2Q 2021 results

Lard Friese
Chief Executive Officer

Duncan Russell
Chief Transformation Officer

Matt Rider
Chief Financial Officer

August 12, 2021
Steady progress on strategic priorities

1. Steady progress on strategic priorities and financial targets

2. Executing the operational improvement plan and achieving expense savings

3. Maximizing value of Variable Annuities

4. Continued commercial momentum in Strategic Assets

5. Increasing dividends to shareholders
Executing on Aegon’s granular operating plan

**Initiative delivery**
(in no. of initiatives)

<table>
<thead>
<tr>
<th>Initiative Type</th>
<th>CMD</th>
<th>Net change in number of initiatives</th>
<th>Executed</th>
<th>In progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth initiatives</td>
<td>1,140</td>
<td>44</td>
<td>528</td>
<td>656</td>
</tr>
<tr>
<td></td>
<td>278</td>
<td></td>
<td>421</td>
<td>190</td>
</tr>
<tr>
<td>Expense initiatives</td>
<td>862</td>
<td></td>
<td>107</td>
<td>466</td>
</tr>
</tbody>
</table>

- Continued rapid pace and execution rhythm
- Executed on 45% of initiatives, which will contribute to the operating result over time
- Achieved half of our EUR 400 million expense reduction target
Achieving continuous growth in US Strategic Assets

**US – Individual Solutions**

- **New life sales** (in USD million)
  - 2Q20: 76
  - 2Q21: 95

- **New business strain** (in USD million)
  - 2Q20: 82
  - 2Q21: 71

- **Value of new life business** (in USD million, MCVNB)
  - 2Q20: 50
  - 2Q21: 73

**US – Workplace Solutions**

- **Retirement Plans Middle-Market written sales** (in USD million)
  - 2Q20: 576
  - 2Q21: 1,114

- **Retirement Plans Middle-Market net deposits** (in USD million)
  - 2Q20: 340
  - 2Q21: 324

- **Continued growth with Indexed Universal Life product**
- **Growing sales from increasing number of licensed agents and increasing market share in World Financial Group (WFG)**
- **Supporting value of new business by volume growth, favorable product mix, and lower expenses**
- **Maintaining top-5 position in Middle-Market new sales**
- **Strong momentum in written sales supported by contract wins in Pooled Plan Arrangements**
- **Continued positive net deposits**
Consistently delivering in NL and UK Strategic Assets

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NL</strong></td>
<td>3.0 2Q20 2Q21</td>
<td>165 2Q20 198 2Q21</td>
<td>9.5 2Q20 5.6 2Q21</td>
<td>587 2Q20 1,060 2Q21</td>
<td>-103 2Q20 -78 2Q21</td>
<td>26 2Q20 21 2Q21</td>
<td>0 2Q20 1 2Q21</td>
</tr>
<tr>
<td><strong>UK</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Continued high mortgage origination volumes
- Growing net deposits in low-cost defined contribution products by 20%
- Further increasing number of customers for online bank Knab

- Achieved GBP 200 billion assets under administration supported by net deposits and favorable markets
- Growing net deposits in Workplace from middle-market employers as well as large corporates (Master Trust)
- Improving platform efficiency from expense savings, favorable markets
- Revenues lost driven by run-off of traditional product portfolio, while in 2Q20 net outflows were subdued due to reduced activity in a COVID-19 environment
Growing in Asset Management and Growth Markets

<table>
<thead>
<tr>
<th>Asset Management</th>
<th>Growth Markets (Spain &amp; Portugal, China¹, Brazil)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Third-party net deposits Global Platforms</strong> (in EUR billion)</td>
<td><strong>New life sales</strong> (in EUR million)</td>
</tr>
<tr>
<td>2Q20</td>
<td>2Q21</td>
</tr>
<tr>
<td>(0.5)</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Operating margin Global Platforms</strong> (in %)</td>
<td><strong>Value of new life business</strong> (in EUR million, MCVNB)</td>
</tr>
<tr>
<td>2Q20</td>
<td>2Q21</td>
</tr>
<tr>
<td>11.7</td>
<td>13.6</td>
</tr>
<tr>
<td><strong>Operating result Strategic Partnerships</strong> (in EUR million)</td>
<td><strong>New premium production</strong> (in EUR million, P&amp;C and A&amp;H)</td>
</tr>
<tr>
<td>2Q20</td>
<td>2Q21</td>
</tr>
<tr>
<td>42</td>
<td>53</td>
</tr>
</tbody>
</table>

- Growing third-party net deposits in various investment strategies on the Fixed Income global platform
- Improving Global Platforms operating margin from favorable markets developments and higher origination fees in Real Assets business
- Significantly higher operating result in Strategic Partnerships driven by performance fees and higher management fees

- Growing new life sales in Spain & Portugal supported by digital channel modernization
- Increasing value of new life business from bancassurance distribution growth in Brazil and Spain & Portugal
- Launching new property & casualty and accident & health products in banking channel in Spain & Portugal drove new premium production

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1. Aegon’s insurance joint venture in China Aegon THTF
Financial Assets

Duncan Russell
Chief Transformation Officer
Framework to maximize the value of Financial Assets

<table>
<thead>
<tr>
<th>Unilateral actions</th>
<th>Bilateral actions</th>
<th>Third-party solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Actions under our own control</td>
<td>• Requires interaction and consideration of stakeholders</td>
<td>• Transfer risk to third party should it maximize value</td>
</tr>
<tr>
<td>• Example: - Expansion of hedging program on legacy VA block(^1)</td>
<td>• Examples: - Rate increases on the Long-Term Care block - Lump-sum buy-out program</td>
<td>• Examples: - Reinsurance of specific exposures - Sale of a business</td>
</tr>
</tbody>
</table>

Current focus

\(^1\) Variable annuities with guaranteed minimum income benefits (GMIBs) and guaranteed minimum death benefits (GMDBs)
Actions to maximize the value of Variable Annuities

1. **Lump-sum buy-out program**
   - **Bilateral action to accelerate and increase cash flows**
     - Offer to repurchase Variable Annuities with GMIB riders for lump-sum payments
     - Offers alternative to policyholders whose circumstances may have changed and creates value for Aegon
     - Launched in July 2021

2. **Dynamic hedging program**
   - **Unilateral action to reduce risk around cash flows**
     - Operationally ready to expand existing dynamic hedging program to GMIB and GMDB book
     - Existing macro hedges will be adjusted during 3Q 2021 to smooth the transition to dynamic hedging
     - Full implementation as of 4Q 2021, when we have more clarity on the take-up rate of the lump-sum buy-out program

**RBC ratio**
- Less than -5%-pts impact\(^1,2\)

**Operating capital generation**
- Around USD 50 million reduction\(^1\)

**IFRS**
- USD 0.5 to 0.7 billion Other charges\(^1,2\)
- Mostly non-cash write-off of deferred acquisition costs

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1. Estimated annual impact based on current market circumstances or reasonably adverse scenarios
2. Expected to be incurred in the third quarter of 2021
Dynamic hedging program to cover key risks of legacy variable annuity book

**Hedging interest rate risk**
- Hedging guarantees based on economic hedge target
- Protecting long-term shareholder value

1. Currently, statutory reserves are based on a prescribed grading of interest rates to 3.0% in 10 years, which limits RBC ratio sensitivity to interest rates
2. Going forward, statutory reserves will be calculated on an economic basis, aligning regulatory capital to economic risks
3. The economic interest rate sensitivity of reserves is mitigated by the dynamic hedging

**Hedging equity risk**
- Hedging the risks embedded in the guarantees
- Residual equity market sensitivity from fees on base contract, which we choose not to hedge as they are asset management fees in nature

**Hedging volatility**
- Hedging tail risk from realized volatility
- Decision to leave implied volatility unhedged, as it tends to revert to the mean

**Sensitivities of legacy VA book**
(Reserve change in USD billion from -100bps move in interest rates)

1. Current - Reserves not sensitive to rates: 0.1
2. Future - Hedging mitigates sensitivity to rates: 0.9
3. Net of dynamic hedging

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1. For Transamerica Life Insurance Company (TLIC)
## Roadmap towards creating value from Variable Annuities

### Unilateral actions
- Expansion of hedging program on legacy VA block

### Bilateral actions
- Lump-sum offer to buy-out Variable Annuities with GMIB riders

### Potential third-party solution
- Potential vertical slice trades, reinsurance, or outright sale of (parts of) book
- Weigh options against alternatives, including run-off and further management actions

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### Execute management actions in the second half of 2021
- Explore additional unilateral and bilateral actions to maximize net present value

### Allocate internal resources to investigate options around potential third-party solutions
- Provide update on progress in first half of 2022
2Q 2021 Financial Results

Matt Rider
Chief Financial Officer
Financial results 2Q 2021

Addressable expense savings¹ (from expense initiatives)

- **EUR 220 million**

Free Cash Flows²

- **EUR 175 million**

Operating result

- **EUR 562 million**

Capital ratios³

- **US**: 444%
- **NL Life**: 172%
- **UK**: 163%

Gross financial leverage⁴

- **EUR 6.1 billion**

Cash Capital at Holding⁵

- **EUR 1.4 billion**

- Achieved over half of our 2023 expense savings target

- Expense savings, higher equity markets and normalization of claims experience in the US drive increase in operating result

- Capital ratios of main units above their respective operating levels; Group Solvency II ratio at 208%

- Cash Capital at Holding in upper half of operating range

- Progressing well on active management of Financial Assets

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¹ Expense savings for the trailing 4 quarters compared with FY 2019 addressable expenses on a constant currency basis. Targeting EUR 400 million expense savings by 2023
² Targeting cumulative free cash flows of EUR 1.4 to 1.6 billion over 2021 - 2023
³ RBC ratio for the US, Solvency II ratio for the other units. UK refers to Scottish Equitable Plc; see slide 17 for operating levels and minimum dividend payment levels
⁴ Target for gross financial leverage is EUR 5.0 to 5.5 billion
⁵ Operating range is EUR 0.5 to 1.5 billion
On track to deliver expense savings target

Addressable expenses
(in EUR million, in constant currency)

- Expense initiatives drove the reduction of expenses by EUR 220 million, representing 55% of the 2023 expense savings target
- Investments in growth initiatives increased expenses by EUR 28 million
- Other net expense benefits of EUR 53 million mainly relate to reduced activity in a COVID-19 environment, and are expected to reverse over time
Operating result increases by 62% to EUR 562 million

Expense savings
- Addressable expense reduction from operational improvement plan initiatives, and lower spend in the COVID-19 pandemic environment

Equity markets and investment margins
- Higher fee revenues from favorable equity markets; increased investment margin in NL

Claims experience in US
- Mortality claims experience in Life improved with less impact from COVID-19; adverse experience of EUR 27 million in 2Q21
- Favorable morbidity experience of EUR 55 million in 2Q21, partly driven by a one-time reserve release

International¹
- Better results at TLB and in Spain & Portugal were only partly offset by the reclassification of Central & Eastern Europe from operating result to Other income

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1. As of 2021, the result of Central & Eastern Europe has been reclassified from operating result to Other income following the announced divestment of the business
Net result of EUR 849 million benefits from fair value gains

### Net result
(2Q 2021, in EUR million)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating result</td>
<td>562</td>
</tr>
<tr>
<td>Fair value items</td>
<td>468</td>
</tr>
<tr>
<td>Gains on investments</td>
<td>162</td>
</tr>
<tr>
<td>Net recoveries</td>
<td>15</td>
</tr>
<tr>
<td>Non-operating items</td>
<td>644</td>
</tr>
<tr>
<td>Other income / (charges)</td>
<td>(153)</td>
</tr>
<tr>
<td>Income tax</td>
<td>(205)</td>
</tr>
<tr>
<td>Net result</td>
<td>849</td>
</tr>
</tbody>
</table>

#### Non-operating items
- Fair value gains were driven by revaluations on investments. In addition, the newly implemented interest rate macro hedge paid off.
- Realized gains on sale of bonds resulted from the interest rate risk management plan.
- Recoveries on investments more than offset gross impairments.

#### Other income / (charges)
- Other charges in the US related to update of Variable Annuities surrender assumption.
- EUR 94 million one-time investments related to the operational improvement plan.
- Gain from settlement of co-insurance contract in the Netherlands more than offset by charges related to settlements of litigation in the US.

#### Income tax
- Effective tax rate of 19%
Capital position of main units above the operating level

RBC ratio
US, regulated entities

- Positive impact from market movements, mainly driven by higher equity markets, and by private equity and real estate revaluations
- Management actions had a favorable impact and included the sale of an alternative asset portfolio
- Operating capital generation broadly offset remittances

Solvency II ratio
NL Life, Aegon Levensverzekering N.V.

- Increase includes benefits from management actions, model updates and favorable market movements
- Operating capital generation had a positive impact, which more than offset the EUR 25 million remittance

Solvency II ratio
UK, Scottish Equitable Plc

- The increase is primarily driven by a forthcoming increase in corporate income tax rate, which led to a reduction in required capital
- In addition, operating capital generation had a positive impact

Note: 135% / 350% = Minimum dividend payment level, 150% / 400% = Operating level
Cash Capital at Holding in upper half of operating range

- Free cash flow well covered by operating capital generation of EUR 376 million for the quarter
- Some units paid their half-yearly remittance during the second quarter, including the US with EUR 176 million
- NL Life continued to remit a quarterly dividend
- In 3Q21, Aegon expects to inject EUR 40 million in its joint venture in Brazil

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1. EUR 40 million proceeds were received by the Holding in the second quarter from the divestment of Transamerica’s portfolio of fintech and insurtech companies.
Delivering on capital deployment commitments

- Steady progress on strategic priorities and financial targets supports increase of the interim dividend by EUR 0.02 to EUR 0.08 per common share

- Announced redemption of USD 250 million floating rate perpetual capital securities with 4% coupon

- After the redemption, Aegon will have reduced its gross financial leverage by about EUR 0.7 billion since 2Q20

**Dividend per common share**
(in EUR per common share)

<table>
<thead>
<tr>
<th>Year</th>
<th>Interim dividend</th>
<th>Final dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td>2021</td>
<td>0.06 +0.02</td>
<td>0.08</td>
</tr>
<tr>
<td>Target</td>
<td>Around 0.25</td>
<td></td>
</tr>
</tbody>
</table>

**Gross financial leverage**
(in EUR billion)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Gross financial leverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q20</td>
<td>6.6</td>
</tr>
<tr>
<td>2Q21</td>
<td>6.1</td>
</tr>
<tr>
<td>2Q21 pro forma</td>
<td>5.9</td>
</tr>
</tbody>
</table>

Gross financial leverage target 2023: 5.5
Concluding remarks

Lard Friese
Chief Executive Officer
Key messages

1. Steady progress on strategic priorities and financial targets
2. Executing the operational improvement plan and achieving expense savings
3. Maximizing value of Variable Annuities
4. Continued commercial momentum for Strategic Assets
5. Increasing dividends to shareholders

Investment proposition

- Clear strategic focus, building on our strengths
- Value-creating capital allocation
- Improving operational performance
- Strong balance sheet and growing capital distributions
Appendix

For questions please contact
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Helping people achieve a lifetime of financial security
Progressing well on the Variable Annuities Financial Asset

US Variable Annuities

Performance

<table>
<thead>
<tr>
<th>Dynamic hedge effectiveness¹ (in %)</th>
<th>99%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q20</td>
<td>97%</td>
</tr>
<tr>
<td>3Q20</td>
<td>97%</td>
</tr>
<tr>
<td>4Q20</td>
<td>98%</td>
</tr>
<tr>
<td>1Q21</td>
<td>99%</td>
</tr>
<tr>
<td>2Q21</td>
<td>99%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital generation (in USD million)</th>
<th>302</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q20</td>
<td>840</td>
</tr>
<tr>
<td>3Q20</td>
<td>169</td>
</tr>
<tr>
<td>4Q20</td>
<td>567</td>
</tr>
<tr>
<td>1Q21</td>
<td>79</td>
</tr>
<tr>
<td>2Q21</td>
<td>302</td>
</tr>
</tbody>
</table>

Developments

- ✓ About 90% of variable annuities sales from products without significant interest rate sensitive riders
- ✓ Macro interest rate hedge paid off as interest rates declined
- ✓ Launched lump-sum buy-out program for variable annuities with income benefit riders in July 2021
- ✓ Operationally ready for expansion of dynamic hedging, to be implemented as of the start of 4Q 2021

1. Note: Updated definition of hedge effectiveness which now reflects the effectiveness per individual hedged risks, instead of the total
Progressing on rate increases for the LTC Financial Asset

US Long-Term Care (LTC)

Performance

Actual to expected claims ratio (in %)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2Q20</th>
<th>3Q20</th>
<th>4Q20</th>
<th>1Q21</th>
<th>2Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>87%</td>
<td>73%</td>
<td>70%</td>
<td>43%</td>
<td>52%</td>
</tr>
</tbody>
</table>

Progress on rate increases program (value of approved rate increases as % of total program)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2Q20</th>
<th>3Q20</th>
<th>4Q20</th>
<th>1Q21</th>
<th>2Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>43%</td>
<td>37%</td>
<td>36%</td>
<td>76%</td>
<td>138%</td>
</tr>
</tbody>
</table>

Capital generation (in USD million)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2Q20</th>
<th>3Q20</th>
<th>4Q20</th>
<th>1Q21</th>
<th>2Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>4</td>
<td>37</td>
<td>36</td>
<td>76</td>
<td>138</td>
</tr>
</tbody>
</table>

Developments

- Favorable LTC claims experience as a result of elevated claims terminations due to the impact of the COVID-19 pandemic
- Claims ratio benefited from one-time reserve release
- Obtained approval for LTC rate increases worth USD 176 million, or 59% of total rate increase program
Improving capital position of the NL Life Financial Asset

**NL Life book**

<table>
<thead>
<tr>
<th>Performance</th>
<th>Solvency II ratio (in %)</th>
<th>Remittances to Aegon NL (in EUR million)</th>
<th>Operating capital generation (in EUR million)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>172%</td>
<td>25</td>
<td>67</td>
</tr>
</tbody>
</table>

**Developments**

- Solvency II ratio above operating level benefiting from management actions, model updates, and favorable markets
- Quarterly remittance policy leads to stable cash flows from NL Life
- Operating capital generation of EUR 67 million mainly driven by lower UFR drag and higher interest rates
Group Solvency II ratio amounts to 208%.

- Solid contribution from operating capital generation including favorable net claims experience
- Market variance results from favorable equity markets and strong performance of alternatives and real estate
- Model and assumption changes mainly are from model refinements in NL, US assumption updates, and UK corporate income tax rate change

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**Own funds (OF) and Solvency Capital Requirement (SCR) development**

<table>
<thead>
<tr>
<th>SCR</th>
<th>OF</th>
<th>SII</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2021</td>
<td>9,676</td>
<td>19,436</td>
</tr>
<tr>
<td>Capital return</td>
<td>335</td>
<td>18,810</td>
</tr>
<tr>
<td>Market variance</td>
<td>17</td>
<td>367</td>
</tr>
<tr>
<td>Model &amp; assumption changes</td>
<td>0</td>
<td>(165)</td>
</tr>
<tr>
<td>One-time items &amp; other</td>
<td>(97)</td>
<td>47</td>
</tr>
<tr>
<td>2Q 2021</td>
<td>9,353</td>
<td>194%</td>
</tr>
</tbody>
</table>

Notes:
- Numbers are based on management’s best estimates and an unchanged conversion methodology for the US business. See slide 30 for details.
- The impact from the decrease in ultimate forward rate (UFR) is allocated pro rata to the quarterly operating capital generation.
- In 2Q 2021, operating capital generation includes -0.6%-pts of the decrease and model & assumption changes includes +0.6%-pts, i.e. fully offsets.
Well-managed capital sensitivities

Solvency II sensitivities
(in percentage points, 2Q 2021)

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Group</th>
<th>NL Life³</th>
<th>UK Life⁴</th>
<th>US</th>
<th>US RBC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity markets +25%</td>
<td>+6%</td>
<td>+2%</td>
<td>+5%</td>
<td>+16%</td>
<td>+16%</td>
</tr>
<tr>
<td>Equity markets -25%</td>
<td>-13%</td>
<td>-4%</td>
<td>-8%</td>
<td>-32%</td>
<td>-41%</td>
</tr>
<tr>
<td>Interest rates +50 bps</td>
<td>+2%</td>
<td>-1%</td>
<td>+2%</td>
<td>+4%</td>
<td>+4%</td>
</tr>
<tr>
<td>Interest rates -50 bps</td>
<td>-5%</td>
<td>+2%</td>
<td>-3%</td>
<td>-2%</td>
<td>-1%</td>
</tr>
<tr>
<td>Government spreads, excl. EIOPA VA +50 bps</td>
<td>-0%</td>
<td>+5%</td>
<td>-6%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Government spreads, excl. EIOPA VA -50 bps</td>
<td>+1%</td>
<td>-3%</td>
<td>+5%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Non-government credit spreads¹, excl. EIOPA VA +50 bps</td>
<td>-1%</td>
<td>-12%</td>
<td>+6%</td>
<td>+1%</td>
<td>-4%</td>
</tr>
<tr>
<td>Non-government credit spreads¹, excl. EIOPA VA -50 bps</td>
<td>+0%</td>
<td>+11%</td>
<td>-11%</td>
<td>-0%</td>
<td>+4%</td>
</tr>
<tr>
<td>US credit defaults² ~200 bps</td>
<td>-18%</td>
<td>n/a</td>
<td>n/a</td>
<td>-37%</td>
<td>-61%</td>
</tr>
<tr>
<td>Mortgage spreads +50 bps</td>
<td>-2%</td>
<td>-7%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Mortgage spreads -50 bps</td>
<td>+2%</td>
<td>+7%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>EIOPA VA +5 bps</td>
<td>-0%</td>
<td>+1%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>EIOPA VA -5 bps</td>
<td>+0%</td>
<td>-1%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Ultimate Forward Rate -15 bps</td>
<td>-2%</td>
<td>-6%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Curve steepening between 20-year and 30-year point +10 bps</td>
<td>-3%</td>
<td>-9%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

1. Non-government credit spreads include mortgage spreads; 2. Additional 130bps defaults for 1 year plus assumed rating migration; 3. NL Life refers to the capital ratio of Aegon Levensverzekering NV in the Netherlands; 4. UK Life refers to the capital ratio of Scottish Equitable PLC in the United Kingdom; 5. This sensitivity reflects the impact of flooring of variable annuity reserves, which significantly increased during 1H21 due to favorable market movements. Flooring of variable annuity reserves can either serve as a buffer to absorb future shocks, or it gets released over time in the form of capital generation.
Net recoveries in 2021 year-to-date

Impairments on US general account fixed income assets
(in bps)

- Almost all fixed income instruments are held as available for sale securities, and as such are impaired through earnings if we expect to receive less than full principal and interest; the impairment amount is the difference between the amortized cost and market value of the security.

Note: Periods prior to 2005 are based on Dutch Accounting Principles (DAP); Periods 2005 and later are based on International Financial Reporting Standards (IFRS)
1. First half of 2021 annualized
Conversion of RBC to Solvency II

- Conversion methodology for US operations has been agreed with DNB, subject to regular review
- Calibration of US insurance entities followed by subsequent adjustment for US debt and holding items
  - Calibration of US insurance entities is consistent with EIOPA's guidance and comparable with European peers
  - Subsequent adjustment mainly includes Latin American subsidiaries and non-regulated entities

<table>
<thead>
<tr>
<th>RBC ratio US insurance entities (USD billion, %, 2Q 2021)</th>
<th>Calibrated ratio US insurance entities (USD billion, %, 2Q 2021)</th>
<th>US Solvency II equivalent (USD billion, %, 2Q 2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available capital</td>
<td>2.2</td>
<td>Available capital</td>
</tr>
<tr>
<td>Required capital</td>
<td>9.6</td>
<td>Required capital</td>
</tr>
</tbody>
</table>

1. Solvency II calibration reduces own funds by 100% RBC CAL to reflect transferability limitations and Required Capital is increased to 150% RBC CAL
Leverage ratio benefits from debt reduction in 2020 and increased shareholders’ equity

<table>
<thead>
<tr>
<th>Year</th>
<th>Senior (EUR billion)</th>
<th>Hybrid (EUR billion)</th>
<th>Gross financial leverage ratio (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>7.4</td>
<td>5.0</td>
<td>32.2%</td>
</tr>
<tr>
<td>2017</td>
<td>7.0</td>
<td>4.7</td>
<td>30.7%</td>
</tr>
<tr>
<td>2018</td>
<td>6.7</td>
<td>4.9</td>
<td>29.2%</td>
</tr>
<tr>
<td>2019</td>
<td>6.7</td>
<td>4.9</td>
<td>28.6%</td>
</tr>
<tr>
<td>2020</td>
<td>6.0</td>
<td>4.7</td>
<td>27.9%</td>
</tr>
<tr>
<td>2Q 2021</td>
<td>6.1</td>
<td>4.8</td>
<td>25.8%</td>
</tr>
</tbody>
</table>
## Main economic assumptions

### Overall assumptions

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>NL</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange rate against euro</td>
<td>1.2</td>
<td>n.a.</td>
<td>0.9</td>
</tr>
<tr>
<td>Annual gross equity market return (price appreciation + dividends)</td>
<td>2021: 2% 2022 onwards 8%</td>
<td>2021: 4% 2022 onwards 6.5%</td>
<td>2021: 4% 2022 onwards 6.5%</td>
</tr>
</tbody>
</table>

### Main assumptions for financial targets

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>NL</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>US 10-year government bond yields</td>
<td>Grade to 2.75% in 10 years time</td>
<td>Develop in line with forward curves</td>
<td>Grade to 3.25% in 10 years time</td>
</tr>
<tr>
<td>NL 10-year government bond yields</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK 10-year government bond yields</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Main assumptions for US DAC recoverability

<table>
<thead>
<tr>
<th></th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-year government bond yields</td>
<td>Grade to 2.75% in 10 years time</td>
</tr>
<tr>
<td>Credit spreads, net of defaults and expenses</td>
<td>Grade from current levels to 122 bps over four years</td>
</tr>
<tr>
<td>Bond funds</td>
<td>Return of 3% for 10 years and 4% thereafter</td>
</tr>
<tr>
<td>Money market rates</td>
<td>Grade to 1.5% in 10 years time</td>
</tr>
</tbody>
</table>
Aegon Investor Relations

Stay in touch

Upcoming events 2021

Barclays Virtual Conference  September 14/15
Bank of America Virtual CEO Conference  September 21
Aegon 3Q 2021 results  November 11

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- Twitter
Investing in Aegon

Aegon ordinary shares

- Traded on Euronext Amsterdam since 1969 and quoted in euros

Aegon New York Registry Shares (NYRS)

- Traded on NYSE since 1991 and quoted in US dollars
- One Aegon NYRS equals one Aegon Amsterdam-listed common share
- Cost effective way to hold international securities

Aegon’s ordinary shares

<table>
<thead>
<tr>
<th>Ticker symbol</th>
<th>AGN NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISIN</td>
<td>NL0000303709</td>
</tr>
<tr>
<td>SEDOL</td>
<td>5927375NL</td>
</tr>
<tr>
<td>Trading Platform</td>
<td>Euronext Amsterdam</td>
</tr>
<tr>
<td>Country</td>
<td>Netherlands</td>
</tr>
</tbody>
</table>

Aegon’s New York Registry Shares

<table>
<thead>
<tr>
<th>Ticker symbol</th>
<th>AEG US</th>
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<tbody>
<tr>
<td>NYRS ISIN</td>
<td>US0079241032</td>
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<td>NYRS SEDOL</td>
<td>2008411US</td>
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<tr>
<td>Trading Platform</td>
<td>NYSE</td>
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<tr>
<td>Country</td>
<td>USA</td>
</tr>
<tr>
<td>NYRS Transfer Agent</td>
<td>Citibank, N.A.</td>
</tr>
</tbody>
</table>

Aegon NYRS contact details

Broker contacts at Citibank:
Telephone: New York: +1 212 723 5435
London: +44 207 500 2030
E-mail: citiadr@citi.com
Changes in accounting regulations and policies or a change by Aegon in applying such regulations and policies, voluntarily or

The impact of acquisitions and divestitures, restructurings, product withdrawals and other unusual items, including Aegon’s a

Changes in the policies of central banks and/or governments;

Changes affecting longevity, mortality, morbidity, persistence and other factors that may impact the profitability of Aegon’s

Consequences of an actual or potential break

The frequency and severity of insured loss events;

As Aegon’s operations support complex transactions and are highly dependent on the proper functioning of information technolo

The frequency and severity of defaults by issuers in Aegon’s fixed income investment portfolios;

Changes affecting currency exchange rates, in particular the EUR/USD and EUR/GBP exchange rates;

Catastrophic events, either manmade or by nature, including by way of example acts of God, acts of terrorism, acts of war and pandemics, could result in material losses and significantly interrupt Aegon’s business;

The effects of corporate bankruptcies and/or accounting restatements on the financial markets and the resulting decline in the value of equity and debt securities Aegon holds;

Changes in the performance of Aegon’s investment portfolio and decline in ratings of Aegon’s counterparties;

Lowering of one or more of Aegon’s debt ratings issued by recognized rating organizations and the adverse impact such action may have on Aegon’s ability to raise capital and on its liquidity and financial condition;

The effect of the European Union’s Solvency II requirements and other regulations in other jurisdictions affecting the capital Aegon is required to maintain;

Changes affecting interest rate levels and continuing low or rapidly changing interest rate levels;

Changes affecting currency exchange rates, in particular the EUR/USD and EUR/GBP exchange rates;

Changes in the availability of, and costs associated with, liquidity sources such as bank and capital markets funding, as well as conditions in the credit markets in general such as changes in borrower and counterparty creditworthiness;

Increasing levels of competition in the United States, the Netherlands, the United Kingdom and emerging markets;

Catastrophic events, either manmade or by nature, including by way of example acts of God, acts of terrorism, acts of war and pandemics, could result in material losses and significantly interrupt Aegon’s business;

Changes affecting longevity, mortality, morbidity, persistence and other factors that may impact the profitability of Aegon’s insurance products;

Aegon’s projected results are highly sensitive to complex mathematical models of financial markets, mortality, longevity, and other dynamic systems subject to shocks and unpredictable volatility. Should assumptions to these models later prove incorrect, or should errors in those models escape the controls in place to detect them, future performance will vary from projected results;

Refunds to whom Aegon has made significant underwriting risks may fail to meet their obligations as a result of their financial conditions;

Customer responsiveness to both new products and distribution channels;

The impact of acquisitions and divestitures, restructurings, product withdrawals and other unusual items, including Aegon’s ability to integrate acquisitions and to obtain the anticipated results and synergies from acquisitions;

Aegon’s failure to achieve anticipated levels of earnings or operational efficiencies, as well as other management initiatives related to cost savings, cash capital at Holding, gross financial leverage and free cash flow;

Changes in the policies of central banks and/or governments;

Litigation or regulatory actions or litigation that could require Aegon to pay significant damages or change the way Aegon does business;

Competitive, legal, regulatory, or tax changes that affect profitability, the distribution cost of or demand for Aegon’s products;

Consequences of an actual or potential breakup of the European monetary union in whole or in part, or the exit of the United Kingdom from the European Union and potential consequences if other European Union countries leave the European Union;

Changes in laws and regulations, particularly those affecting Aegon’s operations’ ability to hire and retain key personnel, taxation of Aegon companies, the products Aegon sells, and the attractiveness of certain products to its consumers;

Regulatory requirements, concerning Aegon’s operations, products, product withdrawals, and other unusual items, including Aegon’s ability to integrate acquisitions and to obtain the anticipated results and synergies from acquisitions;

Changes in accounting regulations and policies or a change by Aegon in applying such regulations and policies, voluntarily or otherwise, which may affect Aegon’s reported results, shareholders’ equity or regulatory capital adequacy levels.