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Executive summary

CPT programme summary

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Aegon Bank N.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme size</td>
<td>EUR 5 billion</td>
</tr>
<tr>
<td>Portfolio</td>
<td>EUR 2.25 billion (issued Covered Bonds in Q4 2015, Q2 2016, Q2 2017 and Q4 2017)</td>
</tr>
<tr>
<td>Format</td>
<td>Conditional Pass-Through (CPT)</td>
</tr>
<tr>
<td>Extension Period</td>
<td>Maximum of 32 years</td>
</tr>
<tr>
<td>Guarantor</td>
<td>Aegon Conditional Pass-Through Covered Bond Company B.V.</td>
</tr>
<tr>
<td>Ratings</td>
<td>AAA (S&amp;P)¹</td>
</tr>
<tr>
<td>Collateral</td>
<td>Prime Dutch residential mortgage loans</td>
</tr>
<tr>
<td>Documented minimum OC</td>
<td>10%</td>
</tr>
</tbody>
</table>

Robust structure

- Registered programme with DNB
- Strong programme tests (Asset Cover Test & Amortisation Test)
- No interest rate swap counterparties²
- Back-up administrator in place
- External bank account
- Exempted from bail-in

Strategy

- Aegon Bank N.V. is core to the strategy of Aegon Netherlands
- Aegon Bank N.V. has the medium-term ambition to grow with 70,000 customers per year (net growth), to reach a cost-to-income ratio of 60% and a return on equity of 9% and to increase its balance sheet up to EUR 20 billion
- Covered Bonds enable Aegon N.V. and Aegon Bank N.V. to diversify funding sources in addition to RMBS – SAECURE programme and Senior Debt funding

Highlights

- Aegon Bank N.V. has a strong capital and liquidity position, with a total capital ratio of 21.8%, a leverage ratio of 4.3% and a liquidity coverage ratio of 207% per 1H 2020
- Aegon Bank N.V. has a balance sheet of EUR 16.5 billion with more than 675k banking customers and with more than EUR 11.9 billion in savings per 1H 2020
- Aegon is one of the top 5 lenders in the Dutch residential mortgage market and has demonstrated the flexibility to adjust to changing market conditions
- Aegon has a high quality and low risk mortgage lending business, with a stable performance over the last ten years
- Successful arrears management and recovery procedures resulted in low default and loss rates

---

1. Aegon N.V. requested Fitch to simultaneously withdraw all its ratings on Aegon N.V., on all affiliated entities, and on debt instruments and debt programs of these entities with the exception of the SAECURE securitisations. On October 12th 2020 Fitch announced that it plans to withdraw these ratings in approximately 30 days. From that moment onwards, Aegon Bank and its CPT Programme will only be rated by S&P
2. Portfolio swap and Interest rate swap are optional for the Programme
Introduction
Aegon N.V.
What we do
Life insurance, pensions & asset management for approximately 29.9 million customers (FY 2019)

History
Our roots date back more than 175 years

Paid out
€59.4 billion in claims, benefits and plan withdrawals (FY 2019)

Employees
Over 23,500 employees (1H 2020)

Investments
Revenue-generating investments of EUR 883 billion (1H 2020)

Aegon at a glance

Earnings
(Underlying earnings before tax, 1H 2020)

- Americas: 39%
- Netherlands: 33%
- United Kingdom: 10%
- International: 9%
- Aegon Asset Management: 9%
Position of the bank within Aegon

Aegon Bank N.V. is core to the strategy of Aegon Netherlands

Position of the bank within Aegon N.V.

• Categorized in Aegon’s growth strategy
  - One of the most popular and fastest-growing banks in the Netherlands with a market share of 28% with starting self-employed\(^1\)
  - Aegon Bank secured a strong market position in tax-friendly bank savings with approximately 8% market share in portfolios outstanding and approximately 14% in new production\(^2\)

• Cornerstone of Aegon NL strategy
  - Aegon Bank’s retirement savings and investment solutions\(^3\) complement the existing offerings in Aegon’s Retail and Wholesale Segments
  - Aegon Bank’s digital platform (Knab) provides acceleration potential to the entire Aegon organization for retirement solutions

• Aegon Hypotheken B.V. is the originator of Aegon mortgage loans as of 2011

Integration for future growth and reaching target scale

• Aegon Bank is currently one bank with two distinct labels, Aegon and Knab

• In 2019 a strategic review took place and the decision was made to integrate the banking operations Aegon and Knab into one banking operation under the Knab label

• The integration aims to increase focus, accelerate our growth, reduce costs and add more value for our customers

\(^1\) Source: ZZP Barometer

\(^2\) Sources: Dutch Central Bank 2019, company information

\(^3\) Consist of both box 1 (fiscal friendly) and box 3 propositions
Successful Dutch mortgage loan operation

Overview of the Dutch mortgage market
Source: Centraal Bureau voor de Statistiek (CBS)

- Per FY 2019, the total outstanding residential mortgage debt in the Netherlands was EUR 735 billion
- New mortgage lending through 2019 was EUR 104 billion (2018: EUR 106 billion). 1H 2020 new mortgage lending was EUR 70 billion
- Mortgage originators in the Netherlands include banks, insurance companies and specialized mortgage originators
- The mortgage loan portfolio of Aegon NL grew significantly over the last years. Aegon views mortgage loans as an attractive asset class for its balance sheet, which offer a good risk and return profile

1. Fee business constitutes no funding implications for Aegon (only servicing and no refinancing risk)
## Diversified funding of Aegon's mortgage loans

### Competitive advantages
- Strong position with Independent Financial Advisors
- Straight through processing
- Leading mid-office capabilities
- Active in all maturities
- One IT platform

### Mortgage allocation
- Vertical slice allocation

### Nominal mortgage amounts per 1H 2020 (in EUR bn)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMBS – SAECURE programme</td>
<td>6</td>
</tr>
<tr>
<td>Covered Bond</td>
<td>3</td>
</tr>
<tr>
<td>Aegon Bank</td>
<td>5</td>
</tr>
<tr>
<td>Fee business</td>
<td>24</td>
</tr>
<tr>
<td>Life</td>
<td>14</td>
</tr>
<tr>
<td>Non-life</td>
<td>&lt;1</td>
</tr>
</tbody>
</table>

### Characteristics
- Funding diversification
- 19 deals issued since 2000, with SAECURE 16, 17, 18 and 19 still outstanding
- Registered Conditional Pass-Through Covered Bond programme with DNB since 2015
- Covered Bonds are rated AAA (S&P). Total nominal value issued amounts to EUR 2.25bn
- Shorter interest rate reset periods compared with the rest of Aegon entities
- Offering products to customers on both sides of the balance sheet
- Full risk transfer
- Attractive mortgage fund solutions (DMF I and DMF II) and tailored whole loan solutions (FMP)
- Long-dated assets
- Good match against liabilities
- Supports investment income

### Current origination vehicle
- Aegon Hypotheken B.V.

### Vertical slice model
- Similarity based on certain pre-specified risk-return characteristics guaranteed

Source: Aegon
1. SAECURE 19 is a Retained RMBS and is on the balance sheet of Aegon Bank. Issued in May 2020
2. Cover Pool is more than EUR 2.7 billion (including over collateral) on September 30th 2020
Aegon ratings

Objective to maintain strong long-term ratings

<table>
<thead>
<tr>
<th>S&amp;P Global Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aegon N.V.</strong></td>
</tr>
</tbody>
</table>
| Insurance Financial Strength rating, outlook | A+,
stable |
| Issuer credit rating, outlook | A-,
stable |
| **Aegon Bank N.V.** |
| Issuer credit rating, outlook | A,
stable |
| **Aegon Bank N.V. CPT Covered Bond Programme** | AAA |
| **Aegon Bank N.V. Issuer credit ratings last affirmed** | August 25th 2020 |

**Request to withdraw Fitch ratings**

- Aegon N.V. has requested Fitch to simultaneously withdraw all its ratings on Aegon N.V., on all affiliated entities, and on debt instruments and debt programs of these entities with the exception of the SAECURE securitisations.
- The request also covers the withdrawal of the Fitch ratings assigned to Aegon Bank N.V. and the Covered Bonds issued under this Programme.
- The request is part of a drive to further reduce expenses.
- On 12 October 2020 Fitch announced that it plans to withdraw the abovementioned ratings in approximately 30 days.
- From that moment onwards, Aegon Bank and its CPT Programme will only be rated by S&P. For this fifth CPT CB no ratings from Fitch will be sought.
Introduction
Aegon Bank N.V.
Aegon Bank N.V. at a glance

Capital position (1H 2020)

- Total capital ratio: 21.8%
- CET1 ratio: 21.5%
- Leverage ratio: 4.3%

What we do
Retail banking with payment services, savings- and investment products for ca. 675,000 customers (1H 2020)

History
Launched new online banking platform Knab in 2012

Size
Total assets EUR 16.5 billion (1H 2020)

Employees
Over 300 employees (FY 2019)

Investments
Approximately 65% of total assets invested in prime Dutch retail mortgages (FY 2019)
Aegon Bank’s strategy execution

Successfully grew organization and built the first online bank in the Netherlands

2012  Restructured Aegon Bank N.V. and launch of Knab
2013  First consumer loans on balance sheet
2015  Aegon Bank N.V. issued its first Conditional Pass-Through Covered Bond
       Knab successfully achieved the 100k customer base milestone
2017  First small business loans on balance sheet
2018  Knab successfully achieved the 200k customer base milestone
2019  Integrating processes and systems to maximize synergies between the two brands into one bank (Knab label)
       Successfully issued its first Senior Non-Preferred notes (MREL) of EUR 500 million in June 2019
       Nadine Klokke (ex. ING) started as the new CEO of Aegon Bank N.V. as of October 1st 2019
2020  Aegon Bank N.V. successfully issued a retained RMBS (SAECURE 19) to create liquidity in times of extreme stress
The business model of the bank

Focusing on growing retail and small business customers

Retail banking services

• Focus on being a scalable, modular retail bank with strong strategic alliances
• Strong market position in savings deposits through both the Knab label and the Aegon label (Knab will become the main label)
• Growing online banking platform (Knab) focusing on retail and small business segment, specifically self-employed
• Mortgage, online lending and investments provided through internal and external strategic partners
• In the coming years Aegon Bank N.V. will focus on cost reduction by realizing synergies through the integration of its banking operations into one bank
• Full retail banking product suite with payment services, (retirement) savings products, investment products, financial planning tools and alerts

Net interest margin

• Asset mix mainly consists of high quality mortgages originated and serviced through Aegon Hypotheken B.V.
• Consumer & small business loan origination and servicing through international strategic partners
• Investment portfolio managed by Aegon Asset Management

Service management fees

• Fee business from retail banking services, including payment services and investment products
One bank with two distinct labels

Strong market position in self-employed market and bank savings

**Aegon Bank N.V. provides:**

- Through its Knab label over 259k retail and small business customers with insight in their personal financial situation
  - One of the most popular and fastest-growing banks in the Netherlands which stands out in service: Knab received multiple awards and customer satisfaction is rated with 8.1 (scale 1-10, August 2020)
  - Full retail banking product suite with payment services, savings products, investment products, financial planning tools and alerts

- Through its Aegon label over 431k retail customers with banking products for future income in addition to the 2nd pillar pension
  - Savings and investment products with focus on 3rd pillar tax-friendly solutions, directly and through intermediaries
  - Leverage leading position of Aegon Levensverzekering N.V. in 2nd pillar pension market to drive future growth in 3rd & 4th pillar solutions

- In 2019, Aegon Bank decided to integrate Aegon and Knab into one banking operation under the Knab label

**Fast growing Knab customer base**

<table>
<thead>
<tr>
<th>Year</th>
<th>Small business clients</th>
<th>Retail clients</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>112</td>
<td>114</td>
<td>226</td>
</tr>
<tr>
<td>2019</td>
<td>155</td>
<td>124</td>
<td>279</td>
</tr>
</tbody>
</table>

**Growing bank savings portfolio**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>117</td>
</tr>
<tr>
<td>2019</td>
<td>431</td>
</tr>
</tbody>
</table>

---

1. Note that the sum of 124k and 155k (279k) is greater than the number of total customers (259k) due to a segment of customers having both a business and a consumer account.
2. Source: [https://opiness.nl/review/knab](https://opiness.nl/review/knab), dated on August 26th 2020
Clear goals and targets for the future

Customer growth and high NPS
- Maintain excellent service and high NPS
- Continue growth in self-employed, small business and entrepreneurial retail customers
- Integrate our daily banking and wealth accumulation offerings under the Knab label

Sustainable profitability
- Grow the balance sheet to scale of EUR ~20 billion
- Further increase fee business
- Realize cost synergies from integration of labels
- Ensure regulatory compliance with explicit focus on KYC/CDD and AML\(^1\)
- Continued investments in IT and compliance

<table>
<thead>
<tr>
<th>KPI</th>
<th>Medium-term target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net promoter score (NPS)</td>
<td>Maintain +40 points among Knab customers</td>
</tr>
<tr>
<td>Customer growth</td>
<td>+ ~70k customers per year(^2)</td>
</tr>
<tr>
<td>Cost-to-income ratio</td>
<td>60%</td>
</tr>
<tr>
<td>Return on Capital</td>
<td>9%</td>
</tr>
</tbody>
</table>

1. KYC: know your customer; CDD: customer due diligence; AML: anti money-laundering
2. The medium-term target of 70k customers growth per year excludes the potential off-boarded customers that do not comply with AEB’s KYC standards
Risk management

Aegon Bank’s response to COVID-19

Managing the impact of COVID-19

- The COVID-19 outbreak is causing significant disruption to society, impacting our customers, employees, supplier and operations. The health and wellbeing of our customers and employees is our foremost concern.

- From an operational perspective: Knab has benefitted from being a digital bank as we have continued to provide high standard service to our customers despite working remotely.

- The bank experienced a growth in savings, which was driven by deposits made by existing customers, as well as the addition of new customers in 1H 2020.

- For the business customers: Knab created an overview of all arrangements of the Dutch government applicable to them. Useful articles, research reports and financial tips have been published in the Knab Library.

Mitigating credit and liquidity risks from COVID-19

- During the COVID-19 crisis, the bank has maintained a solid capital position, withstanding credit losses.

- Credit risk mainly materialized through impairments on unsecured SME and consumer loans (EUR 85 million, 1H 2020)
  - For new SME lending access to government guaranteed lending was secured.
  - Portfolio de-risking was applied by focusing on the higher rated unsecured retail loans.

- The bank set up a EUR 1.6 billion retained RMBS (SAECURE 19) in May 2020 as contingency measure. The RMBS enables it to access additional liquidity lines in case liquidity needs arise from the COVID-19 pandemic.
Risk management

Impact COVID-19 on the mortgage loan portfolio

Underwriting criteria amendments in response to COVID-19

- Currently Aegon Hypotheken B.V. is extra vigilant in assessing applicant’s income (self-employed borrowers and applicants with flexible contracts) and high LTV/LTI combinations. For defined cases approval by management is required
- Applications with a combination of an LTV > 90% and LTI > 5 will no longer be accepted under standard underwriting criteria
- Aegon Hypotheken B.V. may take further action if deemed necessary

Payment Holidays

- Mortgage customers with (expected) payment difficulties will be handled on a case-by-case basis. So far, this mostly consists of (partial) payment holidays
- Special servicing department can be scaled up further if necessary, by using the available flexible shell of workers with experience both in underwriting and (special) servicing
- As per 30 September 2020, over 300 borrowers out of the total Aegon mortgage loan portfolio have been granted a payment holiday, of which 80 borrowers (which equals 14bps) are part of Aegon Bank’s loan portfolio
- Mortgage loans with a payment holiday > 3 months will be removed from the CPT pool
- Given the limited number of holidays granted, Aegon Bank currently has no plans to specifically report on payment holidays in its investor reports
Risk management

Further strengthen credit risk framework and ensure full compliancy on KYC legislation

Credit risk framework

- In 2020, AEB started with various measures as part of a credit risk roadmap for tightening the Credit Risk (CR) and the Interest Rate Risk in the Banking Book (IRRBB), regarding to e.g.:
  - Credit risk policy
  - Outsourcing controls
  - Model improvements
- Further credit risk improvements has been managed through a number of actions
  - For new SME lending access to government guaranteed lending was secured
  - Portfolio de-risking was applied by focusing on the higher rated unsecured retail loans
- During the COVID-19 crisis, credit risk mainly materialized through impairments on unsecured SME and consumer loans (EUR 85 million, 1H 2020)

Know Your Customer legislation (KYC)

- KYC is a top priority for AEB and is executing a large-scale optimisation and enhancement programme that runs until Q2 2021
  - On-boarding systems have been improved for new customers as well as the maturity of transaction monitoring
  - All customers that do not comply with the new KYC standards or which do not meet the Issuer’s Risk Appetite Statement will be off-boarded. This may result in an outflow of customers and savings
Financials
Aegon Bank N.V.
**Balance sheet composition - Assets**

Roughly 65% of total assets allocated to prime Dutch residential mortgage portfolio

**Balance sheet**
(per 1H 2020, EUR billion)

<table>
<thead>
<tr>
<th></th>
<th>Assets</th>
<th>Liabilities &amp; Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage loans and other loans</td>
<td>13.2</td>
<td>11.9</td>
</tr>
<tr>
<td>Cash and amounts due from banks</td>
<td>0.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Financial assets measured at fair value through other comprehensive income</td>
<td>1.5</td>
<td>2.7</td>
</tr>
<tr>
<td>Other assets</td>
<td>1.5</td>
<td>0.7</td>
</tr>
</tbody>
</table>

**Mortgage loans**
- Low-risk, high-quality mortgage portfolio, with low LtV and high NHG coverage\(^1\)
- Prime Dutch residential mortgage portfolio with an average LtV of approx. 78% per June 30, 2020
- Roughly 73% of Aegon Bank’s mortgage portfolio is guaranteed by Dutch state through NHG scheme per June 30, 2020

**Consumer & small business loans**
- High return portfolio, credit risk managed through diversification
- Multi-channel approach for consumer & small business loans through strategic alliances with international partners providing diversification and flexibility
- Actively managing and de-risking these portfolios through the current crisis

---

1. LtV: Loan-to-Value ratio. NHG: Nationale Hypotheek Garantie; this is a government guarantee scheme for retail mortgage debt
Balance sheet composition – Liabilities & Equity

Predominantly funded through savings and Covered Bonds

Balance sheet composition – Liabilities & Equity

Balance sheet
(per 1H 2020, EUR billion)

- Mortgage loans and other loans: 13.2
- Cash and amounts due from banks: 1.5
- Financial assets measured at fair value through other comprehensive income: 1.5
- Other assets: 0.3
- Savings deposits: 11.9
- Wholesale funding: 2.7
- Other liabilities: 1.1
- Equity: 0.7

Wholesale funding

- Approximately 80% of wholesale funding consists of covered bonds, collateralized by prime Dutch residential mortgage portfolio
- Per June 30, 2020 the wholesale funding consisted exclusively of:
  - EUR 750 million covered bond maturing in December 2020
  - Three covered bonds of EUR 500 million each, maturing in 2023, 2024 and 2027, respectively
  - Aegon Bank N.V. issued successfully its first Senior Non-Preferred bond (EUR 500 million, 2019) and retained RMBS (2020)

Considering the set-up of a Soft Bullet Covered Bond Programme for the future

- In view of recent market trends, Aegon Bank N.V. is considering to set up a Soft Bullet (SB) Covered Bond Programme in addition to the Conditional Pass-Through (CPT) Covered Bond Programme:
  - Longer tenors possible: better ALM matching and reduction of derivatives
  - More attractive spreads
  - Broader investor base
Capital and liquidity position

Strong capital and liquidity position exceeding regulatory requirements

**Capital position**

(1H 2020)

- **Total capital ratio**: 21.8%
- **CET1 ratio**: 21.5%
- **Leverage ratio**: 4.3%

**Liquidity position**

(1H 2020)

- **Liquidity Coverage Ratio (LCR)**: 207.0%
- **Net Stable Funding Ratio (NSFR)**: 135.0%
- **Asset Encumbrance Ratio (AER)**: 20.1%

**Key points**:

- **Strong Total capital ratio** of 21.8%, which is well above the total SREP capital requirement
- **Solid CET1 ratio** in place to ensure sufficient capitalization
- **Leverage ratio** is comfortably above the current 3% regulatory requirement in the Netherlands

- **The LCR and NSFR are both comfortably above the current regulatory requirements of 100%**:
  - Sizeable buffer in place to withstand stress scenarios
  - Survival period of 24+ months, where 6+ months is required
  - Stable long-term funding profile

- **Improved contingency liquidity measures** by issuance of retained RMBS in May 2020 (SAECURE 19)
- **Limited asset encumbrance**: mainly related to covered bonds
Capital ratios improved in 2020

The bank maintains a strong capital position, both on risk weighted and unweighted basis

**Total capital ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>21.9%</td>
</tr>
<tr>
<td>2019</td>
<td>20.0%</td>
</tr>
<tr>
<td>1H 2020</td>
<td>21.8%</td>
</tr>
</tbody>
</table>

**Total Risk Exposure Amount (TREA)**

<table>
<thead>
<tr>
<th>Year</th>
<th>TREA (in EUR millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2,863</td>
</tr>
<tr>
<td>2019</td>
<td>3,682</td>
</tr>
</tbody>
</table>

**Leverage ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>Leverage Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>4.4%</td>
</tr>
<tr>
<td>2019</td>
<td>4.6%</td>
</tr>
<tr>
<td>1H 2020</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

- The main drivers for the increase were the lower risk-weighting caused by higher redemption rates in the unsecured loan portfolio, as well as the alignment of the basis adjustment to the overall mortgage portfolio.
- In 2018 and 2019, Aegon contributed EUR 50 million and EUR 75 million of CET1 capital to Aegon Bank for growth of the bank balance sheet.

- Aegon Bank applies the Standardized Approach to calculate minimum capital requirements.
- Increased TREA in 2019 is mainly due to growth of the bank and increased basis adjustment of mortgages.

- Leverage Ratio decreased mainly due to balance sheet growth and losses taken in 1H 2020.

1. Total capital ratio is total capital divided by Total Risk Exposure Amount
2. Leverage ratio is Tier 1 capital divided by a measure of non-risk weighted assets
# P&L results Aegon Bank N.V.

<table>
<thead>
<tr>
<th>Net interest margin</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Net interest margin improved as a result of increasing scale and decreasing funding costs</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Expenses increase predominantly related to costs for the integration of Knab and AEB. Integration synergies will be in 2021 and 2022</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Results affected by impairment losses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• As a result of the COVID-19 crisis, the bank incurred impairment charges amounting to EUR 85 million related to the IFRS 9 consumer and SME loan loss provisions in the first half of 2020</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>One-offs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• The future decrease of Dutch corporate income tax rates had a one-off positive impact of EUR 7.4 million in 2018</td>
<td></td>
</tr>
</tbody>
</table>

## Amounts in EUR millions

<table>
<thead>
<tr>
<th></th>
<th>EoY 2018</th>
<th>EoY 2019</th>
<th>1H 2019</th>
<th>1H 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net interest margin</strong></td>
<td>191.7</td>
<td>238.8</td>
<td>117.1</td>
<td>124.1</td>
</tr>
<tr>
<td><strong>Net fee and commission income</strong></td>
<td>10.8</td>
<td>15.4</td>
<td>6.7</td>
<td>9.6</td>
</tr>
<tr>
<td><strong>Result from financial transactions</strong></td>
<td>(12.5)</td>
<td>9.8</td>
<td>(2.2)</td>
<td>16.7</td>
</tr>
<tr>
<td><strong>Impairment losses</strong></td>
<td>(48.4)</td>
<td>(69.1)</td>
<td>(35.4)</td>
<td>(85.2)</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>141.6</td>
<td>194.8</td>
<td>86.3</td>
<td>65.2</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>144.1</td>
<td>155.6</td>
<td>74.6</td>
<td>91.4</td>
</tr>
<tr>
<td><strong>Income / (loss) before tax</strong></td>
<td>(2.5)</td>
<td>39.2</td>
<td>11.7</td>
<td>(26.2)</td>
</tr>
<tr>
<td><strong>Income tax</strong></td>
<td>8.2</td>
<td>(12.6)</td>
<td>(2.6)</td>
<td>7.7</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>5.7</td>
<td>26.6</td>
<td>9.1</td>
<td>(18.5)</td>
</tr>
</tbody>
</table>

1. Financial information based on statutory annual reports, which differs from segment results for Banking reported by the Group for Aegon Netherlands. The difference is partly explained by the elimination of intra-group transactions and application of IFRS 9 (adopted per 2018 by Aegon Bank; for 2017 IAS 39 was applied) accounting principles at Aegon Bank legal entity level.
Key financial metrics over time

Balance sheet growth and expense reduction initiatives, targeting a RoE of 9%

Cost-to-Income ratio\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost-to-Income Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>84%</td>
</tr>
<tr>
<td>2019</td>
<td>79%</td>
</tr>
<tr>
<td>1H 2020</td>
<td>81%</td>
</tr>
<tr>
<td>Medium-term target</td>
<td>60%</td>
</tr>
</tbody>
</table>

Return on Equity\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Return on Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3%</td>
</tr>
<tr>
<td>2019</td>
<td>4%</td>
</tr>
<tr>
<td>1H 2020</td>
<td>4%</td>
</tr>
<tr>
<td>Medium-term target</td>
<td>9%</td>
</tr>
</tbody>
</table>

- Strong focus on cost control and expense reduction, targeting a cost-to-income ratio of 60%
- Expense reductions to be achieved by integrating processes and systems to maximize synergies between the Aegon Bank brand and Knab

Aegon Bank manages its business based on a non-IFRS-EU financial measure, namely underlying earnings before tax

1. Cost-to-income ratio is calculated as Operating expenses divided by Operating income as defined in the banks’ underlying earnings before tax measure
2. Return on Equity is calculated as Underlying earnings after tax (applying a nominal tax rate) divided by average IFRS equity excluding the revaluation reserve

• RoE over the period 2018 - 1H 2020 reflects scale-up phase
• Balance sheet growth and expense reduction initiatives should result in medium-term target RoE of 9%
## Summary

### Strategic priorities and KPIs
- Customer satisfaction is a core strategic priority of the bank, aiming to maintain a Net Promoter Score at +40
- The bank needs to grow its customer base to achieve scale, targeting a net growth of 70k customers per year
- Merging the two labels into Knab will reduce costs, increase efficiency, innovation and customer service
- Aegon Bank N.V.’s ambition is to grow the balance sheet to reach scale

### Cornerstone of strategy
- Aegon Bank N.V. is a focused player in financial services and key to Aegon’s strategy
- Strong market position in self-employed market and banking savings
- High quality assets, strong liquidity buffer and stable long-term profile

### Business & Financials
- Knab maintains the growth rate of new customers and hence increasing fee income
- Increased cost control to ensure sufficient profitability with a 60% medium term target cost-to-income
- In the coming years capital generation will be a key priority with a medium-term target return on equity of 9%
- Strong focus on ensuring regulatory compliance with explicit focus on KYC/CDD and AML

### Capital, Liquidity & Funding
- Maintained a solid capital and liquidity position, withstanding COVID-19 pandemic related economic shock
- No significant outflows of savings nor churn of customers as a result of the forced lockdown during the first COVID-19 wave
- Capital position impacted by additions to the IFRS 9 loan loss provisions for unsecured lending portfolios
The Dutch economy and housing market
Dutch economy is strongly affected by COVID-19

GDP growth (YoY change)

Unemployment rate (%)

Dutch EMU Debt & Balance (%GDP)

Inflation (%)

Source: CBS
### Government support in response to COVID-19

On October 1\(^{\text{st}}\) 2020 a 3\(^{\text{rd}}\) set of support measures came into place that includes:

#### Temporary Emergency Scheme for Job Retention “NOW 3”
- “NOW 3” in place until June 30\(^{\text{th}}\) 2021, divided into 3 quarters (starting at October 1\(^{\text{st}}\) 2020)
- Payroll subsidy to compensate for up to 80% of a company’s payroll, reduced to 70% and 60% per quarter
- Demonstrated revenue loss must be at least 20% (30% from January 2021 onwards)
- “NOW 1” and “NOW 2” are now closed

#### Temporary self-employment income support “TOZO 3”
- Temporary social assistance “*bijstand*” until April 1\(^{\text{st}}\) 2021 for self-employed professionals to bridge the loss of income
  - Income topped up to EUR 1,512 net per month for families (EUR 1,059 for singles)
  - Not means-tested, but test on income of spouse
- “TOZO 4” will start April 1\(^{\text{st}}\) 2021 and will run until June 30\(^{\text{th}}\) 2021

#### Reimbursement Fixed Costs Scheme for SMEs “TVL”
- Compensation for affected SMEs for fixed costs other than wage costs
- Until June 30\(^{\text{th}}\) 2021 (3 quarters), max EUR 90,000 per quarter
- Applicable for all SMEs regardless of their sector (except financial service providers); from 2021 for selected sectors (hospitality businesses, event businesses and related suppliers)

#### Other measures
- Expansion of government SME loan guarantee scheme (BMKB-C)
- Extension of the loan (state) guarantee system (GO-C)
- New loan guarantee facility for smaller companies (KKC)
- Tax holiday for companies until December 2020
Facts and figures Dutch mortgage market

Overview 1H 2020

- Total mortgage production increased to record level of €70bn (+29%) in 1H 2020
- Strongest growth in the refinancing segment (+46.8%)
- Newly built segment has increased strongly (+46%) in 1H 2020
- Average transaction price came to a record level of €327,000

- Number of permissions for newly built properties remained stable
- HDN registered a record number of mortgage applications in 1H 2020 (284,593)
- Average LTI increased but average LTV decreased per mortgage application
- ESG has become increasingly relevant in the Dutch mortgage market

Source: Centraal Bureau voor de Statistiek (CBS); Hypotheek Data Nederland (HDN), Kadaster
# Policy developments Dutch mortgage market

<table>
<thead>
<tr>
<th>Aegon specific developments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific offers for flex workers and self employed customers</td>
</tr>
<tr>
<td>Interest rate averaging offered to customers</td>
</tr>
<tr>
<td>Implementation of automatic LTV migration</td>
</tr>
<tr>
<td>Aegon stops offering interest rate averaging</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LTV &amp; Interest deductibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTV: 103% Interest deductibility: 51.0%</td>
</tr>
<tr>
<td>LTV: 102% Interest deductibility: 50.5%</td>
</tr>
<tr>
<td>LTV: 101% Interest deductibility: 50.0%</td>
</tr>
<tr>
<td>LTV: 100% Interest deductibility: 49.5%</td>
</tr>
<tr>
<td>LTV: 100% Interest deductibility: 49% In 2020-2023 decrease by 3% per year</td>
</tr>
<tr>
<td>Interest deductibility: 46%</td>
</tr>
<tr>
<td>Interest deductibility: 43%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tax regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residual debt remains deductible (15yr)</td>
</tr>
<tr>
<td>Gradually restructured income tax system to 2 tariffs in 2021</td>
</tr>
<tr>
<td>Stamp Duty exemption for 1st time buyers (&lt;35yr)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NHG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximal EUR 245k</td>
</tr>
<tr>
<td>Maximal EUR 245k</td>
</tr>
<tr>
<td>Maximum amount based on average house price. Remains at maximal EUR 245k</td>
</tr>
<tr>
<td>Maximum amount based on average house price. Set at maximal EUR 265k</td>
</tr>
<tr>
<td>Maximum amount based on average house price. Set at maximal EUR 280k</td>
</tr>
<tr>
<td>Maximum house price set at EUR 310k</td>
</tr>
<tr>
<td>NHG fee reduced to 0.7% of loan amount</td>
</tr>
<tr>
<td>Maximum house price set at EUR 325k</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase out ‘Hillen-arrangement’ (tax relief for nearly repaid mortgages) over 30 years</td>
</tr>
<tr>
<td>Partner income counts for 80% in calculating maximum mortgage amount allowed (up from 70%)</td>
</tr>
<tr>
<td>Partner income counts for 90% in calculating maximum mortgage amount allowed (up from 80%)</td>
</tr>
</tbody>
</table>
Dutch housing market

Changing household composition requires more supply

Dutch household composition

Dutch house supply

Source: CBS
In September 2020, the YoY increase in house prices was 8.6%, up from 6.5% in December 2019, according to CBS.

As at the end of Q3 2020, the Dutch housing market has not been negatively affected by the COVID-19 pandemic so far.

However, with rising unemployment, lower wage increases and declining consumer confidence, the Dutch Central Bank expects housing prices to increase by 4.3% in 2020 but will decline by 2.1% in 2021 and 3.7% in 2022.¹

Source: Eurostat
1. Dutch Central Bank, Economische ontwikkeling en vooruitzichten Juni 2020
ESG at the core of Aegon’s business

ESG at the core of our business

- Aegon wants to contribute to achieve the Dutch government’s climate goals of reducing CO2 emissions to (almost) zero by 2050
- Consumers experience a barrier to make sustainable choices due to a lack of money and a lack of knowledge
- Aegon Hypotheken B.V. believes that CO2 reduction is mainly stimulated by sustainable improvements in existing homes
  - Aegon does not consider giving financial discounts to better energy labels (A+, A or B) to be a good incentive (i.e. no discount pricing)
- Aegon focuses on developing products and propositions to help customers to make sustainable choices by providing insight and financial solutions
  - This underlines Aegon’s mission to enable customers to make the right choices for a healthy financial future

Recent ESG developments

- New efforts in improving energy efficiency of the mortgage portfolio
  - Additional financing possibilities via sustainable mortgage depot
  - Increase awareness amongst mortgage clients (blogs, advertisement)
  - Introduction of online sustainability tool for mortgage clients
- Development of additional ESG Report and reporting on energy labels in mortgage portfolio
- Pro-actively contacted over 13,000 clients with options for and benefits of sustainable investments in their property in 2019
Conditional Pass-Through Covered Bond Programme
Aegon Bank N.V.
### Conditional Pass-Through Covered Bond Programme

<table>
<thead>
<tr>
<th>Programme summary</th>
<th>Key benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issuer</strong></td>
<td>Highly rated issuer: Aegon Bank N.V. A (S&amp;P)&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Programme size</strong></td>
<td>Obligation for Aegon Bank N.V. to redeem the bond at expected maturity date (no optionality)</td>
</tr>
<tr>
<td><strong>Portfolio</strong></td>
<td>Recourse to CBC in case of default of Aegon Bank N.V.</td>
</tr>
<tr>
<td><strong>Format</strong></td>
<td>De-linkage from issuer rating; a downgrade of the issuer rating does not directly affect the Covered Bonds rating</td>
</tr>
<tr>
<td><strong>Extension Period</strong></td>
<td>Covered Bonds are expected to:</td>
</tr>
<tr>
<td><strong>Guarantor</strong></td>
<td>qualify as LCR eligible (Level 1)</td>
</tr>
<tr>
<td><strong>Ratings&lt;sup&gt;1&lt;/sup&gt;</strong></td>
<td>be Solvency II eligible</td>
</tr>
<tr>
<td><strong>Collateral</strong></td>
<td>be UCITS and CRR article 129 compliant</td>
</tr>
<tr>
<td><strong>Documented minimum OC</strong></td>
<td>be ECB repo eligible</td>
</tr>
<tr>
<td><strong>Robust structure</strong></td>
<td>W.A. CLtOMV of 74.9%&lt;sup&gt;3&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Contains high percentage of NHG (69.0%&lt;sup&gt;3&lt;/sup&gt;)</td>
</tr>
<tr>
<td></td>
<td>All mortgage loans backed by eligible collateral</td>
</tr>
<tr>
<td></td>
<td>Industry compliance through NTT and HTT reporting</td>
</tr>
<tr>
<td></td>
<td>ECBC Covered Bond Label</td>
</tr>
</tbody>
</table>

---

1. Aegon N.V. requested Fitch to simultaneously withdraw all its ratings on Aegon N.V., on all affiliated entities, and on debt instruments and debt programs of these entities with the exception of the SAECURE securitisations. On October 12th 2020 Fitch announced that it plans to withdraw these ratings in approximatively 30 days. From that moment onwards, Aegon Bank and its CPT Programme will only be rated by S&P.

2. Portfolio swap and Interest rate swap are optional for the Programme

3. As of September 30th 2020 – For the most recent Investor Reports please look at www.aegon.com/coveredbond
## Conditional Pass-Through Programme highlights

### Key Programme Parties

<table>
<thead>
<tr>
<th>Role</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Originators</td>
<td>Aegon Hypotheken / Aegon Leven</td>
</tr>
<tr>
<td>Transferor</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>Issuer</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>Servicer</td>
<td>Aegon Hypotheken</td>
</tr>
<tr>
<td>Administrator</td>
<td>Aegon Bank</td>
</tr>
<tr>
<td>Back-up Administrator</td>
<td>Intertrust</td>
</tr>
<tr>
<td>Asset Monitor</td>
<td>PwC</td>
</tr>
<tr>
<td>Director CBC</td>
<td>Intertrust</td>
</tr>
<tr>
<td>Security Trustee</td>
<td>Stichting Security Trustee Aegon Conditional Pass-Through Covered Bond Company</td>
</tr>
<tr>
<td>CBC Account Bank</td>
<td>BNG Bank</td>
</tr>
<tr>
<td>Principal Paying Agent</td>
<td>Citibank</td>
</tr>
<tr>
<td>Custodian</td>
<td>ABN AMRO</td>
</tr>
</tbody>
</table>

### Transaction Structure

1. Portfolio swap and Interest rate swap are optional for the Programme
Conditional Pass-Through Programme highlights

Cover Pool characteristics

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal balance</td>
<td>EUR 2,896,830,922</td>
</tr>
<tr>
<td>Value of saving deposits</td>
<td>EUR 182,667,278</td>
</tr>
<tr>
<td>Net principal balance</td>
<td>EUR 2,714,163,644</td>
</tr>
<tr>
<td>Number of loans</td>
<td>16,439</td>
</tr>
<tr>
<td>Number of loan parts</td>
<td>31,863</td>
</tr>
<tr>
<td>Average principal balance (borrower)</td>
<td>165,105</td>
</tr>
<tr>
<td>Weighted average current interest rate</td>
<td>3.11%</td>
</tr>
<tr>
<td>Weighted average remaining fixed rate period (yrs)</td>
<td>13.51</td>
</tr>
<tr>
<td>Weighted average seasoning (yrs)</td>
<td>5.99</td>
</tr>
<tr>
<td>Weighted average CLtOMV</td>
<td>74.94%</td>
</tr>
<tr>
<td>Weighted average CLtIMV</td>
<td>57.78%</td>
</tr>
<tr>
<td>NHG (%)</td>
<td>69.0%</td>
</tr>
</tbody>
</table>

Product Types

Highlights Cover Pool

Interest rate buckets

<table>
<thead>
<tr>
<th>Bucket</th>
<th>0% - 1%</th>
<th>1% - 2%</th>
<th>2% - 3%</th>
<th>3% - 4%</th>
<th>4% - 5%</th>
<th>5% - 6%</th>
<th>&gt; 6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>50%</td>
<td>19%</td>
<td>16%</td>
<td>5%</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

Time to interest reset date

<table>
<thead>
<tr>
<th>Time</th>
<th>0-1</th>
<th>1-2</th>
<th>2-3</th>
<th>3-4</th>
<th>4-5</th>
<th>5-6</th>
<th>6-7</th>
<th>7-8</th>
<th>8-9</th>
<th>9-10</th>
<th>10-15</th>
<th>15-20</th>
<th>20-25</th>
<th>25-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>8%</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td>4%</td>
<td>2%</td>
<td>1%</td>
<td>3%</td>
<td>3%</td>
<td>8%</td>
</tr>
</tbody>
</table>

CLtIMV

<table>
<thead>
<tr>
<th>Guarantee</th>
<th>NHG</th>
<th>&lt;= 20%</th>
<th>20% - 40%</th>
<th>40% - 50%</th>
<th>50% - 60%</th>
<th>60% - 70%</th>
<th>70% - 80%</th>
<th>80% - 90%</th>
<th>90% - 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>69%</td>
<td>1%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>6%</td>
<td>3%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Current loan balance (in EUR)

<table>
<thead>
<tr>
<th>Range</th>
<th>0-100k</th>
<th>100-200k</th>
<th>200-300k</th>
<th>300-400k</th>
<th>400-500k</th>
<th>&gt; 500k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>6%</td>
<td>54%</td>
<td>31%</td>
<td>5%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Asset Cover Test

1. Adjusted aggregate asset amount\(^1\) \(\geq\) outstanding Covered Bonds

\[
\text{Adjusted aggregate asset amount} = A + B + C - Z
\]

- The calculation of ‘A’ includes:
  - 93% asset percentage
  - 80% LTMV cut-off
  - Deductions of savings deposits above EUR 100k (if issuer rating trigger hit)
  - Deduction of arrears and defaulted receivables
  - Deduction of construction deposits
  - Deduction of Long Term Mortgage Loans if > 10% of Cover Pool
- ‘B’ and ‘C’ represent cash and substitution assets
- ‘Z’ represents the ‘Interest Reserve Required Amount’

2. Minimum OC level

The Net Outstanding Principal Amount of all Mortgage Receivables
- Any Defaulted Receivables
+ Substitution Assets
+ All amounts standing to the balance of the CBC Transaction Accounts
- Swap Collateral Amounts;

Will always be at least equal to 110\(^2\) of the aggregate Principal Amount Outstanding of the Covered Bonds

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1. Please refer to section 16 of the base prospectus for a detailed overview
2. 10% committed minimum OC level, regulatory minimum OC requirement is 5%
Conditional Pass-Through Structure

- The Conditional Pass-Through structure ensures an orderly wind-down of the Cover Pool and avoids the risk of a fire sale.
- The Covered Bonds are bullet obligations of the issuer. Ahead of issuer default, Aegon Bank will make both coupon and principal payments under the programme.
- Once the Pass-Through mode is entered into:
  - All cash flows received by the CBC in respect of the Cover Pool (principal and excess interest) can be used to pay down the relevant outstanding Covered Bonds.
  - Every six months an attempt will be made to sell (a randomly selected part of) the Cover Pool.
- The sale can only proceed if the Amortisation Test does not deteriorate.
- During the Pass-Through phase, the OC is expected to increase as a result of the pay down of the outstanding Covered Bonds, and a sale of the Cover Pool becomes more likely.

1. Assuming, inter alia, all bonds in pass-through mode, 5% CPR, no losses.

**Expected increase of OC in Pass-Through scenario**  
(by month)

**Conditional Pass-Through Mechanics**

- Issuer Event of Default
  - No: Bullet Maturity
  - Yes: Amortisation Test
    - Pass: Bullet Maturity
    - Fail: Insufficient funds at Maturity

- All CB’s converted to Pass-Through

**Comparison Covered Bond structures**

- Hard Bullet Covered Bonds
- Soft Bullet Covered Bonds
- CPT Covered Bonds

Extension Period (max 32yr)
To illustrate the CPT mechanism this slide shows CB repayments for various scenarios. Here we assume a programme with two bonds outstanding.

For the scenarios a combination of three events can occur:

- Bank default
- Pool sale not possible
- Breach Amortisation Test

### Four Potential Scenarios – CPT Covered Bonds

**A - CPTCB**

- **Base case:** The bank redeems bond at scheduled maturity
- **Time →**
- **Outstanding**
  - Bond I
  - Bond II

**B - CPTCB**

- Following a bank default, available cash is retained by the CBC and the bonds are redeemed at scheduled maturity date by available cash and potentially by sale of part of the Cover Pool. Principal and interest tests are included to protect later maturing bonds
- **Time →**
- **Outstanding**
  - Bond I
  - Bond II
- **Bank default**

**C - CPTCB**

- **Time →**
- **Outstanding**
  - Bond I
  - Bond II
- **Bank default**
- **Pool sale not possible**

- **..if in addition, at scheduled maturity of a bond part of the Cover Pool cannot be sold, that bond becomes pass-through. Every six months such sale is attempted again, in the mean time available cash is paid out on the pass-through bonds**

**D - CPTCB**

- **Time →**
- **Outstanding**
  - Bond I
  - Bond II
- **Bank default**
- **Pool sale not possible**
- **Breach Am. Test**

- **..if in addition, the pool deteriorates and the Amortisation Test is also breached, all bonds become pass-through bonds**
Four Potential Scenarios – Hard Bullet Covered Bonds

Hard Bullet Covered Bond and CPTCB are very similar, only under severe stress the work-out scenario differs.

For the scenarios a combination of three events can occur:
- ✍️ Bank default
- 🔴 Pool sale not possible
- 🔴 Breach Amortisation Test

**A – Hard Bullet CB**

Base case: The bank redeems bond at scheduled maturity

**B – Hard Bullet CB**

Following a bank default, available cash is retained by the CBC and the bonds are redeemed at scheduled maturity date by available cash and sale of part of the Cover Pool. Principal test is included to protect later maturing bonds.

**C – Hard Bullet CB**

..if in addition, at scheduled maturity of a bond part of the Cover Pool cannot be sold to redeem the bonds at par, all bonds accelerate and the pool is sold, which may result in a loss on the bonds.

**D – Hard Bullet CB**

..if in addition, the pool deteriorates and the Amortisation Test is also breached, all bonds accelerate and the Cover Pool is sold resulting potentially in a loss on the bonds.
## Comparison to other Dutch Covered Bond programmes

<table>
<thead>
<tr>
<th>ABN AMRO</th>
<th>Achmea</th>
<th>Aegon</th>
<th>Van Lanschot Kempen</th>
<th>ING</th>
<th>NIBC</th>
<th>NN Bank</th>
<th>Rabobank</th>
<th>de Volksbank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Guarantor</strong></td>
<td>ABN AMRO CB Company</td>
<td>Achmea CPT CB Company</td>
<td>Aegon CPT CB Company</td>
<td>Van Lanschot CPT CB Company</td>
<td>a) ING CB Company</td>
<td>b) ING SB CB Company</td>
<td>a) NN CPT CB Company</td>
<td>Rabobank CB Company</td>
</tr>
<tr>
<td><strong>Issuer Rating (S/M/F)</strong></td>
<td>A+/A1/A</td>
<td>A-/NR/A</td>
<td>A/NR/INR</td>
<td>BBB+/NR/BBB+</td>
<td>A+/Aa3/A</td>
<td>BBB+/NR/BBB</td>
<td>A-/NR/NR</td>
<td>A+/Aa3/A+</td>
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<tr>
<td><strong>Programme Rating (S/M/F)</strong></td>
<td>NR/aaa/AAA</td>
<td>NR/aaa/AAA</td>
<td>AAA/INR/INR</td>
<td>AAA/INR/AAA</td>
<td>a) AAA/aaa/aaa</td>
<td>b) AAA/INR/AAA</td>
<td>a) AAA/INR/INR</td>
<td>NB/aaa/INR</td>
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<tr>
<td><strong>Mortgage lending position</strong></td>
<td>2</td>
<td>9</td>
<td>4</td>
<td>Not in top 10</td>
<td>3</td>
<td>8</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td><strong>Indexed Valuation</strong></td>
<td>Kadaster, 85% increase 100% decrease</td>
<td>Calcasa, 90% increase 100% decrease</td>
<td>Kadaster, 90% increase 100% decrease</td>
<td>Kadaster, 90% increase 100% decrease</td>
<td>Kadaster, 90% increase 100% decrease</td>
<td>Kadaster, 90% increase 100% decrease</td>
<td>Kadaster, 90% increase 100% decrease</td>
<td>Kadaster, 100% increase 100% decrease</td>
</tr>
<tr>
<td>NHG%</td>
<td>0%</td>
<td>14.6%</td>
<td>69.0%</td>
<td>0%</td>
<td>a) 5.5%</td>
<td>b) 27.2%</td>
<td>16.9%</td>
<td>a) 16.9%</td>
</tr>
<tr>
<td>Interest only%</td>
<td>48.9%</td>
<td>52.5%</td>
<td>32.4%</td>
<td>66.7%</td>
<td>a) 67.8%</td>
<td>b) 41.2%</td>
<td>41.9%</td>
<td>a) 31.5%</td>
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<tr>
<td>LTV Cut-Off (ACT)</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
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<td>80%</td>
</tr>
<tr>
<td>Asset Percentage</td>
<td>88.9%</td>
<td>93.5%</td>
<td>93.0%</td>
<td>95.0%</td>
<td>a) 97.6%</td>
<td>b) 97.2%</td>
<td>97.5%</td>
<td>a) 94.0%</td>
</tr>
<tr>
<td>Total Return Swap Provider</td>
<td>n.a.</td>
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<td>n.a.</td>
<td>n.a.</td>
<td>Ing Bank N.V.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Comments</td>
<td>ABN AMRO has:</td>
<td>a) Public programme</td>
<td>b) Retained programme</td>
<td>Van Lanschot has:</td>
<td>a) Public programme</td>
<td>b) Retained programme</td>
<td>ING has 2 public programmes</td>
<td>NN has 2 public programmes</td>
</tr>
</tbody>
</table>

1. Source: Company September 2020 Covered Bond Monthly Investor Reports
2. Source: Dutch Land Registry 1H 2020 (Kadaster)
3. Source: DACB (updated December 2019)
4. Aegon N.V. requested Fitch to simultaneously withdraw all its ratings on Aegon N.V., on all affiliated entities, and on debt instruments and debt programs of these entities with the exception of the SAECURE securitisations. On 12 October 2020 Fitch announced that it plans to withdraw these ratings in approximatively 30 days. From that moment onwards, Aegon Bank and its CPT Programme will only be rated by S&P.
Helping people achieve a lifetime of financial security

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