

Review

Reporting

Supplement

2014

Reporting Supplement

Our 2014 Review follows the latest guidelines issued by the Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC). This supplement provides details of our reporting against these guidelines and should be read in conjunction with our annual integrated Review.

As a company, we follow the basic principles of integrated reporting. Every year, we publish an integrated Review. This Review aims to provide a concise, accurate and balanced account of Aegon's performance over the past year. Alongside the Review, we also publish an Annual Report and a Form 20-F, which provide more in-depth information, particularly on Aegon's financial performance.

Our Review, Annual Report and 20-F are all available on our website, at aegon.com. For further details on reporting scope, process and audit, please refer to the Review itself (pages 50-51).

Reporting against Global Reporting Initiative G4 standards

We've been using Global Reporting Initiative (GRI) reporting standards since we published our first corporate responsibility report in 2003. For our Review this year, we switched to the GRI's latest G4 standards. These standards put greater emphasis on "materiality" – in other words, reporting primarily on those issues that most affect a company's business and stakeholders. This is very much in line with our own approach to reporting. For more information about the GRI and the G4 reporting guidelines, please refer to the GRI's website at globalreporting.org.

The G4 guidelines comprise three main parts:

- **Reporting principles** (how companies should define the content and quality of their report).

- **General standard disclosures** (which apply to all companies regardless of their sector or the nature of their business).
- **Specific standard disclosures** (which require companies to select *material aspects* – those areas or topics they believe are most relevant for their businesses. For each aspect chosen, companies must report on their *management approach*, as well as on specific indicators).

Overall, this approach is more flexible than the GRI's previous G3 guidelines; it means companies can be more focused in their reporting, and should in turn produce reports that are more relevant to stakeholders.

Companies applying G4 are said to be in accordance with the standards; they have

a choice between core and comprehensive compliance, depending on the extent of their reporting. Aegon's 2014 Review was prepared in accordance with the comprehensive option.

As a company, we're implementing the G4 guidelines a year ahead of deadline. When G4 was introduced in 2013, companies were given until 2015 to switch from G3. We've been working on G4 for the past year, both internally and with our auditors at PwC. To support the switch, we made an assessment of the GRI's proposed *material aspects*, and chose 17 in total to provide the basis of our GRI reporting (see chart below):

	Economic	Environmental	Social			
			Labor practices & decent work	Human rights	Society	Product responsibility
Aspects	Economic performance	Materials	Employment	Investment	Local communities	Customer health & safety
	Market presence	Energy	Labor-management relations	Non-discrimination	Anti-corruption	Product & service labeling
	Indirect economic impact	Water	Occupational health & safety	Freedom of association & collective bargaining	Public policy	Marketing communications
	Procurement practices	Biodiversity	Training & education	Child labor	Anti-competitive behavior	Customer privacy
		Emissions	Diversity & equal opportunity	Forced or compulsory labor	Compliance	Compliance
		Effluents & waste	Equal remuneration for women and men	Security practices	Supplier assessment for impacts on society	Product portfolio*
		Products & services	Supplier assessment for labor practices	Indigenous rights	Grievance mechanisms for impacts on society	Audit*
		Compliance	Labor practices grievance mechanisms	Assessment		Active ownership*
		Transport		Supplier human rights assessment		
		Overall		Human rights grievance mechanisms		
		Supplier environmental assessment				
		Environmental grievance mechanisms				

* Financial services sector disclosure only.

■ Chosen material aspects.

■ Non-material aspects.

Aegon material issues and indicators

As part of our reporting, we carry out our own materiality assessment, separate from the GRI. This assessment identified seven material issues:

- Increased regulation of the financial services sector
- Customer service and performance of Aegon products

- Growing importance of new technologies
- Changing capital requirements for the insurance sector
- Employee engagement and motivation
- Persistently low interest rates
- Global aging & changing demographics.

The table below shows the potential impact of these issues on our GRI material aspects as well as specific G4 indicators.

For more information on our materiality assessment, please see our 2014 Review, pages 14-15.

Chosen material issues (Aegon)	Increased regulation of the financial services sector	Customer service & product performance	Growing importance of new technologies	Changing capital requirements for the insurance sector	Employee motivation and engagement	Persistently low interest rates	Global aging & changing demographics
Economic performance	EC1	EC1	EC1	EC1	EC1	EC1	EC1
					EC3		EC3
Indirect economic impacts	EC8	EC8	EC8	EC8	EC8		
Employment			LA1				LA1
					LA2		LA2
			LA3		LA3		
Labor / management relations	LA4			LA4	LA4		
Training & education	LA9		LA9		LA9		LA9
			LA10		LA10		LA10
					LA11		
Diversity & equal opportunity					LA12		LA12
Non-discrimination					HR3		HR3
Freedom of association & collective bargaining	HR4				HR4		
Local communities	S01				S01		S01
	S02				S02		
Anti-corruption	S03	S03	S03		S03		
	S04	S04	S04		S04		
	S05	S05	S05		S05		
Compliance (Society)	S08	S08					
Product & service labeling	PR4	PR4					
	PR5	PR5	PR5	PR5		PR5	PR5
Customer privacy	PR8	PR8	PR8				
Compliance (Product responsibility)	PR9	PR9					
Product portfolio*	FS6	FS6	FS6	FS6	FS6	FS6	FS6
	FS7	FS7	FS7	FS7	FS7	FS7	FS7
Audit*	Not applicable (this material aspect requires disclosure of management approach only)						
Active ownership*	FS10			FS10			
	FS11						

* Financial services sector disclosure only.

■ Core indicator ■ Non-core indicator ■ Financial services core indicator ■ Financial services non-core indicators

Our audit

Our report is subject to review by our external auditors at PwC. As part of this review, the auditors make sure our reporting is in line with the GRI G4 guidelines.

This year, we also asked them to provide assurance on a number of key indicators, linked directly to our strategy and our GRI G4 materiality assessment (see below).

Our auditors' report may be found in the 2014 Review, pages 67-68.

Key performance indicators	Rationale	Level of assurance	Page references (all references relate to the 2014 Review)
Strategic indicators <ul style="list-style-type: none"> • % of earnings from fees • % of sales made direct to customer¹ • % of Aegon businesses using the Net Promoter Score to measure customer loyalty • NPS performance • Ratio of costs to assets • Ratio of costs to earnings • Employee engagement score (Hay index) • Employee enablement score (Hay index) 	These indicators relate directly to Aegon's four strategic objectives: <ul style="list-style-type: none"> • Optimize our portfolio • Strengthen customer loyalty • Pursue operational excellence • Empower our employees 	Reasonable Reasonable assurance means our auditors are satisfied that, in our reporting, we are presenting a "true and fair" view of our performance.	Pages 22, 59 Page 22, 55, 59 Pages 22, 59, 63 Pages 22, 31, 59, 63 Pages 22, 59 Pages 22, 59 Pages 22, 33, 59, 61 Pages 22, 59, 61
Material indicators <ul style="list-style-type: none"> • Total dividend and coupon payments to investors • Donations to charities and other good causes • Total customer claims, benefits and plan withdrawals • % of Aegon's investment portfolio subject to negative ESG² screening • Total impact investments³ 	These indicators relate to our GRI G4 materiality assessment. We took our 17 core G4 indicators, and narrowed them down to the five we considered most material to our business and our stakeholders.	Limited This means that our auditors provide a basic check that nothing in our reporting of these indicators appeared incorrect.	Pages 41, 59, 64 Pages 38, 39, 58, 59, 62 Pages 7, 36, 59 Page 59 Pages 37, 59, 63, 65

¹ Based on budgeted sales.

² Environmental, social and governance.

³ Impact investments: these are investments that deliver both the financial returns we expect as well as a specific social or environmental benefit.

Please see page 59 of our Review for further details and definitions.

Reporting against G4 principles and standard disclosures

Principles for defining report content

Principle	GRI definition	How was this principle applied in our 2014 Review? ¹
Stakeholder inclusiveness	The organization should identify its stakeholders, and explain how it has responded to their reasonable expectations and interests.	We carry out an annual stakeholder survey. Results from this survey help determine the content of our annual integrated Review. Please see page 15 for further details.
Sustainability context	The report should present the organization's performance in the wider context of sustainability.	In our Review this year, we included extensive information on the key economic, social and financial trends affecting our industry. Please see pages 14-18.
Materiality	The report should cover aspects that: <ul style="list-style-type: none"> • Reflect the organization's significant economic, environmental and social impacts; or • Substantively influence the assessments and decisions of stakeholders. 	We conduct an exercise every year to define the most <i>material</i> topics for both ourselves and our stakeholders. Results are used to help determine the content of our annual Review. For more details on the exercise and results, please see page 15.
Completeness	The report should include coverage of material aspects and their boundaries, sufficient to reflect significant economic, environmental and social impacts, and to enable stakeholders to assess the organization's performance in the reporting period.	Our Review covers material issues, company strategy and key financial and non-financial performance indicators, as well as the importance of stakeholder engagement. Please see pages 14-18, 20-24 and 55-64 for further details.

¹ Unless otherwise stated, all page numbers refer to the 2014 Review, available online at aegon.com.

Principles for defining report quality

Principle	GRI definition	How was this principle applied in our 2014 Review?
Balance	The report should reflect positive and negative aspects of the organization's performance to enable a reasoned assessment of overall performance.	We have endeavored to include both positive and negative aspects of our performance over the past year. For each of our <i>key trends</i> , we've identified specific risks and opportunities. We've also provided additional information on issues such as underperforming products and recent fraud cases. Please see pages 16-17, 30 and 44 for more details.
Comparability	The organization should select, compile, and report information consistently. The reported information should be presented in a manner that enables stakeholders to analyze changes in the organization's performance over time, and that could support analysis relative to other organizations.	Our 2014 integrated Review includes an update of our activities and performance over the last year. Where relevant, figures are given on a comparable, year-on-year basis. We have also included details of progress against our company objectives and Aegon's membership of internationally-recognized sustainability indexes. Please see pages 4-5, 22-23 and 66.
Accuracy	The reported information should be sufficiently accurate and detailed for stakeholders to assess the organization's performance.	We have a rigorous system of internal verification. This applies to all data and information appearing in the annual Review. This year, we introduced a new online system to improve the quality of our data collection. Our report is also subject to review by our external auditors, PwC. Where relevant, explanations are provided with regard to methodology and the sourcing of third-party information. Please see pages 67-68 for our auditors' report.
Timeliness	The organization should report on a regular schedule so that information is available in time for stakeholders to make informed decisions.	All information in our Review refers to 2014, unless otherwise stated. Financial data is taken from our 2014 Annual Report. The contents of this Review are based on comprehensive reporting from individual country and business units. This reporting took place between January and March 2015. We publish our Review at the same time as our Annual Report, and several weeks ahead of the General Meeting of Shareholders to allow proper scrutiny. Please see pages 50-51 for further details.
Clarity	The organization should make information available in a manner that is understandable and accessible to stakeholders using the report.	Our goal in this Review is to use clear, simple, straightforward language. Where necessary, explanations are included. We also use recommendations from our annual stakeholder survey to help improve content and accessibility. Please see pages 14-15 for further details.
Reliability	The organization should gather, record, compile, analyze and disclose information and processes used in the preparation of a report in a way that they can be subject to examination and that establishes the quality and materiality of the information.	Sources of all third party / external information are provided in the text. This report is also subject to review by Aegon's external auditors, PwC.

General standard disclosures

Indicator	Content	Page references
Strategy & analysis		
G4-1	Statement from CEO	8
G4-2	Key impact, risks and opportunities	16-17
Organization profile		
G4-3	Name of organization	Cover
G4-4	Primary brands, products and services	6, 30
G4-5	Location of organization's headquarters	6
G4-6	Countries of operation	6-7
G4-7	Nature of ownership & legal form	40
G4-8	Markets served	6-7
G4-9	Scale of organization	6-7
G4-10	Breakdown of workforce	32, 60
G4-11	Employees covered by collective bargaining	61
G4-12	Description of supply chain	38
G4-13	Changes to organization's size, scope etc.	4-5
Commitments to external initiatives		
G4-14	Precautionary approach or principle	40, 41
G4-15	External commitments	41
G4-16	Memberships of associations etc.	41
Identified material aspects & boundaries		
G4-17	List of entities covered by financial statements	51 (see also Annual Report)
G4-18	Defining content of report	15, 50
G4-19	List of material aspects included	15
G4-20	Report internal scope of aspect boundaries	50, 51
G4-21	Report external scope of aspect boundaries	50, 51
G4-22	Effects of restatements	55, 57, 58, 62, 64
G4-23	Changes to scope and aspect boundaries	50, 51
Stakeholder engagement		
G4-24	List of stakeholder groups	42
G4-25	Basis for identifying key stakeholders	41
G4-26	Approach to stakeholder engagement	41
G4-27	Key topics raised through stakeholder engagement	15, 41

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Indicator	Content	Page references
Report profile		
G4-28	Reporting period	50
G4-29	Date of previous report	50
G4-30	Reporting cycle	50
G4-31	Contact point	70
G4-32	GRI content index	see this Supplement
G4-33	External assurance	67-68
Organization profile		
G4-34	Governance structure of organization	40
G4-35	Delegation of authority for ESG ¹ topics	44
G4-36	Executive responsibility for ESG topics	44
G4-37	Consultation between stakeholders and highest governance body	15, 41-42
G4-38	Composition of highest governance body	54
G4-39	Independence of Chair of highest governance body	54
G4-40	Nomination / selection process for members of highest governance body	40
G4-41	Process to avoid / manage conflicts of interest within highest governance body	see Annual Report
G4-42	Highest governance body's role in setting purpose, values, strategy etc.	40
G4-43	Enhancing highest governance body's knowledge of ESG topics	see Annual Report
G4-44	Evaluating performance of highest governance body with regard to ESG	see Annual Report
G4-45	Role of highest governance body with regard to risk management	17, 44, 46
G4-46	Role of highest governance body in reviewing effectiveness of ESG risk management	17, 44, 46
G4-47	Highest governance body's review of ESG impact, risks and opportunities	17, 40, 44, 46
G4-48	Highest body reviewing contents of sustainability report	50
G4-49	Process for communicating critical concerns to highest governance body	see Annual Report
G4-50	Nature / total number of critical concerns reported to highest governance body	see Annual Report
G4-51	Remuneration policies	32-33, 44
G4-52	Process for determining remuneration	32-33
G4-53	Process to seek stakeholder views on remuneration	41
G4-54	Ratio of CEO pay to median salary	62
G4-55	Ratio of increase in CEO pay to increase in overall median salary	62
Ethics & integrity		
G4-56	Code of conduct / ethics	33-34, 44
G4-57	Processes for seeking advice on ethical and lawful behavior	44
G4-58	Processes for reporting unethical behavior	44

¹ ESG – Environmental, social and governance.

Specific standard disclosures

Material aspect	Disclosure of management approach / indicators	Page references
Economic performance		
DMA	Disclosure of management approach	20-24
EC1	Direct economic value generated and distributed	23, 24, 26, 32, 33, 37-39, 59, 62-64
EC2	Financial implications and other risks / opportunities for the organization's activities due to climate change	36-37, 64
EC3	Coverage of organization's defined benefit plan obligations	33, 60
EC4	Financial assistance received from government	24
Indirect economic aspects		
DMA	Disclosure of management approach	31, 37-38
EC7	Development and impact of infrastructure investments and services supported	37, 63
EC8	Significant indirect economic impacts, including extent of impacts	7, 31, 36-39, 59-64
Employment		
DMA	Disclosure of management approach	32-34
LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	32, 60
LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	33, 61, 62
LA3	Return to work and retention rates after parental leave, by gender	60
Labor-management relations		
DMA	Disclosure of management approach	32
LA4	Minimum notice period regarding operating changes, including whether these are specified in collective agreements	We don't report this figure. Minimum notice periods vary by location. See page 32 for more information.
Training & education		
DMA	Disclosure of management approach	33-34
LA9	Average hours of training per year per employee by gender and employee category	62
LA10	Programs for skills management and life-long learning that support the continued employability of employees and assist them in managing career endings	33-34
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and employee category	62 ¹
Diversity & equal opportunity		
DMA	Disclosure of management approach	34, 44
LA12	Composition of governance bodies and breakdown of employees per employee category by gender, age group, minority group membership, and other indicators of diversity	34, 52-54, 60
Non-discrimination		
DMA	Disclosure of management approach	34, 44
HR3	Total number of incidents of discrimination and corrective action taken	We don't report this figure. Information is collected at a local level only.

¹ Please note we do not break down this figure by gender.

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Material aspect	Disclosure of management approach / indicators	Page references
Freedom of association & collective bargaining		
DMA	Disclosure of management approach	32, 41
HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	The principles of freedom of association and collective bargaining are included in our annual human rights risk assessment, which covers our main businesses in the Americas, Europe and Asia. Details may be found on page 60.
Local communities		
DMA	Disclosure of management approach	36-37, 38-39, 41
S01	Percentage of operations with local community engagement, impact assessments and development programs	For information on our community engagement, see pages 38-39. We report on the percentage of operations with active financial education programs on page 63.
S02	Operations with significant actual and potential negative impacts on local communities	38-39, 62, 63
FS13	Access points in low-populated or economically disadvantaged areas by type	31, 63
FS14	Initiatives to improve access to financial services for disadvantaged people	31, 63
Anti-corruption		
DMA	Disclosure of management approach	44
S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Corruption is included in our annual human rights risk assessment (which covers our main businesses in the Americas, Europe and Asia). For more details, see page 44.
S04	Communication and training on anti-corruption policies and procedures	33, 44
S05	Confirmed incidents of corruption and actions taken	We report incidents of fraud and alleged fraud annually, see page 61. Fraud and corruption are also included in our operational risk management, as well as our annual human rights risk assessment, see page 60.
Compliance (society)		
DMA	Disclosure of management approach	30
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	61
Product & service labeling		
DMA	Disclosure of management approach	30-31
PR3	Type of product and service information required by the organization's procedures for product service information and labeling, and percentage of significant product and service categories subject to such information requirements	This indicator is not relevant for our business as a financial services company.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcome	61
PR5	Results of surveys measuring customer satisfaction	31, 59, 63

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Material aspect	Disclosure of management approach / indicators	Page references
Customer privacy		
DMA	Disclosure of management approach	30-31
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	63
Compliance (product responsibility)		
DMA	Disclosure of management approach	30-31
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	61
Product portfolio		
DMA	Disclosure of management approach	20-24, 26, 30-31
FS6	Percentage of the portfolio for business lines by specific region, size, and by sector	26
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	7, 30-31, 37
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	37
Audit		
DMA	Disclosure of management approach	50, 67-68
Active ownership		
DMA	Disclosure of management approach	36-37
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	36, 63, 65
FS11	Percentage of assets subject to positive and negative environmental or social screening	36-37, 59

Reporting against guidelines issued by the International Integrated Reporting Council

As well as the GRI, we also follow guidelines issued by the International Integrated Reporting Council (IIRC). The IIRC's¹ reporting model is based on six capitals. For details of our reporting against these capitals, please see below:

Capital	IIRC definition	Where in our Review do we report on this?
Financial	<p>The pool of funds that is:</p> <ul style="list-style-type: none"> • Available to an organization for use in the production of goods or the provision of services; and • Obtained through financing, such as debt, equity or grants, or generated through operations or investments. 	<ul style="list-style-type: none"> • Pages 16-17 Changing capital requirements • Pages 20-24 Our strategy • Page 26 How do we make our money & How did we perform financially in 2014 • Page 28 How we create and share value (capital)
Manufactured	<ul style="list-style-type: none"> • Manufactured physical objects (as distinct from natural physical objects) that are available to an organization for use in the production of goods or the provisions of services, including buildings, equipment, infrastructure (such as roads, ports, bridges and waste and water treatment plants). Manufactured capital is often created by other organizations, but includes assets manufactured by the reporting organization for sale or, when they are retained, for its own use. 	<p>As a provider of life insurance and pensions, we have no industrial or manufacturing processes. Our procurement is limited mainly to professional services, IT and other office equipment. We do, however, have significant investments in industrial and manufacturing companies.</p> <ul style="list-style-type: none"> • Page 38 Working closely with suppliers and local businesses • Pages 36-37 Investing in sustainable economic growth
Intellectual	<p>Organizational, knowledge-based intangibles, including:</p> <ul style="list-style-type: none"> • Intellectual property, such as patents, copyrights, software, rights and licences; and • Organizational capital, such as tacit knowledge, systems, procedures and protocols. 	<ul style="list-style-type: none"> • Page 21 Our business model • Pages 28-29 How we create and share value (talent, trust, protect) • Pages 30-31 How do we create and share value as a provider of financial services? • Pages 36-37 How do we create and share value as an investor?
Human	<p>People's competencies, capabilities and experience, and their motivations to innovate, including their:</p> <ul style="list-style-type: none"> • Alignment with, and support for, an organization's governance framework, risk management approach, and ethical values; • Ability to understand, develop and implement an organization's strategy; and • Loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate. 	<ul style="list-style-type: none"> • Page 16 Global aging and changing demographics • Pages 28-29 How we create and share value (talent, trust, society) • Pages 32-33 As an employer, how do we create and share value? • Pages 38-39 How do we create and share value in our communities?

¹ Please note that the IIRC guidelines fall outside the scope of the review carried out by our external auditors (see pages 67-68 for further details).

Capital

Social & relationship

IIRC definition

The institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social and relationship capital includes:

- Shared norms, and common values and behaviors;
- Key stakeholder relationships, and the trust and willingness to engage that an organization has developed and strives to build and protect with external stakeholders;
- Intangibles associated with the brand and reputation that an organization has developed; and
- An organization's social license to operate.

Where in our Review do we report on this?

- Page 16 Increased regulation of the financial services sector
- Pages 28-29 How we create and share value (benefits, profits, society)
- Pages 38-39 How do we create and share value in our communities?
- Pages 40-42 How do we create and share value as a socially responsible company?
- Page 41 Involving stakeholders in our decisions

Natural

All renewable and non-renewable environmental resources and processes that provide goods and services that support the past, current or future prosperity of an organization. It includes:

- Air, water, land, minerals and forests; and
- Biodiversity and eco-system health.

As a provider of life insurance and pensions, we have little direct impact on our natural environment, and do not use natural resources in any industrial or manufacturing processes. We do, however, have significant investments in industrial, manufacturing and energy companies.

- Pages 36-37 Investing in sustainable economic growth

Aegon Corporate Reporting 2014

As well as our annual Review, we also publish an Annual Report, which is our main regulatory reporting document. Both our Review and our Annual Report can be found online at aegon.com.



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