

# Dividend Policy

The Hague, May 2023



Aegon aims to pay out a sustainable dividend to allow equity investors to share in Aegon's performance, which can grow over time if Aegon's performance so allows. Aegon's plans for returning capital to shareholders are based on: the actual and expected capital position of its operating units, the expected levels of capital generation and free cash flow, and the expected allocation of capital to invest in Aegon's strategy and in the quality of its balance sheet.

### Capital remittances from operating units

After investment in new business to generate organic growth, the expected capital generation in Aegon's operating units is available for distribution to the Company, while maintaining a capital and liquidity position in the operating units in line with Aegon's capital management and liquidity risk policies in addition to adhering to local regulatory and statutory requirements and restrictions.

### Capital returns to shareholders

Aegon uses cash flows from its operating units to pay unallocated holding expenses, including funding costs. The remaining cash flow is available to execute Aegon's strategy and to fund dividends on its shares, subject to maintaining the Company's capital and liquidity in line with its capital management and liquidity risk policies.

Aegon's Executive Board takes into account the applicable laws, the actual and expected capital position of its operating units, Cash Capital at Holding balances, leverage ratios and strategic considerations when declaring or proposing dividends on common shares. Depending on circumstances, future prospects and other considerations, Aegon's Executive Board has discretion to deviate from the aforementioned capital and liquidity measures.

While Aegon uses dividend as the primary means to distribute capital to Aegon's shareholders, share buy-back programs are also recognized as an appropriate means to return capital.

If Aegon decides to distribute (interim) dividends, it is Aegon's intention to pay these dividends in cash. However, Aegon's Executive Board will have the discretion to make dividend payments solely in stock or offer the holder of common shares a choice between cash or stock dividends, if appropriate under the prevailing circumstances.

In connection with dividends that are paid out in cash Aegon's corporate website will publish if and where Dividend Reinvestment Programs ('DRIP') are available. Aegon pays cash dividends on shares of New York registry in US dollars through Citibank, N.A., Aegon's NYSE paying agent, based on the foreign exchange reference rate (WM/Reuters closing spot exchange rate fixed at 5.00 pm Central European Summer Time ('CEST')) on one business day before the US-ex dividend day. For dividends which holders may elect to receive in either cash or in stock, the value of the stock alternative may differ from the value of the cash option. The value of shares distributed as stock dividend may be repurchased in the market in order to undo the dilution caused by the distribution of dividend in stock.

### Governance

Under Dutch law and Aegon's Articles of Association, holders of Aegon's common shares are entitled to dividends paid out of the profits remaining, if any, after the creation of a reserve account.

Aegon may make one or more dividend distributions to the holders of common shares. The decision to declare an interim dividend or to propose to the Annual General Meeting of Shareholders to approve a final dividend is at the full discretion of Aegon's Executive Board and is subject to Supervisory Board approval.

Aegon's Executive Board determines the dividend payment date and the dividend record date for the common shares. Aegon's Executive Board, with the approval of Aegon's Supervisory Board, also determines the currency or currencies in which the dividends are paid. Under normal circumstances, Aegon expects to propose a final dividend at the Annual General Meeting of Shareholders and to declare an interim dividend when announcing its second quarter results. Depending on circumstances, future prospects and other considerations, Aegon's Executive Board may choose to deviate from this approach.

### Prudency

When planning and determining whether to declare or propose dividends, Aegon's Executive Board balances prudence with offering an attractive return to shareholders. This is particularly important during adverse economic and/or financial market conditions. Furthermore, Aegon's operating units are subject to local insurance regulations that could restrict dividends to be paid to the Company.

There is no requirement or assurance that Aegon will declare and pay any dividends.