

# Remuneration Report

The 2021 Remuneration Report  
from our Remuneration Committee  
on behalf of the Supervisory Board

The Hague, March 2022



# Remuneration Report

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### Introduction

This report has been prepared by the Remuneration Committee of the Supervisory Board, which was led by the Committee's Chairman Mr. Ben J. Noteboom and was approved by the Supervisory Board. In the first chapter, the Remuneration Committee presents an overview of the business and remuneration highlights in 2021 and a look ahead to 2022. This is followed by chapter two which contains a general introduction to remuneration at Aegon. The third chapter is the 2021 Supervisory Board Remuneration Report, which contains a summary of the Supervisory Board Remuneration Policy that was applicable in 2021 and the Supervisory Board remuneration over the recent years. In chapter four, the 2021 Executive Board Remuneration Report provides a summary of the Executive Board Remuneration Policy that was applicable in 2021, the Executive Board remuneration over the recent years and the 2022 Executive Board performance indicators.

### 1. Business and remuneration highlights

This chapter presents an overview of the business and remuneration highlights in 2021 and a look ahead to 2022.

### 2021 Business highlights

In 2021, Aegon demonstrated solid progress against its strategic and financial objectives. The measures that Aegon has taken to improve its operational performance and reduce its risk profile, together with support from favorable markets, resulted in free cash flows of EUR 729 million for the full year 2021, well ahead of the previous guidance. The operating result for 2021 amounted to EUR 1,906 million, an increase of 11% compared with last year as a consequence of business growth, expense savings, and favorable equity markets, despite a more adverse mortality result in the United States, which was driven by the COVID-19 pandemic. To date, Aegon has executed 844 out of approximately 1,200 performance improvement initiatives, split between 649 expense initiatives and 195 growth initiatives. The expense savings initiatives drove a EUR 244 million reduction in addressable expenses in 2021 compared with the base year 2019. Aegon's growth initiatives are aimed at improving customer service, enhancing user experience, and developing new products. These growth initiatives contributed EUR 115 million to the operating result in 2021. The increase of the market consistent value of new business from EUR 262 million in 2020 to EUR 538 million in 2021 was mainly driven by the United States due to increasing sales in Life and the decision to stop selling variable annuities with significant interest rate sensitive riders.

### Business performance highlights

	2021	2020
Free cash flows (in EUR million)	729	530
Operating result (in EUR million)	1,906	1,710
Addressable expenses (in EUR million)	2,903	2,986
Market consistent value of new business (in EUR million)	538	262

### 2021 Remuneration highlights

At the Annual General Meeting of Shareholders on June 3, 2021, shareholders were asked to cast an advisory vote on the Remuneration Report for the second time. The 2020 Remuneration Report was approved with 97.99% of the votes cast, which was a significant increase compared to 2019 (83.79%). Following feedback from several large shareholders regarding the 2019 report, the 2020 report included more information in the remuneration highlight section and more information was disclosed on the calculation of variable compensation for the Executive Board in chapter four. Aegon continued with shareholder engagement regarding the remuneration report and made a few updates to this report to make it more concise and easier to read.

In 2021 Aegon paid out EUR 168 million in variable compensation and 22 employees received EUR 1 million or more in total annual compensation (i.e. the sum of fixed compensation, variable compensation and pension contributions paid in 2021). These employees worked for Aegon's Corporate Center, Aegon Americas, Aegon UK and Aegon Asset Management.

For the period during which the individual served as Executive Board member in 2021, Mr. Friese received EUR 1,485,000 in fixed compensation (2020: EUR 931,071 for 7.5 months) and Mr. Rider received EUR 968,394 (2020: EUR 940,950). For Mr. Rider this included a 5% increase per June 2021. Mr. Friese's fixed compensation level was not changed during 2021. For that same period, Mr. Friese was allocated EUR 3.5 million in total compensation (2020: EUR 2.0 million for 7.5 months) and Mr. Rider EUR 2.3 million (2020: EUR 2.0 million).

The 2021 CEO pay ratio was 28.0 (2020: 32.2, 2019: 32.8). This ratio was based on the EU-IFRS remuneration expenses for Mr. Friese and for Aegon's employees in 2021, which have been audited. The annual expenses for Mr. Friese's total compensation were EUR 2.9 million (2020: EUR 3.5 million). The average expenses for the employees' total compensation were EUR 105 thousand (2020: EUR 110 thousand), which were calculated by:

- The total EU-IFRS remuneration expenses for all employees, which are the total employee expenses (see Note 14) minus the CEO remuneration expenses: EUR 1.897 million – EUR 2.9 million = EUR 1.894 million.
- Divided by the number of employees in scope, which are the total number of employees minus employees in joint ventures and associates (as their expenses are not included in Note 14 given the partial consolidation for these businesses) and minus the CEO:  $22,271 - 4,228 - 1 = 18,043$  employees.

The Remuneration Committee took note that certain factors have influenced the CEO pay ratio. Last year, Mr. Friese's annualized annual remuneration expenses were higher because these included EUR 0.9 million for his sign-on arrangement, while these expenses were EUR 0.1 million in 2021. As a result of our company-wide transformation program, we have seen a combination of reductions, shifts and increases in our workforce. Because the CEO pay ratio is influenced by a constantly changing international employee population, with the majority of employees based outside the Netherlands, the Committee does not have a preferred ratio. Instead, all compensation within Aegon (including for the Executive Board members) should be in line with the relevant internal and external references for the relative weight of the position, its responsibilities and characteristics as well as the employee's qualifications, experience, and performance.

### Looking ahead to 2022

In accordance with the Supervisory Board remuneration policy, the fees for the Supervisory Board members have been indexed with 5% per January 2022, in response to the economic developments in the last three years (2019-2021). The last change to these fees was in January 2019.

In accordance with the Executive Board remuneration policy, Mr. Friese's fixed compensation has been increased by 5% per January 2022 from EUR 1,485,000 to EUR 1,559,250. The increase will keep Mr. Friese aligned with internal and external compensation levels, economic developments (e.g. inflation) and changes to the compensation levels of other senior managers within Europe and in the Netherlands. There are no changes foreseen to the compensation package of Mr. Rider in 2022.

Aegon will monitor the development of rules, regulations and guidance that could affect Aegon's remuneration policies. This includes the finalization of the European Committee's guidelines on the standardized presentation of the remuneration report.

## 2. Remuneration at Aegon in general

This chapter contains a general introduction to Aegon's Global Remuneration Framework, Human Resources Strategy, Remuneration Principles, the concepts of total compensation and variable compensation, Risk Management in relation to remuneration and remuneration of Material Risk Takers.

### Global Remuneration Framework

Aegon's Global Remuneration Framework (GRF) outlines the Aegon Group Human Resources Strategy, the Aegon Group Remuneration Principles and the Aegon Group Remuneration Guidelines, which apply to all Aegon employees, including the Executive Board members. The GRF has been designed in accordance with relevant rules, guidelines, and interpretations, such as the Dutch Financial Supervision Act, the Dutch Civil Code, the Dutch Corporate Governance Code and the Solvency II Legal Framework.

Aegon's remuneration policies are derived from the GRF, which includes the Executive Board Remuneration Policy and local business Remuneration Policies. These policies define specific terms and conditions for the employment of Aegon's employees across the various countries and local businesses. All steps in the remuneration process are governed by the GRF and its underlying policies. Staff from Human Resources, Risk Management and Compliance are involved in all steps of the process.

### Human Resources Strategy

In order to support the Aegon Strategy and local business objectives, the Aegon Group Human Resources Strategy contains the following remuneration-related goals:

- Attract, retain, motivate, and reward a highly qualified and diverse workforce;
- Align the interests of executives, managers and all other employees with the business strategy and risk tolerance, the values and the long-term interests of Aegon;
- Provide a well-balanced and performance-related compensation package to all employees, taking into account shareholder and other stakeholder interests, relevant regulations, the corporate responsibilities and Aegon's purpose, values and behaviors.

### Remuneration Principles

Based on the Human Resources Strategy, Aegon has formulated the following Remuneration Principles, which are the foundation for all remuneration policies and practices within the Group.

Aegon's remuneration is:

- employee-oriented by fostering a sense of value and appreciation in each individual employee; promoting the short- and long-term interests and well-being of Aegon's employees through fair compensation and supporting the career development and mobility of employees;
- performance-related by establishing a clear link between pay and performance by aligning objectives and target setting with performance evaluation and remuneration, reflecting individual as well as collective performance in line with Aegon's long-term interests;
- fairness-driven by promoting fairness and consistency in Aegon's remuneration policies and practices, avoiding discrimination, and by providing total compensation packages in line with an appropriately established peer group at a country and/or functional level; and
- risk-prudent (see Risk Management in relation to Remuneration below).

### Risk Management in relation to Remuneration

Remuneration, and specifically variable compensation, may have an impact on risk-taking behaviors of employees and, as such, may undermine effective risk management. The GRF therefore includes additional remuneration rules for Executive Board members, Material Risk Takers and Control Staff, as their roles and responsibilities require tailored risk mitigating measures and governance processes. These rules include mandatory ex-ante and ex-post risk assessments and related malus and claw-back provisions.

Both the Risk Management and Compliance functions are involved in the design and execution of Aegon's GRF and remuneration policies, such as reviewing proposed updates to the GRF and remuneration policies, reviewing the selection of Material Risk Takers and executing various risk mitigating measures during the compensation cycle (when the targets are set, before a variable compensation award is allocated, before and after deferred variable compensation is paid).

### Remuneration of Material Risk Takers

Aegon selects Group Material Risk Takers for the Aegon N.V. legal entity (i.e. the holding company) based on the Solvency II selection criteria. These positions are defined as 'the administrative, management or supervisory body, persons who effectively run the undertaking or have other key functions and other categories of staff whose professional activities have a material impact on the undertaking's risk profile'.

Additionally, legal entities within the Group that are directly subject to the Capital Requirements Directive, Solvency Directive, the Alternative Investment Fund Managers Directive and/or the Undertakings for the Collective Investment in Transferable Securities Directive, select their own Local Material Risk in accordance with the applicable European Directive, its guidelines, and local regulatory requirements (where available).

The Group and Local Material Risk Takers are subsequently subject to remuneration rules outlined in the applicable European Directive, its guidelines and local regulatory requirements (where available), such as:

- a minimum portion of variable compensation must be deferred and paid in non-cash instruments.
- the employee's individual goals are subject to an ex-ante risk assessment when they are set, which may lead to adjustments thereof.
- before variable compensation is allocated and before deferred variable compensation is paid out (vests), it is subject to an ex-ante and ex-post risk assessment respectively, which may result in a downward adjustment (malus).
- once variable compensation is paid out / has vested, it may be subject to a claw-back provision.

### Total compensation

Following from the Remuneration Principles, Aegon aims to offer experienced and competent employees a total compensation level which is consistent with the market in which Aegon operates and competes for similar talent. Total compensation typically consists of fixed compensation, variable compensation (where in line with the local market practice), pension and other benefits. Market survey information from reputable sources is used to regularly assess the competitiveness of compensation levels and practices which Aegon offers its employees.

### Variable compensation

Variable compensation, if any, is capped at an appropriate level as a percentage of fixed compensation. For senior management, variable compensation is usually paid out in upfront cash and deferred Aegon shares and is subject to malus and claw-back provisions. In accordance with the Dutch Financial Supervision Act, Aegon offered its Corporate Center employees variable compensation up to 100% of fixed compensation in 2021 and continued to comply with the related requirement that least 75% of its employees within the entire Group were employed outside the Netherlands. Aegon also obtained shareholder approval at the Annual General Meeting of Shareholders of May 20, 2016, to offer variable compensation up to 200% of fixed compensation to selected senior employees outside Europe in positions that, based on local market practice, could receive variable compensation that exceeds 100% of fixed compensation. Aegon's capital was not adversely impacted by the maximum variable compensation that could be paid out.

### 3. 2021 Supervisory Board Remuneration Report

The 2021 Supervisory Board Remuneration Report has been prepared by the Remuneration Committee of the Supervisory Board in accordance with the Dutch Civil Code (article art 2:135b) and the Dutch Corporate Governance Code. The Remuneration Committee was led by the Committee's Chairman Ben J. Noteboom. This report was approved by the Supervisory Board.

This report contains a summary of the Supervisory Board Remuneration Policy which applied to 2021 and the Supervisory Board remuneration over the recent years.

Aegon's Supervisory Board remuneration is subject to various rules and regulations, including the Dutch Financial Supervision Act, the Dutch Civil Code, the Dutch Corporate Governance Code and the Solvency II Legal Framework.

#### Supervisory Board Remuneration Policy in 2021

Aegon's Supervisory Board Remuneration Policy is aimed at ensuring fair compensation and protecting the independence of the Supervisory Board members. The Supervisory Board Remuneration Policy that has been applied in 2021 was adopted at the Annual General Meeting of Shareholders on May 15, 2020. This policy will be subject to annual reviews by the Supervisory Board. The policy remains in place until a new or revised policy has been adopted by the shareholders in accordance with the applicable requirements from the Dutch Civil Code. The Supervisory Board will submit a proposal to the shareholders to adopt a policy at an Annual Meeting of Shareholders at least every four years.

The policy contributes to Aegon's strategy, long-term interests, and sustainability through the remuneration of the Supervisory Board members in various ways:

- The policy provides the Supervisory Board with the means to attract, motivate, and retain competent, diverse, and experienced Supervisory Board members for the long-term. This is essential for executing Aegon's strategy and safeguarding and promoting its long-term interests and sustainability.
- Supervisory Board members receive fixed remuneration for their responsibilities which does not depend on the Aegon results in order to protect their independence when supervising the manner in which the Executive Board members implement the long-term value creation strategy. These responsibilities are part of the membership of the Supervisory Board and its Committees and the position of (Vice) Chairman of the Supervisory Board and/or its Committees. The certainty of the fixed compensation also allows Supervisory Board members in their supervisory role to focus on the long-term interest and sustainability of Aegon.
- The Supervisory Board members receive fixed remuneration for their activities, such as attending Committee meetings and additional Supervisory Board meetings, in order to regularly discuss the Aegon strategy, the implementation of the strategy and the principal risks associated with it, while taking into account the broader long-term interests and sustainability of Aegon.

- Supervisory Board members are only allowed to privately own Aegon N.V. Shares if this is a long-term investment, aligning their interests with Aegon's long-term interests.

The Supervisory Board took Aegon's identity, purpose, and values into account when developing the policy and its changes:

- Aegon is an international financial services group based in the Netherlands, that provides life insurance, pensions, and asset management. The main operations are in the US, the Netherlands, and the UK, while there is also significant presence in Southern and Eastern Europe, Asia, and Latin America. The policy provides the Supervisory Board with the means to attract, motivate, and retain Supervisory Board members from various countries, predominantly based in the Netherlands and the US. As Aegon is based in the Netherlands, the policy considers the European Insurance peers as well as Dutch General Industry peers to be the relevant external reference for the Supervisory Board member's Remuneration. The policy is also influenced by the European and Dutch rules and regulations on (Executive) remuneration, which apply to Aegon as a result of its identity (i.e. being an Insurance firm in Europe and being a listed and financial company in the Netherlands).
- In order to fulfill its company purpose, Aegon has a strategy to which this policy actively contributes (see above).
- Aegon's company values aim to create a company that is fit for the future: one that meets customers' expectations, is right for a digitally-connected, data-driven world, and can adapt quickly to changing market conditions. These values are not explicitly reflected in the policy as a result of the fee-based remuneration structure. However, these values are strongly incorporated in the Supervisory Board Charter.

The Supervisory Board has not taken the compensation structures and levels at Aegon into account as the fee-based compensation structure for Supervisory Board members differs significantly from the Aegon compensation structures and levels.

The Supervisory Board members are entitled to the following fees (see also the table below):

- A base fee for membership of the Supervisory Board. No separate attendance fees are paid to members for attendance at the regular Supervisory Board meetings;
- An attendance fee for each extra Board meeting attended, be it in person or by video and/or telephone conference;
- A committee fee for members on each of the Supervisory Board's Committees;
- An attendance fee for each Committee meeting attended, be it in person or through video and/or telephone conference; and
- An additional fee for attending meetings that require intercontinental, continental or US interstate travel between the Supervisory Board member's home location and the meeting location.

<b>Base fee for Supervisory Board membership</b>	<b>EUR / year</b>
Chairman	80,000
Vice-Chairman	50,000
Member	40,000

<b>Fee for Supervisory Board committee membership</b>	<b>EUR / year</b>
Chairman of the Audit or Risk Committee	13,000
Member of the Audit or Risk Committee	8,000
Chairman of other committees	10,000
Member of other committees	5,000

<b>Attendance fees</b>	<b>EUR</b>
Committee meeting	3,000
Extra Supervisory Board meeting	3,000

<b>Travel fees</b>	<b>EUR</b>
Intercontinental	4,000
Continental or US interstate	2,000

Each of these fees is a fixed amount. Each quarter Aegon pays the fees that the Supervisory Board members earned during that period. Where required, Aegon pays the employer social security contributions in the home country of the Supervisory Board member. The employee social security contributions in the home country, if any, are paid by the Supervisory Board member. The Supervisory Board is allowed to annually index the fees for economic developments in the Netherlands, however the fees have not been indexed in 2021.

The Supervisory Board members do not receive any performance or equity-related compensation, and do not accrue pension rights with Aegon. These measures are designed to ensure the independence of Supervisory Board members and to strengthen the overall effectiveness of Aegon's corporate governance.

The Supervisory Board regularly assesses the competitiveness of the Supervisory Board's remuneration structure and levels against peer companies with data provided by Willis Towers Watson. For this purpose, the Supervisory Board selected a primary set of peer group companies according to the following criteria:

- Industry: Insurance, with a preference for Life Insurance;
- Size: Average Market Capitalization, Employees, Revenue and Total Assets;
- Geographic scope: Preferably companies that operate globally; and
- Location: Headquarters based in Europe, excluding UK (because the non-executive directors typically have different responsibilities compared to their continental European counterparts).

Based on these criteria the current peer group consists of the following 16 European Insurance companies: Ageas, Assicurazioni Generali, CNP Assurances, Hannover Rueck, Helvetia, Mapfre, Münchener RE, NN Group, Poste Italiane,

Sampo, Scor, Swiss Life, Swiss Re, Talanx, Vienna Insurance Group and Zurich Insurance Group. This peer group differs from the European peer group for the Executive Board as a result of excluding the UK companies. The peer group is reviewed each year and may be updated accordingly. The last update of this peer group was in 2022, when the peer group size was increased from 12 to 16 (creating a more balanced selection), Hannover Rueck, Helvetia, Poste Italiane, Sampo, Scor and Vienna Insurance Group were added, and Allianz and AXA were removed.

In addition, the Supervisory Board selects a secondary peer group according to the following criteria, in order to monitor alignment with the General Industry in the Netherlands:

- Industry: General Industry and listed on the AEX;
- Size: Average Market Capitalization, Employees, Revenue and Total Assets;
- Location: Headquarters based in the Netherlands.

Based on these criteria, the current secondary peer group consists of the following 12 AEX companies: Akzo Nobel, Ahold Delhaize, ASML, DSM, ING Group, Heineken, KPN, NN Group, Philips, Randstad, Signify and Wolters Kluwer. This peer group is also reviewed each year and was last updated in 2022 (replacing ABN AMRO by Signify). This peer group is identical to the Dutch peer group for the Executive Board.

The Remuneration Committee may recommend changes to the fee levels or structure of the Supervisory Board members, based on the results of a competitiveness review and economic developments in the Netherlands. Such recommendations would be discussed by the Supervisory Board, which can support, revise or reject them. The Supervisory Board is allowed to annually index the fees for economic developments in the Netherlands. For any other change to the level or structure of the fees, the shareholders will be asked to adopt the proposed changes at the Annual General Meeting of Shareholders.

The policy contains a temporary derogation clause, with rules which are in accordance with the Dutch Civil Code. This means derogation is only allowed in exceptional circumstances to serve the long-term interest and sustainability of Aegon or to assure its viability, for a limited period of time, when it stays in line with the general spirit of the policy and when the details are disclosed in the next remuneration report. This clause was not used in 2021.

Information on members of the Supervisory Board and the composition of its four committees can be found in the report of the Supervisory Board in this 2021 Integrated Annual Report.

### Supervisory Board remuneration in recent years

The table below shows the fees and benefits that have been allocated to and paid for each Supervisory Board member in the calendar years 2019, 2020 and 2021, in accordance with the Supervisory Board remuneration policy that applied at the time. There were no deviations from the policy in these years. The table also includes the total IFRS expenses that were recognized for the compensation of the Supervisory Board members in 2019, 2020 and 2021.

In EUR thousand	Year	Base fees	Attendance fees <sup>1)</sup>	Benefits <sup>2)</sup>	Total compensation
William L. Connelly <sup>3)</sup>	2021	95	57	10	162
	2020	95	45	4	144
	2019	95	54	20	169
Mark A. Ellman	2021	53	45	4	102
	2020	55	39	4	98
	2019	56	39	20	115
Ben J. Noteboom	2021	58	45	4	107
	2020	58	39	-	97
	2019	58	39	6	103
Corien M. Wortmann - Kool	2021	63	45	4	112
	2020	63	48	-	111
	2019	63	54	6	123
Dona D. Young <sup>4)</sup>	2021	62	51	6	119
	2020	66	57	4	127
	2019	66	66	26	158
Caroline Ramsay (as of May 15, 2020)	2021	61	39	21	121
	2020	38	21	9	68
Thomas Wellauer (as of May 15, 2020)	2021	53	45	13	111
	2020	33	21	5	59
Jack McGarry (as of June 3, 2021)	2021	31	24	6	61
Ben van der Veer (up to May 15, 2020)	2020	22	27	-	49
	2019	58	54	6	118
Robert W. Dineen (up to Oct 11, 2019)	2019	40	27	12	79
Total compensation	2021	476	351	69	896
	2020	430	297	26	752
	2019	436	333	96	865
Recognized IFRS expenses <sup>5)</sup>	2021	482	357	72	911
	2020	459	321	26	806
	2019	516	393	111	1,020

- <sup>1)</sup> The attendance fee for the additional Supervisory Board call on December 18, 2020, was paid in in the first quarter of 2021. Mr. Connelly, Mr. Ellman, and Mr. Noteboom received an attendance fee of EUR 3,000 for their attendance at the Supervisory Board audit committee call on March 16, 2021. Mr. Connelly received an attendance fee of EUR 3,000 for his attendance at the combined Supervisory Board audit and risk committee meeting on December 7, 2021.
- <sup>2)</sup> Benefits cover the travel fees for all Supervisory Board members and, retroactively as of May 15, 2020, the mandatory employer social security contributions in the home countries of Ms. Ramsay (UK) and Mr. Wellauer (Switzerland).
- <sup>3)</sup> In 2021, Mr. Connelly received EUR 6,000 in additional attendance fees and EUR 2,000 in additional travel fees for attending meetings outside the regular Supervisory Board meeting cycle.
- <sup>4)</sup> Ms. Young stepped down from the audit committee as of June 3, 2021.
- <sup>5)</sup> Based on a Decree of the Dutch State Secretary of Finance which came into force as from May 7, 2021, the Supervisory Board fees were not subject to Dutch VAT anymore, retroactively as from June 13, 2019. Therefore, Aegon has not paid Dutch VAT anymore on the fees of the Supervisory Board Members as from Q2 2021. Additionally, Aegon reclaimed VAT for the period Q3 2019 - Q1 2021, except for its Supervisory Board members based in the Netherlands for practical reasons. The 2019 and 2020 amounts were restated in this table for this VAT reclaim. This line also includes expenses or gains related to small exchange rate differences between the moment Ms. Ramsay's fees were paid by our UK payroll and the moment these were recharged to Group.

The table below presents the total compensation (fees and benefits) that was awarded and due in the last five calendar years on an annualized basis and the year-on-year annual change in total compensation. This compensation was paid in accordance with the Supervisory Board remuneration policy that applied

at the time and there were no deviations. Additionally, the table shows the Aegon net result, a proxy of the financial and non-financial business performance, the inflation in the Netherlands and the average employee compensation over the same period.

In EUR thousand	Annualized <sup>1)</sup>	2017	2018	2019	2020	2021
William L. Connelly (as of May 19, 2017)	Compensation	98	119	169	144	162
	Change	-	22%	42%	(15%)	13%
Mark A. Ellman (as of May 19, 2017)	Compensation	114	103	115	98	102
	Change	-	(9%)	12%	(15%)	5%
Ben J. Noteboom	Compensation	102	86	103	97	107
	Change	-	(15%)	20%	(6%)	10%
Corien M. Wortmann - Kool	Compensation	101	103	123	111	112
	Change	-	2%	19%	(10%)	1%
Dona D. Young	Compensation	116	121	158	127	119
	Change	-	4%	31%	(20%)	(6%)
Caroline Ramsay (as of May 15, 2020)	Compensation	-	-	-	108	121
	Change	-	-	-	-	12%
Thomas Wellauer (as of May 15, 2020)	Compensation	-	-	-	94	111
	Change	-	-	-	-	18%
Jack McGarry (as of June 3, 2021)	Compensation	-	-	-	-	105
	Change	-	-	-	-	-
Ben van der Veer (up to May 15, 2020)	Compensation	106	101	118	131	-
	Change	-	(5%)	17%	11%	-
Robert W. Dineen (up to Oct 11, 2019)	Compensation	104	101	101	-	-
	Change	-	(3%)	1%	-	-
Dirk P.M. Verbeek (up to May 18, 2018)	Compensation	100	76	-	-	-
	Change	-	(24%)	-	-	-
Robert J. Routs (up to May 18, 2018)	Compensation	134	125	-	-	-
	Change	-	(7%)	-	-	-
Aegon net result based on EU-IFRS	In EUR million	2,358	741	1,525	55	1,701
Aegon business performance <sup>2)</sup>	Target = 100%	121%	106%	79%	57%	123%
Inflation in the Netherlands	Consumer Price Index	1.4%	1.7%	2.6%	1.3%	2.7%
Average employee compensation <sup>3)</sup>	Total compensation	102	104	115	110	105
	Annual change	-	2%	11%	(4%)	(5%)

<sup>1)</sup> Retroactive, per May 15, 2020, the compensation includes the mandatory employer social security contributions in the home countries of Ms. Ramsay (UK) and Mr. Wellauer (Switzerland).

<sup>2)</sup> The weighted average Aegon financial and non-financial business performance, expressed as a percentage on a performance scale with 50% as threshold, 100% as target and 150% as maximum, as used for the allocation of variable compensation in the applicable year.

<sup>3)</sup> Consistent with the CEO pay ratio calculation, the average employee compensation is based on the audited total EU-IFRS remuneration expenses for all employees divided by the number of employees in scope for these expenses.

#### 4. 2021 Executive Board Remuneration Report

The 2021 Executive Board Remuneration Report has been prepared by the Remuneration Committee of the Supervisory Board in accordance with the Dutch Civil Code (article art 2:135b) and the Dutch Corporate Governance Code. The Remuneration Committee was led by the Committee's Chairman Ben J. Noteboom. This report was approved by the Supervisory Board.

This report contains a summary of the Executive Board Remuneration Policy that applied to 2021, the Executive Board remuneration over the recent years and the 2022 Executive Board performance indicators.

#### Executive Board Remuneration Policy in 2021

The Supervisory Board has the overall responsibility for Aegon's Remuneration Policies, including the Executive Board Remuneration Policy. The Executive Board Remuneration Policy that has been applied in 2021 was adopted at the Annual General Meeting of Shareholders on May 15, 2020. This policy is subject to annual reviews by the Supervisory Board. The policy remains in place until a new or revised policy has been adopted by the shareholders in accordance with the applicable requirements from the Dutch Civil Code. The Supervisory Board will submit a proposal to the shareholders to adopt a policy at an Annual Meeting of Shareholders at least every four years.



The current policy contributes to Aegon's strategy, long-term interests and sustainability through the remuneration of the Executive Board members in various ways:

- The policy provides the Supervisory Board with the means to attract, motivate and retain competent and experienced Executive Board members for the long-term. This is essential for executing Aegon's strategy and safeguarding and promoting its long-term interests and sustainability.
- The leading performance indicator categories for successful execution of Aegon's strategy are Capital, Growth and Strategy. To support the execution of Aegon's strategy, the policy makes these performance indicator categories mandatory for the Executive Board member.
- Aegon strives to create long-term value for its stakeholders and the communities in which it operates. Due to the nature of Aegon's business, value created is often financial, but it may also be social, economic, or environmental. The policy directly aligns Executive Board member's personal long-term interests with those of Aegon and its shareholders by paying a significant part of the Executive Board members' variable compensation (two-thirds) in shares, which must be held for 5 years after completion of the performance period. The pay-out in these restricted shares is combined with prohibiting Executive Board members using personal hedging strategies or insurance, which could undermine this long-term alignment of interests. Additionally, Executive Board members are aligned with the long-term interest of Aegon, its shareholders and other stakeholders through the use of mandatory performance indicator categories of Earnings, Shareholders and Other Stakeholders.
- Aegon is committed to doing business responsibly and in a sustainable way. Variable compensation of Executive Board members can be adjusted downwards (i.e. malus) or clawed-back in cases where certain performance has not been achieved in a sustainable way. This includes but is not limited to: significant risk and compliance incidents, insufficient response to such incidents and/or insufficient evidence of embedding of good standards of practice, such as sound and responsible business practices and integrity of products and services delivered. Additionally, the policy makes the performance indicator category Environmental, Social and Governance (ESG), mandatory for Executive Board members to support this approach to doing business.

Aegon's Executive Board remuneration is subject to various rules and regulations, including the Dutch Financial Supervision Act, the Dutch Civil Code, the Dutch Corporate Governance Code and the Solvency II Legal Framework. The most prominent requirements thereof are:

- The total variable compensation amount that is allocated to an Executive Board member for a performance year cannot exceed 100% of the fixed compensation level.
- Variable compensation should be based on a mix of Aegon and personal performance, with at least 50% weight on non-financial performance.
- A substantial portion of any variable compensation award should be paid in a non-cash instrument (e.g. Aegon shares) and should be deferred for at least 3 years. Additionally, awarded shares should be restricted for 5 years. With a 3-year vesting period, this requires an additional holding period of 2-years.
- Aegon can claw-back any variable compensation which has been paid (cash and shares) in specific circumstances such as a material financial restatement or individual gross misconduct.

These are also the main reasons why Aegon operates one Executive Board variable compensation plan per year, with a single variable compensation award which is subsequently split into cash and shares, rather than operating separate Short-Term Incentive (cash) and Long-Term Incentive (share) Plans.

The Remuneration Committee may recommend policy changes to the Supervisory Board. In that case, the Remuneration Committee will conduct scenario analyses to determine the long-term effects on the level and structure of compensation granted to each Executive Board member, and reports their findings to the Supervisory Board. The Supervisory Board can subsequently decide on referring the proposed policy changes to the Annual General Meeting of Shareholders for adoption.

The policy contains a temporary derogation clause, with rules which are in accordance with the Dutch Civil Code. This means derogation is only allowed in exceptional circumstances to serve the long-term interest and sustainability of Aegon or to assure its viability, for a limited period of time, when it stays in line with the general spirit of the policy and when the details are disclosed in the next remuneration report. This clause was not used in 2021.

### Total compensation

Total compensation for Executive Board members is defined in the Executive Board Remuneration Policy as a combination of fixed compensation, variable compensation, pension and other benefits. The Supervisory Board determines and regularly reviews the appropriate selection of remuneration elements and their (maximum) remuneration level for Executive Board members to ensure the structure remains competitive and provides proper and risk-based incentives in line with Aegon's risk appetite. The fixed and variable compensation elements and their levels are reviewed at least once a year. The pension arrangements and other benefits and their levels are reviewed at least every four years. In its review, the Supervisory Board takes the specific role, responsibilities, experience and expertise of Executive Board members into account as well as internal and external reference information:

- The internal references are the compensation structure and levels of the members of the Management Board of Aegon N.V. and the annual compensation changes of the general employee population and senior managers within Europe and the Netherlands specifically.

- The external references are compensation trends in the market, economic developments (e.g. inflation) as well as quantitative assessments of the competitiveness against a peer group of insurance companies in Europe and a peer group of companies based in the Netherlands.
- Additionally, the Remuneration Committee conducts a scenario analysis in case of a policy change to determine the long-term effect on the remuneration structure and level of each Executive Board member, and reports their findings to the Supervisory Board.

The European Insurance peer group was selected by the following criteria:

- Industry: Insurance, with a preference for Life Insurance;
- Size: Average market capitalization, employees, revenue and total assets;
- Geographic scope: Preferably companies which operate globally;
- Location: Headquarters based in Europe.

Based on these criteria, the current peer group consists of the following 16 European Insurance companies: Ageas, Assicurazioni Generali, Aviva, CNP Assurances, Helvetia, Legal & General, Mapfre, Münchener Re, NN Group, Poste Italiane, Scor, Swiss Life, Swiss Re, Talanx, Vienna Insurance Group and Zurich Insurance Group. The last update of this peer group was in 2022, when Helvetia, Poste Italiane, Scor and Vienna Insurance Group were added, and Allianz, AXA, Prudential and RSA Insurance Group were removed. This peer group differs from the European peer group for the Supervisory Board, as the latter excludes UK companies where non-executive directors typically have different responsibilities compared to their continental European counterparts.

The Dutch peer group was selected by the following criteria:

- Industry: General Industry and listed on the AEX;
- Size: Average Market Capitalization, Employees, Revenue and Total Assets;
- Location: Headquarters based in the Netherlands.

Based on these criteria, this peer group consists of the following 12 AEX companies: Akzo Nobel, Ahold Delhaize, ASML, DSM, ING Group, Heineken, KPN, NN Group, Philips, Randstad, Signify and Wolters Kluwer. This peer group is also reviewed each year and was last updated in 2022 (replacing ABN AMRO by Signify).

The Supervisory Board will review both peer groups annually and will amend them as necessary, within the above-mentioned selection criteria, to ensure they continue to provide a reliable basis for comparison. Any change to the peer group will be disclosed in the Remuneration Report.

The Remuneration Committee may recommend changes to the compensation levels of the Executive Board members in accordance with Remuneration Policy, based on the results

of this annual total compensation review and on discussions with the Executive Board members regarding their remuneration level and structure. Such recommendations would subsequently be discussed by the Supervisory Board, which can approve, revise or reject them.

The Supervisory Board discussed and approved the 2021 total compensation for the Executive Board, after taking the Remuneration Committee's review into consideration.

### Fixed compensation

The fixed compensation for the Executive Board members is paid in monthly instalments. The policy allows the fixed compensation to be paid in cash and in shares. All Executive Board members received their 2021 fixed compensation in cash.

The Supervisory Board may offer permanent or temporary gross monthly fixed allowances when the Supervisory Board considers this an appropriate alternative for other remuneration elements.

### Variable compensation

Executive Board members are eligible for variable compensation with a target level of 80% of the fixed compensation level (excluding allowances, if applicable), with a threshold level of 50% and a maximum opportunity of 100% of fixed compensation level.

The variable compensation award is based on performance against a set of performance indicators, weights and target levels that have been set by the Supervisory Board at the start of the performance year. The performance indicators contribute to Aegon's strategy, long-term interests and sustainability, within Aegon's risk tolerance and should comply with the following rules:

- It contains a mix of financial and non-financial performance indicators, with at least 50% weight allocated to the non-financial performance indicators in accordance with article 1:118.3 of the Dutch Financial Supervision Act;
- The maximum weight for unadjusted financial indicators is determined by the Global Remuneration Framework and is currently set at 50%.
- It contains a mix of Aegon and personal performance indicators, which can range in weight between 50-80% and 20-50% respectively, depending on the Aegon priorities of the performance year.
- At least 20% of the indicators has a retrospective 3-year performance horizon, while the remainder has a 1-year performance horizon;
- The indicators should cover the following mandatory performance indicator categories: Shareholders, Capital, Earnings, Growth, Stakeholders, ESG and Strategy.

The Remuneration Committee and the Executive Board members prepare a proposal for the performance indicators, weights and target levels. These are subsequently reviewed by Aegon's Risk

Management team (i.e. the first ex-ante risk assessment) before the Supervisory Board approves these, to ensure that:

- The performance indicators and weights are in line with the policy;
- The financial performance indicators are consistent with the risk tolerance statements;
- The non-financial performance indicators are consistent with risk tolerance levels, regulatory requirements, reasonable stakeholder expectations and are supporting sound and responsible business practices and integrity of the products and services delivered.

The Remuneration Committee sends the proposal and the ex-ante risk assessment to the Supervisory Board, which can approve, revise or reject the proposal. After approval, the Executive Board members are granted their conditional variable compensation awards for the plan year. This conditional award equals their at target variable compensation level, split between 33.33% upfront cash and 66.67% deferred Aegon shares. The grant price for the shares is equal to the volume weighted average price on the Euronext Amsterdam stock exchange for the period December 15 to January 15 at the start of the plan year.

After the completion of the performance period, the Remuneration Committee prepares a recommendation for the allocation of a variable compensation award to each Executive Board member. This recommendation is based on the actual performance results compared to target levels and takes a second ex-ante risk assessment by the Risk Management team into account. This risk assessment looks into whether there are reasons for a downward adjustment of the intended variable compensation award (malus) which were not take into account yet, such as:

- Significant risk or compliance incident(s);
- Insufficient response to risk incident(s), compliance incident(s), regulatory fine(s) and/or insufficient execution of risk mitigating measures in response to these incidents;
- Breaches of laws and regulations;
- Insufficient evidence of embedding good standards of practice;
- Significant deficiencies or material weaknesses relating to the Sarbanes-Oxley Act; and
- Reputation damage due to risk events.

In this assessment possible risk mitigating behaviors are also taken into account, such as remaining within risk limits, risk reduction, risk avoidance, risk transfer and risk response by the Executive Board member.

The Remuneration Committee sends its recommendation and the second ex-ante risk assessment to the Supervisory Board, which can approve, revise or reject the recommendation. This Supervisory Board decision includes validating that, when taken together, the results of the performance indicators represent

a fair reflection of the overall performance of the Executive Board member over the performance year.

The allocated variable compensation award is subsequently split between 33.33% upfront cash (i.e. paid in the year following the performance year) and 66.67% deferred shares. These shares are deferred for a 3-year period after allocation after which they cliff-vest. Before vesting, the Risk Management team executes an ex-post risk assessment which looks into whether there are reasons for a downward adjustment of the originally allocated variable compensation award (malus) which were not taken into account yet. This risk assessment takes the same criteria into consideration as the second ex-ante risk assessment. Based on this assessment, the Remuneration Committee subsequently prepares a recommendation how to pay-out the deferred portion (i.e. unchanged or adjusted downward). The Remuneration Committee sends its recommendation and the ex-post risk assessment to the Supervisory Board. The Supervisory Board can approve, revise or reject the recommendation.

#### Claw-back provision

Aegon's Supervisory Board can claw-back variable compensation that has already been paid to the Executive Board member in case of a material financial restatement or individual gross misconduct, after considering a risk assessment by Aegon's Risk Management team which looks into whether in hindsight the paid amount should have been lower or nil. Examples of misconduct are, but not limited to, a significant breach of laws and/or regulations, use of violence, either verbally or physically, involvement with fraud, corruption or bribery, significant issues due to evident dereliction of duty and/or discrimination of any kind (for example age or gender).

#### Pension arrangements

The Executive Board members are entitled to pension contributions that equal 40% of their fixed compensation level, which consists of the following three parts:

- Participation in Aegon's defined contribution pension plan for NL-based employees, for their eligible earnings up to EUR 110,111 (2021 threshold set by Dutch law).
- Participation in Aegon's defined contribution pension plan for NL-based employees, for their fixed income above EUR 110,111.
- An additional gross allowance for pension to make the sum of these three pension contributions equal to 40% of their fixed compensation level.

The Executive Board members receive pension contributions that are somewhat higher compared to NL-based employees of similar age (ca. 10-15% difference). This is done to achieve a competitive total compensation level. Please note the Supervisory Board will consider discontinuing the additional gross allowance for new Executive Board members, while ensuring their total compensation level stays competitive, and including this as a policy change in the next update of the Executive Board Remuneration Policy.

### Other benefits

Other benefits include non-monetary benefits (e.g. company car), social security contributions by the employer, and tax expenses borne by Aegon.

Aegon does not grant Executive Board members personal loans, guarantees or other such arrangements, unless in the normal course of business and on terms applicable to all employees, and only with the approval of the Supervisory Board.

### Terms of Engagement

Members of the Executive Board are appointed for four years and may then be re-appointed for successive mandates also for a period of four years. Executive Board members have a board agreement with Aegon N.V., rather than an employment contract. Members of the Executive Board may terminate their board agreement with a notice period of three months. The Supervisory Board may terminate the board agreement by giving six months' notice if it wishes to terminate the agreement.

The Supervisory Board may entitle Executive Board members to a termination payment up to or equal to the total annual fixed compensation level. This payment is not allowed in case of early termination at the initiative of the Executive Board member (unless due to imputable acts or omissions of Aegon),

imputable acts or omissions by the Executive or failure of Aegon as a company during the appointment term of the Executive Board members. Mr. Friese and Mr. Rider have a termination clause included in their board agreement. Mr. Wynaendts was not entitled to a termination payment when his board agreement was terminated in 2020.

### Executive Board remuneration in recent years

In this section you will find more details related to the remuneration that has been allocated and paid to the Executive Board members. It covers the allocated remuneration (2019-2021), the calculation of the 2021 variable compensation (2019-2025), the pay-out schedule of variable compensation (2019-2025), the recognized IFRS expenses for remuneration (2019-2021), the remuneration that was awarded and due in 2020 and 2021, and the annualized total compensation overview (2017-2021).

### Allocated remuneration (2019-2021)

The first table shows the remuneration that has been allocated to the Executive Board members, for the performance years 2019, 2020 and 2021, in accordance with the Executive Board remuneration policy that applied at the time. There were no deviations from the policy in these years.

<b>Allocated compensation</b>	Fixed	Variable			Total
In EUR thousand	compensation	compensation	Pension	Other Benefits	compensation
<b>Lard Friese</b>					
2021	1,485	1,359	594	77	3,515
2020 <sup>1)</sup>	931	634	373	49	1,987
<b>Matt Rider</b>					
2021 <sup>2)</sup>	968	884	387	67	2,306
2020	941	640	376	67	2,024
2019	931	743	373	77	2,123
<b>Alex Wynaendts</b>					
2020 <sup>3)</sup>	496	302	337	97	1,233
2019	1,314	1,048	1,302	252	3,916
<b>All Executive Board members</b>					
2021	2,453	2,243	981	144	5,821
2020 <sup>1)</sup>	2,368	1,577	1,086	213	5,244
2019	2,245	1,791	1,675	329	6,039

<sup>1</sup> The disclosed amounts for 2020 cover the period that Mr. Friese has been a member of the Executive Board (as of May 15, 2020), and excludes the sign-on arrangement of EUR 1,228 thousand that Mr. Friese received when joining Aegon in March 2020.

<sup>2</sup> Mr. Rider's fixed compensation increased with 5% per June 2021.

<sup>3</sup> The disclosed amounts for 2020 cover the period that Mr. Wynaendts has been a member of the Executive Board (until May 15, 2020). Up to and including May 2019, Mr. Wynaendts participated in a defined benefit arrangement. This arrangement included a back service liability which reflected the increase of his fixed compensation in 2016 and 2018, as well as low interest rates and the final settlement made in May 2019. Additionally, Mr. Wynaendts was entitled to a gross payment of 28% of his fixed compensation level as part of a grandfathered pension arrangement.

**Calculation of 2021 variable compensation**

Subject to the adoption of the annual accounts at the General Meeting of Shareholders on May 31, 2022, Mr. Friese has been awarded EUR 1,359 thousand in conditional variable compensation for the 2021 performance year (92% of fixed

compensation) and Mr. Rider EUR 884 thousand (91% of fixed compensation). The following table shows how these awards compare to their minimum, target and maximum variable compensation opportunity levels and how the awards will be paid out.

2021 variable compensation	Minimum	Target	Maximum	Result	Pay-out
<b>Lard Friese</b>					
In % of fixed compensation	50%	80%	100%	92%	
In total (EUR thousand)	743	1,188	1,485	1,359	Split in 33.33% cash and 66.67% shares
In cash (EUR thousand)	247	396	495	453	Paid upfront in 2022
In shares <sup>1)</sup>	150,340	240,544	300,680	275,182	Deferred for 3 years (2025)
<b>Matt Rider</b>					
In % of fixed compensation	50%	80%	100%	91%	
In total (EUR thousand)	484	775	968	884	Split in 33.33% cash and 66.67% shares
In cash (EUR thousand)	161	258	323	295	Paid upfront in 2022
In shares <sup>1)</sup>	98,039	156,863	196,078	178,961	Deferred for 3 years (2025)

<sup>1)</sup> The 2021 grant price of the shares was EUR 3.2927, which is equal to the volume weighted average price on the Euronext Amsterdam stock exchange for the period December 15, 2020 to January 15, 2021. After vesting in 2025, these shares are subject to an additional 2-year holding period.

The 2021 variable compensation awards for both Executive Board members were based on a mix of 70% Group performance and 30% personal performance, for which the results are summarized in the first table below. The Group performance is initially measured on a 50-100-150% performance scale, which is used internally to fund the employee bonus pools. The total Group performance result on this scale (123%)

is subsequently converted in a result on the 50-80-100% scale that applies to the variable compensation of the Executive Board members (which equals 89%). Their personal performance results are directly scored on the 50-80-100% scale. The second and third table below, contain more detailed information on the Group and personal performance indicators respectively.

2021 performance indicators	For Aegon bonus pools				Lard Friese		Matt Rider	
	Weight	Target	Outcome	Result <sup>1)</sup>	Weight	Result <sup>2)</sup>	Weight	Result <sup>2)</sup>
Group performance								
Free cash flows <sup>3)</sup>	20%	400	685	150%				
Relative total shareholder return	10%	Rank 5	Rank 11	0%				
Operating result	10%	1,394	1,906	150%				
Addressable expenses	10%	2,933	2,903	110%				
Market consistent value of new business	10%	319	538	150%				
Transformation program: Earnings contribution	10%	100%	115%	138%				
Transformation program: Timely initiative execution	10%	100%	102%	105%				
Transformation program: Timely milestone completion	10%	100%	116%	139%				
Transformation program: Timely health milestone completion	10%	100%	117%	142%	70%	89%	70%	89%
Personal performance								
Strategic Roadmap development					10%	100%	5%	100%
Execution of capital initiatives in line with Strategic Roadmap					10%	100%	5%	95%
Women in senior management					5%	80%	5%	80%
ESG strategy development					5%	100%		
Finance strategy execution							15%	100%
<b>Total performance result</b>				<b>123%</b>		<b>92%</b>		<b>91%</b>

<sup>1)</sup> The Group performance results are measured on a 50-100-150% performance scale, which is used for the funding of the bonus pools for our employees.

<sup>2)</sup> For the Executive Board members, the Group performance result (123%) is converted from a result on the 50-100-150% performance scale to a result on the 50-80-100% performance scale (89%).

<sup>3)</sup> For remuneration purposes, the target and outcome exclude our businesses in CEE. The result in this table therefore differs from Aegon's reported financial result (EUR 729 million).

2021 Aegon performance indicators	Definition
Free cash flows	Free cash flows represent cash flows from remittances from the units less the Holding funding and operating expenses. The 2021 target was based on the 2021-2023 target which was disclosed at the Capital Market Day in December 2020.
Relative total shareholder return	Aegon's position relative to 7 US and 7 non-US peers when looking at Total Shareholder Return for a retrospective 2-year performance period (2020-2021). These peers were selected for being the most similar to Aegon based on their index listing, industry classification, 5-year monthly Beta, Market Capitalization and Total Revenue <sup>1)</sup> .
Operating result	Operating result reflects our profit from underlying business operations and excludes components that relate to accounting mismatches that are dependent on market volatility, updates to best estimate actuarial and economic assumptions and model updates or relate to events that are considered outside the normal course of business. The 2021 target was based on the 2021 budget.
Addressable expenses	Represents the adjusted operating expenses excluding deferrable expenses. The 2021 target was based on the 2021-2023 target which was disclosed at the Capital Market Day in December 2020.
Market consistent value of new business	Represents how much value the sale of new insurance policies is generating for the company. This value represents the present value of our best estimate of incoming premiums and outgoing claims, benefits and expenses related to these new sales. The 2021 target was based on the 2021 budget.
Transformation program: Earnings contributions	Measures the expected run-rate earnings contribution for performance improvement initiatives that moved to the execution phase in 2021, compared to the 2021 targets in the transformation program.
Transformation program: Timely initiative execution	Measures whether performance improvement initiatives moved to the execution phase in time, compared to the 2021 targets in the transformation program.
Transformation program: Timely milestone completion	Measures the timely milestone completion of the performance improvement initiatives, compared to the 2021 targets in the transformation program.
Transformation program: Timely health milestone completion	Measures the timely organizational health milestone completion of the performance improvement initiatives, compared to the 2021 targets in the transformation program.

<sup>1)</sup> These peers are in order of the 2020-2021 ranking result: 1) NN Group NV, 2) Principal Financial Group Inc, 3) Axa Equitable Holdings Inc, 4) Swiss Life Holding AG, 5) ASR Nederland NV, 6) Brighthouse Financial Inc, 7) MetLife Inc, 8) Prudential Financial Inc, 9) Lincoln National Corp, 10) Assicurazioni Generali SpA, 11) Aegon NV, 12) Prudential PLC, 13) Balise Holding AG, 14) Unum Group and 15) Athene Holding Ltd / Helvetia Holding. The Athene Holding Ltd / Helvetia Holding result is a blend of the initial peer Athene and the back-up peer Helvetia, which replaced Athene per March 9, 2021, in accordance with our plan rules, following the merger with Apollo announced by Athene.

Lard Friese	Target	Result
10% Strategic Roadmap Development	Develop Strategic Roadmap for strategic assets and assets outside of the core perimeter.	100%. Building on the Aegon strategy, extensive roadmaps were delivered for various strategic assets (invest in profitable growth by expanding customer base and increasing margins) and assets outside of the core perimeter (tight capital management, bias to exit and restructuring).
10% Execution of capital initiatives in line with Strategic Roadmap	Complete management actions in relation to financial assets and assets outside of the core perimeter.	100%. The organization and governance to manage US and NL financial assets were significantly strengthened. Reduced Aegon's risk profile by actions in the US related to long-term care rate increases, lump-sum buy-out program and the dynamic hedging of the legacy Variable Annuities portfolio, resulting in a lower cost of capital. Reduced risk profile and strengthened capital position of NL Life. On assets outside the core perimeter, prepared and supported the closing of the announced sale of CEE and Turkey to VIG, sold Stonebridge, ended funding of GoBear and sold US portfolio of fintech and insurtech companies.
5% Women in Senior Management	Increase the number of women in Aegon's senior management layer worldwide to at least 34%.	80%. At the end of 2021, 34% of the people in Aegon's senior management layer were women.
5% ESG Strategy Development	Further integrate ESG into Group Strategy.	100%. Announced Group-wide commitment to transition general account investment portfolio to net-zero greenhouse gas emissions by 2050, joined the Net-Zero Asset Owner Alliance, set a clear 2025 reduction target, and committed to regularly engage with most carbon intensive companies in our portfolio. Established new sustainability governance, prepared migration of sustainability reporting, selected two priority sustainability themes (climate change and inclusion & diversity) and embedded these priorities in the redefined purpose and behaviors.

<b>Matt Rider</b>	<b>Target</b>	<b>Result</b>
5% Strategic Roadmap Development	Support development of Strategic Roadmap for strategic assets and assets outside of the core perimeter.	100%. Building out the Aegon strategy, supported the delivery of extensive roadmaps for various strategic assets (invest in profitable growth by expanding customer base and increasing margins) and assets outside of the core perimeter (tight capital management, bias to exit and restructuring).
5% Execution of capital initiatives in line with Strategic Roadmap	Support completion of management actions in relation to financial assets and assets outside of the core perimeter.	95%. Supported actions that significantly strengthened the organization and governance to manage US and NL financial assets. Reduced Aegon's risk profile by actions in the US related to long-term care rate increases, lump-sum buy-out program and the dynamic hedging of the legacy Variable Annuities portfolio, resulting in a lower cost of capital. Reduced risk profile and strengthened capital position of NL Life. On assets outside the core perimeter, prepared and supported the closing of the announced sale of CEE and Turkey to VIG, sold Stonebridge, ended funding of GoBear and sold US portfolio of fintech and insurtech companies.
5% Women in Senior Management	Increase the number of women in Aegon's senior management layer worldwide to at least 34%.	80%. At the end of 2021, 34% of the people in Aegon's senior management layer were women.
15% ESG Strategy Development	Complete the 2021 milestones from the Finance Strategy.	100%. Completed the maximum number of milestones. Implemented organizational efficiencies, completed scheduled IFRS 17 implementation actions, transitioned back to quarterly reporting, improved management reporting and ran effectively operating control environment.

### Pay-out schedule variable compensation (2019-2025)

The following tables show for each current and former Executive Board member how much variable compensation has been paid in shares and cash respectively in 2019, 2020 and 2021 and how much conditional variable compensation is scheduled to be paid-out in the coming years. The vesting price of the shares were: EUR 4.287 on May 17, 2019, EUR 2.079 on May 15, 2020,

and EUR 3.934 on June 3, 2021. In 2020, the pay-out schedule of variable compensation changed from tranche-vesting to cliff-vesting. Shares allocated for plan years up to and including 2019 are subject to an additional three-year holding period after pay-out. Shares for the plan years from 2020 onwards are subject to an additional two-year holding period after pay-out.

Shares by plan year	VWAP <sup>1)</sup>	Years of vesting							Total
		2019	2020	2021	2022	2023	2024	2025	
<b>Lard Friese</b>									
2020	EUR 4.083	-	-	-	-	-	103,580	-	103,580
2021	EUR 3.293	-	-	-	-	-	-	275,182	275,182
<b>Total number of shares</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,580</b>	<b>275,182</b>	
<b>Matt Rider</b>									
2017	EUR 5.246	9,508	9,508	9,508	-	-	-	-	28,524
2018	EUR 5.405	28,110	14,054	14,054	14,054	-	-	-	70,272
2019	EUR 4.162	-	35,693	17,847	17,847	17,847	-	-	89,234
2020	EUR 4.083	-	-	-	-	-	104,547	-	104,547
2021	EUR 3.293	-	-	-	-	-	-	178,961	178,961
<b>Total number of shares</b>		<b>37,618</b>	<b>59,255</b>	<b>41,409</b>	<b>31,901</b>	<b>17,847</b>	<b>104,547</b>	<b>178,961</b>	
<b>Alex Wynaendts</b>									
2015	EUR 6.106	15,110	-	-	-	-	-	-	15,110
2016	EUR 5.128	20,361	20,361	-	-	-	-	-	40,722
2017	EUR 5.246	21,866	21,866	21,866	-	-	-	-	65,598
2018	EUR 5.405	39,314	19,656	19,656	19,656	-	-	-	98,282
2019	EUR 4.162	-	50,345	25,174	25,174	25,174	-	-	125,867
2020	EUR 4.083	-	-	-	-	-	49,346	-	49,346
<b>Total number of shares</b>		<b>96,651</b>	<b>112,228</b>	<b>66,696</b>	<b>44,830</b>	<b>25,174</b>	<b>49,346</b>	<b>-</b>	
<b>Darryl Button</b>									
2015	EUR 6.106	11,811	-	-	-	-	-	-	11,811
2016	EUR 5.128	14,808	14,808	-	-	-	-	-	29,616
<b>Total number of shares</b>		<b>26,619</b>	<b>14,808</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

<sup>1)</sup> This is the volume weighted average price (VWAP) of Aegon on the Euronext Amsterdam stock exchange for the period December 15 to January 15. For instance for the 2021 plan year, this is the VWAP for the period December 15, 2020 to January 15, 2021.

Cash by plan year (in EUR)	Years of vesting					Total
	2019	2020	2021	2022	2023	
Lard Friese						
2020	-	-	211,431	-	-	211,431
2021	-	-	-	452,981	-	452,981
<b>Total cash</b>	<b>-</b>	<b>-</b>	<b>211,431</b>	<b>452,981</b>	<b>-</b>	
Matt Rider						
2017	49,878	49,878	49,878	-	-	149,634
2018	151,931	75,964	75,964	75,964	-	379,823
2019	-	148,560	74,278	74,278	74,278	371,394
2020	-	-	213,404	-	-	213,404
2021	-	-	-	294,589	-	294,589
<b>Total cash</b>	<b>201,809</b>	<b>274,402</b>	<b>413,524</b>	<b>444,831</b>	<b>74,278</b>	
Alex Wynaendts						
2015	92,261	-	-	-	-	92,261
2016	104,412	104,412	-	-	-	208,824
2017	114,710	114,710	114,710	-	-	344,130
2018	212,490	106,243	106,243	106,243	-	531,219
2019	-	209,548	104,772	104,772	104,772	523,864
2020	-	-	100,725	-	-	100,725
<b>Total cash</b>	<b>523,873</b>	<b>534,913</b>	<b>426,450</b>	<b>211,015</b>	<b>104,772</b>	
Darryl Button						
2015	78,431	-	-	-	-	78,431
2016	74,674	74,674	-	-	-	149,348
<b>Total cash</b>	<b>153,105</b>	<b>74,674</b>	<b>-</b>	<b>-</b>	<b>-</b>	

The Executive Board members have a time-based shareholding requirement of 5 years after the initial allocation of their variable compensation in shares (i.e. a 3-year deferral period before vesting and an additional 2-year holding period after vesting). Additionally, Mr. Friese and Mr. Rider voluntarily agreed to a minimum shareholding requirement of 100% of their fixed compensation level, once they have reached that level. For this purpose, both vested and unvested shares that have

been allocated as compensation will be included in the count, with the unvested share allocations valued at what they would be worth after tax. For the vested share allocations, this tax has already been deducted and paid. After the allocation of the 2021 variable compensation award, Mr. Friese will hold 87% of his fixed compensation in shares and Mr. Rider 124%, based on the share price on March 1, 2022.



**Recognized IFRS expenses of remuneration (2019-2021)**

The following table contains the recognized IFRS expenses of the remuneration of the Executive Board members in the calendar years 2019, 2020 and 2021. These numbers deviate from the above-mentioned allocated remuneration

amounts, as the deferred parts of variable compensation and Mr. Friese's sign-on arrangement are expensed over multiple calendar years, and the shares are included at their fair value instead of the grant price.

**IFRS expenses for compensation**

In EUR thousand	Fixed	Variable	Pension	Other Benefits	Total
	compensation	compensation			
<b>Lard Friese</b>					
2021 <sup>1)</sup>	1,576	692	594	77	2,939
2020 <sup>1)</sup>	1,869	282	373	49	2,572
<b>Matt Rider</b>					
2021	968	583	387	67	2,005
2020	941	528	376	67	1,912
2019	931	627	387	77	2,022
<b>Alex Wynaendts</b>					
2020 <sup>2)</sup>	496	497	337	97	1,427
2019	1,314	976	1,243	252	3,786
<b>All Executive Board members</b>					
2021	2,545	1,275	981	144	4,944
2020	3,306	1,307	1,086	213	5,911
2019	2,245	1,604	1,630	329	5,808

<sup>1</sup> Includes the fixed compensation expenses for the sign-on arrangement of EUR 1,228 thousand that Mr. Friese received when joining Aegon in March 2020. These were EUR 91 thousand in 2021 and EUR 938 thousand in 2020.

<sup>2</sup> The disclosed amounts for 2020 cover the period that Mr. Wynaendts has been a member of the Executive Board (until May 15, 2020).

**Awarded and due remuneration (2020-2021)**

In line with the European guidelines on the standardized presentation of the remuneration report, you find the remuneration that was awarded and due to the Executives

in the calendar years 2020 and 2021 in the table below. These amounts were awarded and due in accordance with the Executive Board remuneration policy that applied at the time and there were no deviations.

In EUR thousand		Fixed		Variable		One-off	Pension	Total	Ratio Fixed/Variable <sup>3)</sup>
		Salary	Benefits	Upfront <sup>1)</sup>	Deferred <sup>2)</sup>				
Lard Friese	2021 <sup>4)</sup>	1,485	77	211	-	255	594	2,622	82% / 18%
	2020 <sup>5)</sup>	931	49	-	-	565	373	1,918	71% / 29%
Matt Rider	2021	968	67	213	363	-	387	1,999	71% / 29%
	2020	941	67	223	175	-	376	1,782	78% / 22%

<sup>1</sup> The upfront cash and share payments of variable compensation that was allocated for the previous performance year. The shares are valued at their price at vesting. For example, the upfront cash and shares of the 2020 variable compensation award that were paid in 2021.

<sup>2</sup> The deferred cash and share payments of the variable compensation that was allocated for performance years before the previous performance year. The shares are valued at their price at vesting. For example, the deferred cash and shares of the 2017-2019 variable compensation awards that were paid in 2021.

<sup>3</sup> Fixed (the numerator) is the sum of Salary, Benefits and Pension divided by the Total. Variable (the denominator) is the sum of Upfront, Deferred and One-off divided by the Total.

<sup>4</sup> The upfront variable amount covers the pro-rated cash bonus payment that was awarded for the period as Executive Board member during 2020 (from May 15 to December 31). The one-off item concerns the payments of the 2020 sign-on arrangement that were deferred for one year (EUR 105 thousand in cash and 37,980 shares at a vesting price of EUR 3.934).

<sup>5</sup> The salary, benefits and pension amounts cover the pro-rated period as Executive Board member during 2020 (from May 15 to December 31). The one-off item concerns the upfront payments of the 2020 sign-on arrangement (EUR 427 thousand in cash and 66,526 shares at a vesting price of EUR 2.079).

**Annualized total compensation overview (2017-2021)**

The table below shows the total compensation that was awarded and due in the last five calendar years on an annualized basis and the year-on-year annual change in total compensation. Please note that therefore several amounts have been annualized, while in practice these were pro-rated for the period during which the individual served as Executive Board member. These

amounts were awarded and due in accordance with the Executive Board remuneration policy that applied at the time and there were no deviations. Additionally, the table shows the Aegon net result, a proxy of the financial and non-financial business performance, the vesting price of the Aegon shares, the inflation in the Netherlands and the average employee compensation over the same period.

In EUR thousand	Annualized	2017	2018	2019	2020	2021
Lard Friese	Awarded and due	-	-	-	2,719	2,748
	Change	-	-	-	-	1%
Matt Rider (as of May 19, 2017)	Awarded and due	1,357	1,670	1,799	1,824	2,052
	Change	-	23%	8%	1%	12%
Alex Wynaendts	Awarded and due	4,431	4,969	3,806	3,268	-
	Change	-	12%	(23%)	(14%)	-
Aegon net result (EU-IFRS)	In EUR million	2,358	741	1,525	55	1,701
Aegon business performance <sup>1)</sup>	Target = 100%	121%	106%	79%	57%	123%
Vesting price Aegon shares	In EUR	4.423	5.848	4.287	2.079	3.934
Inflation in the Netherlands	Consumer Price Index	1.4%	1.7%	2.6%	1.3%	2.7%
Average employee compensation <sup>2)</sup>	Total compensation	102	104	115	110	105
	Annual change	-	2%	11%	(4%)	(5%)

<sup>1)</sup> The weighted average Aegon financial and non-financial business performance, expressed as a percentage on a performance scale with 50% as threshold, 100% as target and 150% as maximum, as used for the allocation of variable compensation in the applicable year.

<sup>2)</sup> Consistent with the CEO pay ratio calculation, the average employee compensation is based on the audited total EU-IFRS remuneration expenses for all employees divided by the number of employees in scope for these expenses.

**2022 Executive Board performance indicators**

Looking ahead to the 2022 performance years, the 2022 performance indicators for Mr. Friese and Mr. Rider will be based again on a mix of 70% Group performance and 30% personal

performance. The first table below shows the weight that is assigned to each performance indicator. The second table contains a summary of the performance indicator definitions.

**2022 performance indicator weights**

	For Aegon bonus pools	Lard Friese	Matt Rider
Group performance			
Free cash flows	20%		
Relative total shareholder return	10%		
Operating result	10%		
Addressable expenses savings	10%		
Market consistent value of new business	10%		
Transformation program: Earnings contribution	10%		
Transformation program: Timely initiative execution	10%		
Transformation program: Timely milestone completion	10%		
Employee engagement	10%	70%	70%
Personal performance			
Strategic Roadmap development		10%	5%
Execution of capital initiatives in line with Strategic Roadmap		10%	5%
Sustainability integration and execution		5%	5%
Women in senior management		5%	5%
Finance strategy execution			10%
<b>Total weight</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

2022 performance indicators	Definition
Free cash flow	Free cash flows represent cash flows from remittances from the units less the Holding funding and operating expenses. For 2022 it will be measured on a retrospective 2-year performance period (2021-2022). The 2021-2022 target is based on the 2021-2023 cumulative free cash flows target that was disclosed at the Capital Market Day in December 2020 and the updated guidance in February 2022.
Relative total shareholder return	Aegon's position relative to 7 US and 7 non-US peers when looking at Total Shareholder Return for a retrospective 3-year performance period (2020-2022). These peers were selected for being the most similar to Aegon based on their index listing, industry classification, 5 year monthly Beta, Market Capitalization and Total Revenue <sup>1</sup> .
Operating result	Operating result reflects our profit before tax from underlying business operations and excludes components that relate to accounting mismatches that are dependent on market volatility, updates to best estimate actuarial and economic assumptions and model updates or events that are considered outside the normal course of business. The 2022 target is based on the 2022 budget.
Addressable expenses savings	Addressable expenses are expenses reflected in the operating result, excluding deferrable acquisition expenses, expenses in joint ventures and associates and expenses related to operations in CEE countries. For 2022 it will be measured on a retrospective 2-year performance period (2021-2022). The 2021-2022 target is based on the 2021-2023 savings target that was disclosed at the Capital Market Day in December 2020.
Market consistent value of new business	Represents how much value the sale of new insurance policies is generating for the company. This value represents the present value of our best estimate of incoming premiums and outgoing claims, benefits and expenses related to these new sales. The 2022 target is based on the 2022 budget.
Transformation program: Earnings contributions	Measures the expected cumulative run-rate earnings contribution for performance improvement initiatives that moved to the execution phase during the retrospective 3-year performance period 2020-2022, compared to the cumulative 2020-2022 target in the transformation program.
Transformation program: Timely initiative execution	Measures whether performance improvement initiatives moved to the execution phase in time, compared to the 2022 targets in the transformation program.
Transformation program: Timely milestone completion	Measures the timely milestone completion of the performance improvement initiatives, compared to the 2022 targets in the transformation program.
Employee Engagement	Increase Aegon's employee engagement to at least 70% in 2022 (+2% compared to 2021).
Strategic Roadmap Development	Further evolve the Strategic Roadmap for strategic assets and non-core assets in 2022.
Execution of capital initiatives in line with Strategic Roadmap	Complete management actions in relation to financial assets and non-core assets in 2022.
Sustainability integration and execution	Complete milestones in 2022 related to further integrating our ESG priorities in Aegon's strategy, sustainability reporting and reaching our 2025 carbon emission reduction target.
Women in Senior Management	Increase the number of women in Aegon's senior management layer worldwide to at least 36% in 2022 (2% increase compared to 2021).
Finance Strategy Execution	Complete the 2022 milestones from the Finance Strategy.

<sup>1</sup> These peers are in order of the 2020-2021 ranking result: 1) NN Group NV, 2) Principal Financial Group Inc, 3) Axa Equitable Holdings Inc, 4) Swiss Life Holding AG, 5) ASR Nederland NV, 6) Brighthouse Financial Inc, 7) MetLife Inc, 8) Prudential Financial Inc, 9) Lincoln National Corp, 10) Assicurazioni Generali SpA, 11) Aegon NV, 12) Prudential PLC, 13) Balise Holding AG, 14) Unum Group and 15) Athene Holding Ltd / Helvetia Holding. The Athene Holding Ltd / Helvetia Holding result is a blend of the initial peer Athene and the back-up peer Helvetia, which replaced Athene per March 9, 2021, in accordance with our plan rules, following the merger with Apollo announced by Athene.