare as manager that we have a description of the operational structure as referred to in article 4:14, first subsection of the Dutch Act on Financial Supervision.

In addition, we did not find that the operational structure does not operate effectively and in accordance with the description. We therefore declare with reasonable assurance that the operational structure operated effectively and in accordance with the description during the year under review.

The control framework in the form of an ISAE 3402 was independently tested by an independent auditor that resulted in a type II assurance report for 2017.

Groningen, 30 March 2018

TKP Investments B.V.

Coos Luning

Robert Leenes

5 Financial statements

5.1 Statement of financial position

Statement of financial position (after proposed appropriation of result)		
(amounts x € 1,000)		**31 December 2017**
Assets		
Current assets		
Cash and cash equivalents	[1]	19,555
Financial assets at fair value through profit or loss	[2]	434,486
Outstanding transactions in financial instruments		17,645
Other assets and receivables	[3]	7,477
Total assets		**479,163**
Liabilities		
Current liabilities		
Financial liabilities at fair value through profit or loss	[2]	1
Outstanding transactions in financial instruments		23,192
Outstanding transactions with holders of participations		3,014
Payables and other liabilities	[4]	266
Total liabilities excluding net assets attributable to holders of participations		**26,473**
Net assets attributable to holders of participations	[5]	**452,690**
Total liabilities		**479,163**

The accompanying notes are an integral part of these financial statements.

5.2 Statement of comprehensive income

Statement of comprehensive income *(amounts x € 1,000)*			**12 December 2017 through 31 December 2017**
Investment result			
Recognised net gains/(losses) on financial instruments at fair value through profit or loss	[6]	-8,569	
Net interest income	[7]	1,267	
Total investment result			**-7,302**
Other results			
Other results		-344	
Total other results			**-344**
Charges	[8]		
Management fee (external)	[9]	-27	
Other charges		-15	
Total charges			**-42**
Net result attributable to holders of participations			**-7,688**
Net result attributable to each participation class			
Participation Class A		-7,682	
Participation Class I		-6	
Net result attributable to holders of participations			**-7,688**

The accompanying notes are an integral part of these financial statements.

5.3 Statement of changes in net assets attributable to holders of participations

Statement of changes in net assets attributable to holders of participations			
	12 December 2017 through 31 December 2017		
	Participations		
(amounts x € 1,000)	Class A	Class I	Total
Balance at 12 December	-	-	-
In kind subscriptions	462,092	-	462,092
Subscriptions	136,339	539	136,878
Redemptions	-138,430	-162	-138,592
Net change from participation transactions	**460,001**	**377**	**460,378**
Net result attributable to holders of participations	-7,682	-6	-7,688
Total change in net assets attributable to holders of participations	**452,319**	**371**	**452,690**
Net assets attributable to holders of participations at 31 December	**452,319**	**371**	**452,690**

The accompanying notes are an integral part of these financial statements.

5.4 Cash flow statement

Cash flow statement *(amounts x € 1,000)*		**12 December 2017 through 31 December 2017**
Cash flow from operating activities		
Purchase of financial instruments at fair value through profit or loss	18,794	
Proceeds from sale of financial instruments at fair value through profit or loss	-6,364	
Proceeds from interest	-5,394	
Proceeds from other results	-344	
Charges paid	224	
Net cash flow from operating activities		**6,916**
Cash flow from financing activities		
Proceeds from subscriptions	136,878	
Payments for redemptions	-135,578	
Transfer of cash and cash equivalents	12,155	
Net cash flow from financing activities		**13,455**
Net change in cash and cash equivalents		**20,371**
Cash and cash equivalents at beginning of period	**-**	
Net change in cash and cash equivalents	20,371	
Cash and cash equivalents at end of period		**20,371**
Specification of balance		
Cash balances at banks	19,555	
Cash position at Stichting TKP Pensioen Treasury	498	
Deposits at Stichting TKP Pensioen Treasury	318	
Cash and cash equivalents		**20,371**

The accompanying notes are an integral part of these financial statements.

5.5 Notes to the financial statements

5.5.1 General

Profile

The Aegon Global Multi Manager High Yield Fund - Unhedged (hereafter the 'Fund') was established on 12 December 2017. As of 12 December 2017, the Fund has assets under management. The Fund is a multi-manager fund. The Fund is a mutual fund and qualifies as an Enterprise for collective investment in transferable securities within the meaning of Article 1:1 of the Dutch Act on Financial Supervision. The Fund is an undertaking for collective investment in transferable securities ('UCITS') within the meaning of Article 1, section 2 of the Directive 2009/65/EC on UCITS.

Issue of financial statements

The financial statements have been authorised for issue by the Fund Managers' board of directors on 30 March 2018.

Key figures

The overviews "Fund and participation class assets and participations" and "Ongoing charges figure, turnover ratio and other information" in the section "Key figures" of the annual report are an integral part of the explanatory notes of the financial statements.

5.6 Financial risk management

5.6.1 Risk management and hedging

An acceptable risk level will be reached by a considerable degree of dispersion to bonds and sectors, and also sufficient dispersion to different Investment Managers and investment styles. The Fund Manager can employ both passive and active Investment Managers. Passive Investment Managers aim to invest as much as possible in conformity with the benchmark, whereas active Investment Managers intentionally incorporate deviations against the benchmark in their portfolio.

For both hedging and speculative purposes, the Fund can use other financial instruments, techniques, financial derivatives and structures. Some examples are cash and bond futures, currency forwards, currency futures, structured notes, money market instruments and/or units in funds investing in instruments that meet the above criteria. In the event that new techniques, instruments and/or other structures become available within the financial markets, which are suitable within the investment policy of the Fund and can be justified by the changed circumstances according to the Fund Manager, the Investment Manager is allowed to use certain techniques, instruments and/or structures. The use of the abovementioned instruments and techniques can increase the risk profile of the Fund.

5.6.2 Financial risks

The Fund's financial risks are managed through diversification of the financial instruments at fair value through profit or loss. For further explanation of the investment objectives, policies and processes, refer to the chapter explaining the investment objective, policies and processes.

Market risk

Market Risk is defined as the risk of losses arising from movements in market prices.

The Fund's diversification of financial instruments at fair value through profit or loss bought (excluding derivatives) by significant industry sector at 31 December is as follows:

Overview market price risk by industry sector *(amounts x € 1,000)*	31 December 2017	%-of investments	%-of NAV
Sector			
Financial	78,720	18.0	17.3
Consumer, cyclical	70,219	16.2	15.5
Consumer, non-cyclical	59,375	13.7	13.1
Communications	59,034	13.6	13.0
Energy	56,439	13.0	12.5
Industrial	43,334	10.0	9.6
Materials	28,522	6.6	6.3
Other	38,467	8.9	8.6
Total	**434,110**	**100.0**	**95.9**

The Fund identifies each sector based on the classification of the individual investment as determined by Bloomberg. The Fund has determined each sector as significant when the total amount of an individual sector represents at least 5% of the Fund's net asset value.

The table below details the sensitivity of a reasonable possible increase in fair value of 5% for each significant sector towards the Fund's NAV (and Statement of comprehensive income) at 31 December.

Overview sensitivity market price risk by industry sector *(amounts x € 1,000)*	31 December 2017	%-of investments	%-of NAV
Sector			
Financial	3,936	0.9	0.9
Consumer, cyclical	3,511	0.8	0.8
Consumer, non-cyclical	2,969	0.7	0.7
Communications	2,952	0.7	0.7
Energy	2,822	0.7	0.6
Industrial	2,167	0.5	0.5
Materials	1,426	0.3	0.3

A 5% decrease of each sector would have resulted in an equal but opposite effect on the above financial statement amounts to the amounts shown above, on the basis that all other variables remain constant. For the market price risk sensitivity analysis no FX conversion rate volatility was included.

Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Fund holds fixed interest securities that expose the Fund to fair value interest rate risk. The Fund also holds a limited amount of cash and cash equivalents that expose the Fund to cash flow interest rate risk.

The following table summarize the Fund's exposure to interest rate risks (interest sensitivity gap). It includes the Fund's financial instruments at fair value through profit or loss, cash and cash equivalents and other assets or other liabilities, categorized by the earlier of contractual re-pricing or maturity dates.

Specification interest sensitivity gap

(amounts x € 1,000)	31 December 2017 Less than 5 year	Between 5 and 10 years	Between 10 and 15 years	Between 15 and 20 years	More than 20 years	Non interest bearing	Total
Assets							
Cash and cash equivalents	-	-	-	-	-	19,555	19,555
Outstanding transactions in Financial instruments	-	-	-	-	-	17,645	17,645
Financial assets at fair value through profit or loss	150,774	250,495	12,256	3,077	17,884	-	434,486
Other assets and receivables	-	-	-	-	-	7,477	7,477
Total assets	**150,774**	**250,495**	**12,256**	**3,077**	**17,884**	**44,677**	**479,163**
Liabilities							
Outstanding transactions in financial instruments	-	-	-	-	-	23,192	23,192
Financial assets at fair value through profit or loss	-	-	-	-	-	1	1
Payables and other liabilities	-	-	-	-	-	3,280	3,280
Net assets attributable to holders of participations	-	-	-	-	-	452,690	452,690
Total liabilities	**-**	**-**	**-**	**-**	**-**	**479,163**	**479,163**
Interest sensitivity gap	**150,774**	**250,495**	**12,256**	**3,077**	**17,884**	**-434,486**	**-**

At 31 December 2017, should interest rates have lowered by 50 basis points with all other variables remaining constant, the increase in net assets attributable to holders of redeemable shares (and Statement of comprehensive income) for the year would amount to approximately € 10,733,824. If interest rates had risen by 50 basis points, the decrease in NAV (and Statement of comprehensive income) would amount to approximately € 10,733,824.

Currency risk

Currency risk exposure exists primarily with respect to investments in securities denominated in foreign currencies and cash at banks. As at 31 December 2017, 16.4% of the financial instruments are denominated in euro. As a result the Fund is exposed to significant currency risk. The currency exposure of the Fund at 31 December is as follows:

Currency exposure

(amounts x € 1,000)	**31 December 2017**	%-of NAV
United States dollar	364,017	80.4
Euro	74,165	16.4
United Kingdom pound	13,919	3.1
Canada dollar	589	0.1
Total currency exposure	**452,690**	**100.0**

The Fund has determined each currency other than the euro as significant when the total amount of an individual currency represents at least 5% of the Fund's net asset value.

The table below details the sensitivity of a reasonable possible increase in fair value of 5% for each significant currency towards the Fund's NAV (and Statement of comprehensive income) at 31 December.

Currency exposure *(amounts x € 1,000)*	**31 December 2017**	%-of NAV
United States dollar	18,201	4.0

A 5% decrease of each currency would have resulted in an equal but opposite effect on the above financial statement amounts to the amounts shown above, on the basis that all other variables remain constant.

Credit and counterparty risk

Credit and counterparty risk arising from the inability of counterparties to meet the terms of the Fund's financial instrument contracts is limited as it is the Fund's policy to enter into financial instruments with a diversity of creditworthy counterparties. All transactions in securities are settled/ paid for upon delivery using approved brokers. Regarding to securities, the risk of default is considered minimal, as delivery of securities sold takes place once the broker has received payment. Payment is made on a purchase once the securities have been received by the custodian. The trade will fail if either party fails to meet their obligation.

The Fund's financial instruments designated at fair value through profit or loss include bonds and are therefore exposed to credit risk. The carrying amounts of financial assets best represent the maximum credit risk exposure at the statement of financial position date. Concentrations of significant credit risk exist regarding the investment in financial instruments (excluding derivatives) as disclosed below.

Overview financial assets by rating category *(amounts x € 1,000)*	**31 December 2017**	%-of investments	%-of NAV
Rating			
A	179	0.0	0.0
BBB	6,905	1.6	1.5
BB	142,200	32.8	31.4
B	193,120	44.7	42.7
CCC	70,298	16.2	15.5
CC	202	0.0	0.0
C	1,321	0.3	0.3
D and lower	1,332	0.3	0.3
No rating	17,893	4.1	4.0
Total	**433,450**	**100.0**	**95.7**

The classification of the credit ratings is based on a composite rating based on the average of agency ratings provided by Standard & Poor's, Moody's and Fitch (or lesser of these agency ratings when not all three agencies provide ratings).

The positions in cash and cash equivalents at Stichting TKP Pensioen Treasury are not included in the above schedule because they are not rated by any credit rating agency.

The maximum amount of credit risk the Fund is exposed to is € 478,503,000. None of the assets have been impaired or are past due.

Liquidity risk

The Fund's Articles of Association provide for the daily creation and cancellation / redemption of participations and therefore the Fund is exposed to liquidity risk of meeting participant redemptions. The Fund invests directly and indirectly in securities which are considered to be readily realizable, thus reducing liquidity risk exposure. At 31 December 2017, all other financial assets and liabilities have a contractual maturity date within 1 month except for cash and cash equivalents for an amount of € 20,053,000 which have indefinite maturity.

Fair value of other financial assets and financial liabilities

There is no material difference between the value of the other financial assets and liabilities, as shown in the statement of financial position, and their fair value due to their short term nature.

Cross class risk

Notwithstanding that the participations may be issued in different classes, with separate accounting records, contributions, portfolio investments and investment results, the Fund is a single entity and the insolvency of the Fund would affect all issued participations regardless of class, with the net assets attributable to each class of participations available to satisfy the excess liabilities of another class.

5.7 Notes to specific items of the financial statements

1. Cash and cash equivalents
The total amount held in investment grade fixed income securities, government bonds, and cash is not permitted to exceed 25% of the aggregate value of the Fund. There are no restrictions on the use of cash and cash equivalents.

2. Financial assets and liabilities at fair value through profit or loss

Investments specified by instrument		
(amounts x € 1,000)		**31 December 2017**
Debt instruments	433,450	
Equity instruments	660	
Designated at fair value through profit or loss		**434,110**
Forwards	375	
Held for trading		**375**
Total financial assets and liabilities at fair value through profit or loss		**434,485**

The debt instruments consist of corporate bonds.

Investments specified by valuation technique		
(amounts x € 1,000)		**31 December 2017**
Quoted financial instruments traded in active markets (Level 1)	434,110	
Financial instruments valued by valuation techniques using market observable inputs (Level 2)	375	
Total financial assets and liabilities at fair value through profit or loss		**434,485**

The level in the fair value hierarchy within which the financial instruments are categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement of the financial instruments in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement of the financial instruments in its entirety. If a fair value measurement of a financial instrument uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement of the financial instruments in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires judgement by the Fund. For classification as level 2, the Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market, including but not limited to recent market trades.

There have been no transfers between level 1 and level 2 financial instruments during the period.

Investments specified by market	
(amounts x € 1,000)	**31 December 2017**
Admitted to a quotation of a regulated market (Exchange quoted)	434,110
Traded on a regular or other market in financial instruments (Exchange or market traded)	375
Total	**434,485**

Investments by country			
(amounts x € 1,000)	**31 December 2017**	%-of investments	%-of NAV
Country			
United States	260,599	60.1	57.7
Brazil	18,791	4.4	4.3
United Kingdom	18,535	4.3	4.2
Canada	18,221	4.2	4.0
Spain	11,153	2.6	2.5
France	10,540	2.4	2.3
Luxembourg	10,531	2.4	2.3
Russia	9,038	2.1	2.0
Argentina	7,230	1.7	1.6
China	6,784	1.6	1.5
Netherlands	6,435	1.5	1.4
Italy	6,393	1.5	1.4
Germany	4,990	1.1	1.1
Mexico	4,739	1.1	1.0
Ireland	4,685	1.1	1.0
Turkey	2,347	0.5	0.5
Switzerland	2,185	0.5	0.5
Azerbaijan	1,937	0.4	0.4
Indonesia	1,715	0.4	0.4
Hong Kong	1,697	0.4	0.4
New Zealand	1,638	0.4	0.4
Jamaica	1,522	0.4	0.3
Chile	1,412	0.3	0.3
United Arab Emirates	1,407	0.3	0.3
India	1,404	0.3	0.3
El Salvador	1,337	0.3	0.3
Belgium	1,305	0.3	0.3
Colombia	1,234	0.3	0.3
Jersey	1,139	0.3	0.3
Kazakhstan	1,072	0.2	0.2
Zambia	1,049	0.2	0.2
Peru	1,001	0.2	0.2
Ukraine	985	0.2	0.2
Japan	875	0.2	0.2
Australia	813	0.2	0.2
Belarus	740	0.2	0.2
South Africa	667	0.2	0.1
Costa Rica	611	0.1	0.1
Dominican Republic	547	0.1	0.1
Israel	526	0.1	0.1
Philippines	507	0.1	0.1

Investments by country

(amounts x € 1,000)	**31 December 2017**	%-of investments	%-of NAV
Country			
Macao	504	0.1	0.1
Egypt	485	0.1	0.1
Croatia	366	0.1	0.1
Guatemala	353	0.1	0.1
Trinidad and Tobago	338	0.1	0.1
Venezuela	321	0.1	0.1
Greece	296	0.1	0.1
Sweden	221	0.1	0.0
Malaysia	208	0.0	0.0
Uruguay	198	0.0	0.0
Cyprus	179	0.0	0.0
Bahamas	137	0.0	0.0
Romania	107	0.0	0.0
Finland	61	0.0	0.0
Total	**434,110**	**100.0**	**95.9**

Debt instruments by repricing or maturity date (whichever date is earlier)

(amounts x € 1,000)	**31 December 2017**	%-of investments	%-of NAV
Years until maturity date			
<5 year	150,644	34.7	33.3
5-10 year	250,278	57.7	55.3
10-15 year	12,245	2.8	2.7
15-20 year	3,074	0.7	0.7
>20 year	17,869	4.1	3.9
Total	**433,450**	**100.0**	**95.9**

Debt instruments movement

(amounts x € 1,000)	**12 December 2017 through 31 December 2017**
Opening balance	-
Transfers in kind	449,937
Purchases	3,733
Sales	-11,272
Revaluation	-8,948
Total	**433,450**

The transfer in kind represents the transfer of debt and equity instruments from MM High Yield Fund - Unhedged, in addition to €12,155,000 other financial assets. In return, the Fund issued Class A participations to MM High Yield Fund - Unhedged for €462,092,000.

Equity instruments movement *(amounts x € 1,000)*	12 December 2017 through 31 December 2017
Opening balance	-
Purchases	665
Sales	-8
Revaluation	3
Total	**660**

Forwards movement *(amounts x € 1,000)*	12 December 2017 through 31 December 2017
Opening balance	-
Sales and expirations	-1
Revaluation	376
Total	**375**

3. Other assets and receivables

Specification other assets and receivables *(amounts x € 1,000)*	31 December 2017
Accrued interest	6,661
Receivable Stichting TKP Pensioen Treasury	816
Total	**7,477**

4. Payables and other liabilities

Specification payables and other receivables *(amounts x € 1,000)*	31 December 2017
Investment management fee payable	149
Other liabilities	117
Total	**266**

5. Net assets attributable to holders of participations

Specification net assets attributable to holders of participations	
(amounts x € 1,000)	**31 December 2017**
Participation Class A	452,319
Participation Class I	371
Total	**452,690**

Movement in net assets attributable to holders of participations						
	12 December 2017 through 31 December 2017					
(amounts x € 1,000)	*Class A*			*Class I*		
	Cash	*Non-cash*	*Total*	*Cash*	*Non-Cash*	*Total*
Opening balance	-	-	-	-	-	-
Subscriptions in kind	-	462,092	462,092	-	-	-
Subscriptions	136,339	-	136,339	539	-	539
Redemptions	-138,430	-	-138,430	-162	-	-162
Interest income	1,266	-	1,266	1	-	1
Revaluation investments and derivatives	-8,562	-	-8,562	-7	-	-7
Other results assets and liabilities	-344	-	-344	-	-	-
Charges	-42	-	-42	-	-	-
Balance as at 31 December	**-9,773**	**462,092**	**452,319**	**371**	**-**	**371**

Movement in participations			
	12 December 2017 through 31 December 2017		
	Class A	*Class I*	*Total*
Opening balance	-	-	-
Number of participations subscribed	5,992,303	5,402	5,997,705
Number of participations redeemed	-1,392,726	-1,631	-1,394,357
Balance as at 31 December	**4,599,577**	**3,771**	**4,603,348**

Participations and participation classes

The Fund may issue different classes of participations. Within each participation class, a participation will entitle the holder thereof to a proportional part of the net asset value and benefits of the Fund in relation to that participation class. Participation classes may be used to account for potential differences in the fiscal status of the participants regarding specific country, investor identity and/or tax aspects. Additionally a participation class may have its own specific subscription and redemption charge structure, fee structure and/or minimum subscription amount. The value of participation within a participation class is determined by the terms as described in the Fund Facts of the prospectus.

The Title Holder and the Fund Manager may suspend redemption of Participations if:

(i) the Fund Manager has objections due to facts and circumstances on the markets where the assets of the Fund are traded;

(ii) the redemption of Participations would be prejudicial to the interests of the Participants as a whole or individually; or

(iii) in case of suspension of valuations.

Capital risk management

The capital of the Fund is represented by the net assets attributable to holders of redeemable participations. The amount of net asset attributable to holders of redeemable participations can change significantly on a weekly basis, as the Fund is subject to weekly subscriptions and redemptions at the discretion of participants, as well as changes resulting from the Fund's performance. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for participants, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

Investor concentration

The Fund has one participant in participation class A and one participant in participation class I at year-end 2017. This means the Fund is exposed to investor concentration risk. The risk of inability to finance redemption requests is however very limited due to the liquid nature of the investment portfolio.

Overview subscription and redemption fee per participation class	**2017** Percentage
Participation Class A	0.50%
Participation Class I	0.50%

6. Recognised net gains/losses on financial instruments at fair value through profit or loss

The following table details the results on financial instruments designated at fair value through profit or loss split into realised and unrealised results:

Recognised net gains/losses on financial instruments at fair value through profit or loss	12 December 2017 through 31 December 2017	
(amounts x € 1,000)	*Gains*	*Losses*
Realised results debt instruments	13	-71
Unrealised results debt instruments	467	-9,357
Unrealised results equity	21	-18
Total net gains and losses on financial instruments designated at fair value through profit or loss	**501**	**-9,446**
Unrealised results forwards	377	-1
Total net gains and losses on financial instruments held for trading	**377**	**-1**
Total net gains and losses on financial instruments at fair value through profit or loss	**878**	**-9,447**

7. Net interest income

The following table details the split of the net interest income into interest income and interest expenses during the period:

Specification net interest income	12 December 2017 through 31 December 2017	
(amounts x € 1,000)	*Income*	*Expenses*
Financial instruments designated at fair value through profit or loss	1,267	-
Total	**1,267**	**-**

8. Charges

Transaction costs

Transaction costs are borne by the Fund and the participation classes in relation to the proportional part of the fund investments. Transaction costs on financial instruments are expensed immediately as charges, while on other financial instruments they are amortized if applicable.

Independent auditor

The Fund Manager appointed PricewaterhouseCoopers Accountants N.V. as the independent auditor. The independent auditor's remuneration consists of € 9,700 audit fee for audit of the annual report. The independent auditor does not provide any other audit or non-audit services to the Fund.

9. Management fee (external)

Specification management fee (external)	
(amounts x € 1,000)	**2017**
Base fee external investment managers	25
Performance fee external investment managers	2
Total	**27**

10. Foreign currency translation

Realized and unrealized exchange differences consist of realized and unrealized translation gains and losses on assets and liabilities other than financial instruments at fair value through profit or loss.

The following closing rates have been applied in preparation of these financial statements:

Overview closing rate foreign currencies	
(The equivalent of € 1)	**2017**
Canada dollar	1.504543
United Kingdom pound	0.887673
United States dollar	1.200800

11. Ongoing charges figure

Specification ongoing charges figure	
	2017
Participation Class A	0.01%
Participation Class A	0.01%

The ongoing charges figure reflects the ratio between the ongoing charges of the investment institution over the reporting period and the average net asset value. Subscription and redemption fee, performance fee, transaction costs and interest on borrowing are not included in the calculation of the ongoing charges figure. Any costs which have not been taken into account are borne by the Fund Manager. The average net asset value is based on the daily NAVs of the financial year.

12. Turnover ratio

Turnover ratio	2017
Turnover ratio	-

The turnover factor of the assets gives an indication of the turnover of the investments of the Fund. In this way an impression is given regarding the level of active management. The turnover factor gives information about the relative transaction costs. The turnover factor is calculated as follows:

[(Total 1 -/- Total 2) / Average NAV] * 100
Total 1 = purchases +/+ sales of financial assets at fair value through profit or loss by the Fund
Total 2 = subscriptions +/+ redemption by the Fund
The Average NAV is based on the daily NAVs of the financial year.

13. Transactions with related parties

The Fund engages in transactions with Stichting Treasury for treasury and transaction processing purposes. All subscriptions and redemptions that relate to the participants of the Fund are wired to and from Stichting Treasury. The amounts invested by the investment manager(s) are wired from Stichting Treasury to the respective bank account(s) managed by the external manager(s). The amounts involved are disclosed within the cash flow statement on page 21. All transactions took place at arm's length.

The Fund does not engage in transactions with other related parties.

Overview external investment manager transactions and balances		
	31 December 2017	
(amounts x € 1,000)	Paid	Balance
Management fee (external managers)	-	111
Performance fee (external managers)	-	38
Total	**-**	**149**

14. Personnel

The Fund did not employ any personnel during the reporting period.

15. Remuneration

TKPI uses a modern evaluation and remuneration system. Objectives for each employee are defined at the beginning of the year. In the assessment over a year it is determined to what extent these objectives have been achieved, and if the employee has not yet reached its maximum salary, this will affect the salary of the following year.

The remuneration policy is designed to maintain highly qualified professionals (considering the remuneration at competitors) and, if necessary, to be able to attract them.

The fixed income of employees of TKPI consists of a monthly salary, a flexible budget (inter alia holiday pay and 13th month), pension and other secondary benefits that are custom in the Dutch market.

Some of the employees within TKPI are eligible for variable pay. This forms an integral part of the overall benefits package. For the calculation of the annual budget for variable pay, the so-called bonus pool methodology is used. The height of the bonus pool (in other words the budget) is calculated by comparing the operating results to pre-set targets. These consist of a mix of long and short term fund performance, customer satisfaction, profitability, sales, risk management and Aegon N.V. business performance. The award of variable pay, within this budget, is based on individual performance. Both the bonus pool and the award of variable remuneration on an individual level include performance measures up to a maximum of 40% of non-risk adjusted financial performance indicators and for minimal 50% of non-financial indicators.

Employees who do not qualify for variable pay, can under strict conditions, be awarded a bonus.

The condition for variable remuneration is that this does not conflict with the interests of TKPI customers. The remuneration policy is designed to encourage employees to work at TKPI for a longer period of time. This (variable) remuneration policy meets the social standards, codes and (inter) national regulations.

Based on AIFMD criteria, eight employees are designated as Identified Staff. This concerns the entire Board (4 persons) and four other Identified Staff. With regard to the eligibility for a certain fixed income and variable remuneration, there is no distinction between Identified Staff and other staff. In the area of personal objectives and payment of variable remuneration other rules apply. The personal objectives of Identified Staff are first assessed on the degree of risk and, if necessary, adjusted accordingly. In addition, variable remuneration to Identified Staff is not paid in cash at once. The first 40% or 60% will be paid immediately after the performance year, of which half in cash and half in financial instruments. The remaining 60% or 40% will be paid in equal instalments over three years thereafter, also to every part one half in cash and half in financial instruments, the so-called phantom shares. Before each of these parts is paid, it is determined whether there are facts based on which variable remuneration should be adjusted downwards. The phantom shares are linked to the performance of the main funds managed by the fund manager. The shares are held for one year after these are granted before they are settled and paid to the employee in cash.

Aegon Asset Management (AAM) employs a Remuneration Committee consisting of the CEO AAM, the CFO AAM, Global Head of HR AAM, the Global Reward Specialist AAM, the Head of Group HR Aegon and the CEO Aegon. The Board of TKPI is responsible for awarding the remuneration.

Remuneration within TKPI is based on the Aegon Global Remuneration Framework and is in line with AIFMD requirements. The remuneration policy is established by the Remuneration Committee and approved by the Board. ORM & Compliance checks the policy for compliance with AIFMD. Actual variable remuneration of individuals is reviewed by ORM & Compliance before it is paid.

Total remuneration for employees and temporary staff of TKPI (2017: 150 persons – 121 FTE, 2016: 134 persons - 101 FTE) in the financial year 2017 amounted to € 14.0 million (2016: € 12.0 million), of which € 1.3 million (2016: € 1.2 million) concerns variable remuneration. The fixed remuneration of the Fund Manager's board of directors in the financial year 2017 amounted to € 1.1 million (2016: € 1.0 million), of which € 0.3 million (2016: € 0.3 million) concerns variable remuneration. The fixed remuneration of other Identified Staff in the financial year 2017 amounted to € 0.6 million (2016: € 0.5 million), of which € 0.2 million (2016: € 0.2 million) concerns variable remuneration. There are no employees for whom the total remuneration exceeds € 1 million.

TKPI employees do not have interests in the Fund, hence the Fund did not distribute capital to TKPI employees.

The remuneration of TKPI employees cannot be allocated to individual funds since the remuneration is also based on services provided to clients and other variables such as market developments, manager performance, etc. In addition, TKPI employees are not exclusively working for one fund. No carried interest exists.

16. Outsourcing and other services from third parties

Fund Accounting Service provider
Citibank N.A. (London branch)
1 North Wall Quay
Dublin
Ireland

Legal Advisor
Clifford Chance LLP
Droogbak 1a
1013 GE Amsterdam
The Netherlands

Tax Advisor
KPMG Meijburg
Laan van Langerhuize 9
1186 DS Amstelveen
The Netherlands

17. Profit appropriation

In accordance with the prospectus, the Fund has reinvested all earnings.

5.8 Significant accounting policies

Basis for preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), with Part 9 of Book 2 of the Netherlands Civil Code (Burgerlijk Wetboek) and the Dutch Act on Financial Supervision (Wet op het financieel toezicht).

Historical cost basis

The financial statements have been prepared on a historical cost basis, except for 'financial assets and liabilities designated at fair value through profit or loss at inception'.

New standards, amendments and interpretations to existing standards which are relevant to the Fund

New standards, amendments and interpretations to existing standards which are implemented by the Fund during the reporting period

In January 2016, the International Accounting Standards Board (IASB) issued amendments to IAS 7 which are effective as per 1 January 2017 as part of the IASB's Disclosure Initiative. On 6 November 2017 the amendments to IAS 7 were endorsed by the EU. The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The adoption does not have a substantive effect on the Fund's financial statements as the amendments to IAS 7 only require an additional disclosure with the movements in liabilities arising from financing activities. The adoption of this amendment does not have any impact on the amounts recognized in prior, current and future periods.

New standards, amendments and interpretations to existing standards which are relevant to the Fund and not yet effective

The IASB completed the final element of its comprehensive response to the financial crisis with the publication of IFRS 9 Financial Instruments in July 2014. On 22 November 2016 this standard was adopted by the European Union. IFRS 9 replaces the multiple classification and measurement models in IAS 39 and is effective for reporting periods beginning on or after 1 January 2018. Classification and measurement of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. IFRS 9 also introduces a new expected credit loss impairment model. On adoption of IFRS 9 the Fund's equity, debt and derivative financial instruments will continue to be classified and measured as fair value through profit or loss. Other financial assets which are held for collection will continue to be measured at amortised cost with no material impact expected from application of the new impairment model. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Fund's financial statements.

Determination of results

The determination of realized and unrealized results is based on the difference between the sales price and the average historical cost price.

Offsetting of assets and liabilities

Financial assets and liabilities are offset in the statement of financial position when the Fund has a legally enforceable right to offset and has the intention to settle the asset and liability on an net basis or simultaneously.

Foreign currency

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items are translated by the closing rate. Non-monetary items that are measured in historical costs in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange rate differences on monetary items are recognized in the Statement of comprehensive income when they arise, except when they are deferred in net assets as a result of a qualifying cash flow or net investment hedge. Exchange differences on non-monetary items are recognized in net assets or the Statement of comprehensive income, consistently with other gains and losses on these items.

Reporting and functional currency

The reporting and functional currency of the Fund is the euro due to the establishment of the Fund in the Netherlands and the issue of participations in EUR.

Financial assets and liabilities at fair value through profit or loss

(a) Classification
The Fund classifies its investments in debt securities, and derivatives, as financial assets or financial liabilities at fair value through profit or loss. This category has two sub-categories: financial assets or financial liabilities held for trading; and those designated at fair value through profit or loss at inception.

(i) Financial assets and liabilities held for trading
A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorised as held for trading. The Fund does not classify any derivatives as hedges in a hedging relationship.

(ii) Financial assets and liabilities designated at fair value through profit or loss at inception
Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy.

The Fund's policy requires the investment manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

(b) Recognition and derecognition
Regular purchases and sales of investments are recognised on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value (transaction price). In case of financial instruments held for trading, fair value is assessed for transaction costs that are directly attributable to the acquisition or issue of these financial instruments.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

When the Fund purchases an option, an amount equal to fair value which is based on the premium paid is recorded as an asset. When the Fund writes an option, an amount equal to fair value which is based on the premium received by the Fund is recorded as a liability. When options are closed, the difference between the premium and the amount paid or received, net of brokerage commissions, or the full amount of the premium if the option expires worthless, is recognized as a gain or loss and is presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss.

(c) Measurement
Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise. Transaction costs on financial instruments at fair value through profit or loss are expensed immediately as charges, while on other financial instruments they are amortized if applicable. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income when the Fund's right to receive payments is established. Interest on debt securities at fair value through profit or loss is recognised in the statement of comprehensive income within interest income based on the effective interest rate. Dividend expense on short sales of equity securities is included within other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss.

(d) Fair value estimation
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For all financial instruments which are listed or otherwise traded in an active market (such as publicly traded derivatives and trading securities), fair value is determined directly from those quoted market prices and is based on mid prices, further referred to as 'Level 1'. The Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread.

Where the market for a financial instrument is not active, fair value is established using a valuation technique. These valuation techniques involve a degree of estimation, the extent of which depends on the instrument's complexity and the availability of market-based data.

Where inputs are based on market observable data the measurement classification is further referred to as 'Level 2'. Where such data is not market observable, it is estimated by the Fund and is further referred to as 'Level 3'. A valuation technique might incorporate both observable market data and unobservable inputs.
The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs. When unobservable inputs are significant to the fair value measurement, the resulting valuation will be disclosed as Level 3.
Fair values of derivative financial instruments are obtained from quoted market prices.

(e) Transfers between levels of the fair value hierarchy
Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

Cash and cash equivalents
Cash and cash equivalents consist of cash balances with banks, deposits and other short term highly liquid investments. Cash and cash equivalents are measured at the nominal amount and have a maturity date of one month or less, except for cash balances with banks that have indefinite maturity.

Other assets and receivables
Other assets and receivables include trade and other receivables, receivables from Stichting TKP Pensioen Treasury, accrued interest, accrued dividend, tax reclaims and prepaid expenses. Other assets and receivables are measured at the amount that is expected to be received or, if applicable, paid in advance.

Participations
The Fund issues two classes of redeemable participations, which are redeemable at the holder's option and do not have identical rights. Such participations are classified as financial liabilities. Redeemable participations can be put back to the Fund at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to the participations class. participations are redeemable daily.

The redeemable participations are carried at the redemption amount that is payable at the statement of financial position date if the holder exercises the right to put the share back to the Fund.

Redeemable participations are issued and redeemed at the holder's option at prices based on the Fund's net asset value per participation at the time of issue or redemption. The Fund's net asset value per participation is calculated by dividing the net assets attributable to the holders of each class of redeemable participations with the total number of outstanding redeemable participations for each respective class. In accordance with the provisions of the Fund's regulations, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per participation for subscriptions and redemptions.

Payables and other liabilities
Payables and other liabilities include trade and other payables and expenses to be paid and liabilities to Stichting TKP Pensioen Treasury. Payables and other liabilities are measured at the amount that is expected to be paid.

Investment income
Investment income includes interest, income from subscription and redemption fee and other income. Interest on debt securities is accrued on a time-proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is recognized gross of withholding tax, if any.

Subscription and redemption fee
Participants of participation classes have to pay a fee for subscription and redemption, based on the amount of the subscription or redemption. The proceeds for subscription fee are to the benefit of the applicable participation class to insulate the other participants of the participation class for transactions costs caused by subscriptions and redemptions. The fee is disclosed as subscription and redemption fee in the Statement of comprehensive income, as part of Other Income.

As of 31 December 2017, the subscription and redemption fees for participation classes A and I are 0.50% and 0.50% respectively. These fees have remained unchanged during the reporting period.

Charges
Charges consist of investment management fee and interest charges. Charges are measured at the amount that is expected to be paid and are recognized as they are accrued.

Taxation
The Fund is fiscal transparent for Dutch corporate and income tax and therefore the Fund is exempted from paying taxes on income, profits or capital gains. Distributions to holders of participations will be subject to taxation at the individual participant.

Significant accounting estimates and judgments
Application of the accounting policies in the preparation of the financial statements requires the Fund Manager to apply judgment involving assumptions and estimates concerning future results and other developments, including the likelihood, timing or amount of future transactions or events. The Fund has no significant accounting estimates that require complex estimates or significant judgment in applying its accounting policies.

Cash flow statement

The cash flow statement is drawn up in accordance with the direct method whereby the operational income and expenditure and cash flow arising from financing activities are presented separately. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of participations of the Fund. The cash and cash equivalents in the cash flow statement comprise the cash balances with banks, deposits borrowed and other short term investments. This definition differs from the definition of the statement of financial position. The statement of financial position classifies assets as cash and cash equivalents and liabilities as payables and other liabilities. Purchases and proceeds of sales of investments are inclusive of bought or sold accrued interest. The proceeds of sales of investments sales are presented based on the basis of market value. The cash flow statement has been drawn up based on settled transactions. In the movement schedule of investments the purchases and proceeds are drawn up taking into account the recognition and derecognition principles of investments. Due to these principles the purchases and proceeds in the flow statement of investments differ from the flows in the cash flow statement. The cash flow arising from derivatives are included on a net cash flow basis.

Cash flow statement foreign currency

Cash flows in foreign currency are converted against the exchange rate at the date of transaction. The effect of exchange rates is presented separately.

6 Other information

6.1 Statement interests board members of the Fund Manager

The board members of the Fund Manager did not hold any interests in the assets of the Fund during the financial year.

6.2 Independent auditor's report

To: the Fund Manager of Aegon Global Multi Manager High Yield Fund – Unhedged.

Report on the financial statements 2017

Our opinion
In our opinion Aegon Global Multi Manager High Yield Fund – Unhedged's financial statements give a true and fair view of the financial position of the Fund as at 31 December 2017, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited
We have audited the accompanying financial statements 2017 of Aegon Global Multi Manager High Yield Fund – Unhedged, Groningen ('the Fund').

The financial statements comprise:
- the statement of financial position as at 31 December 2017;
- the following statements for 2017: the income statement, the statements of comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

The 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 section 'Our responsibilities for the audit of the financial statements' of our report.

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

Independence
We are independent of Aegon Global Multi Manager High Yield Fund – Unhedged in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO – Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA – Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

Report on the other information included in the annual report
In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- general fund information;
- profile;
- key figures;
- investment management report;
- other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all information that is 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 in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our 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 such procedures was substantially less than the scope of those performed in our audit of the financial statements.

The Fund Manager is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit
Responsibilities of the Fund Manager
The Fund Manager is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the Fund Manager 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, the Fund Manager is responsible for assessing the fund's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Fund Manager should prepare the financial statements using the going-concern basis of accounting unless the Fund Manager either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so. The Fund Manager should disclose events and circumstances that may cast significant doubt on the fund's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements
Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Groningen, 30 March 2018
PricewaterhouseCoopers Accountants N.V.

H.D.M. Plomp RA

Appendix to our auditor's report on the financial statements 2017 of Aegon Global Multi Manager High Yield Fund – Unhedged

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements
We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among other things of the following:

- 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 intentional 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 Fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Concluding on the appropriateness of the Fund Manager's use of the going concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Fund'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. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Europaweg 31
9723 AS Groningen
The Netherlands

P.O. Box 5142
9700 GC Groningen
www.tkpinvestments.com