

Aegon Bank N.V.

Conditional Pass-Through Covered Bond Programme

November 2017

Helping people achieve a lifetime of financial security



Disclaimer

This presentation was prepared by Aegon Bank N.V. (“Aegon Bank” or the “Company”).

Although the information in this presentation has been obtained from sources which the Company believes to be reliable, the Company does not represent or warrant its accuracy or completeness, and such information may be incomplete or condensed. The Company will not be responsible for the consequences of reliance upon any opinion or statement contained herein or for any omission.

In preparing this presentation, the Company has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from various sources. This presentation may be subject to variation to the extent that any assumptions contained herein prove to be incorrect, or in the light of future information or developments relating to the transaction or following discussions with relevant transaction parties. No assurance can be or is given that the assumptions on which the information is made will prove correct. Information of this kind must be viewed with caution and should not be treated as giving investment advice.

The information in this presentation reflects currently prevailing conditions and views, which are subject to change. Any historical information is not indicative of future performance. Opinions and estimates may be changed without notice and involve a number of assumptions which may not prove valid. Average lives of and potential yields on any securities cannot be predicted as the actual rate of repayment as well as other relevant factors cannot be determined precisely. No assurance can be or is given that the assumptions on which such information is made will prove correct. Information of this kind must be viewed with caution.

The Company assumes no obligation to notify or inform the recipient of any developments or changes occurring after the date of this presentation that might render its contents untrue or inaccurate in whole or in part. In addition, no representation or warranty, expressly or implied, is or will be made in relation to, no reliance should be placed on and no responsibility is or will be accepted by the Company or its respective affiliates, agents, directors, officers, partners, employees or advisers, as to the accuracy and completeness of the information contained in this presentation and nothing in this presentation shall be deemed to constitute such a representation or warranty or to constitute a recommendation to any person to acquire securities.

The recipient of this information acknowledges that the Company does not owe or assume any duty of care or responsibility to the recipient. The recipient of this presentation cannot derive any rights from any estimates, outlooks, highlights, overviews etc. included in this document. The Company and its respective affiliates, agents, directors, officers, partners, employees and advisers accept no liability whatsoever for any loss or damage howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith and any and all such liability is expressly disclaimed.

This presentation contains “forward-looking statements”. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company accepts no obligation to update the forward-looking statements contained herein to reflect actual results, changes in assumptions, or changes in factors affecting these statements.

This presentation is provided for discussion purposes only, does not constitute an offer or invitation for the sale, purchase, exchange or transfer of any securities or a recommendation to enter into transactions hereby contemplated and it does not constitute a prospectus or offering document in whole or in part. The structure and facilities described in this presentation are indicative, are meant to develop over time and serve only as examples.

No representation, warranty or undertaking, express or implied, is made as to and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. This presentation is not to be relied upon in any manner as legal, tax, regulatory, accounting or any other advice and shall not be used in substitution for the exercise of independent judgment and each person made aware of the information set-forth hereof shall be responsible for conducting its own investigation and analysis of the information contained herein.

The information contained herein is confidential and is intended for use only by the intended recipient. This presentation is not intended for U.S. investors nor U.S. persons. The presentation nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions (collectively, the “United States”) directly or indirectly. Any failure to comply with these restrictions may constitute a violation of U.S. or other securities laws, as applicable.

The information contained herein may not be reproduced or redistributed (in whole or in part) in any format without the express written approval of the Company.

Aegon Bank is supervised by the Dutch Central Bank and the Authority for the Financial Markets in the Netherlands. By attending the presentation to which this document relates, you will be deemed to have represented, warranted and agreed that you have read and will comply with the contents of this notice.

Content

01 Introduction

Slides 4-11

02 Aegon Bank N.V. At a glance

Slides 12-21

03 The Dutch Housing and Mortgage market

Slides 22-27

04 Aegon Bank N.V. Conditional Pass-Through Covered Bond Programme

Slides 28-38

05 Contact information

Slide 39

A photograph of a modern office interior with large windows overlooking a city skyline at sunset. The scene is filled with silhouettes of business professionals. On the left, a man in a blue shirt talks on a mobile phone while holding a document. In the center, a woman in a dark suit works on a laptop. To her right, a man and a woman in business attire are engaged in a discussion, with the woman pointing at something. On the far right, two men in suits are looking at a laptop together. The floor is highly reflective, mirroring the people and the bright light from the windows. The overall atmosphere is professional and collaborative.

Introduction

Executive Summary

Aegon Bank N.V.'s profile and mortgage portfolio

Aegon Bank N.V.

- ▶ Aegon is one of the top 3 lenders in the Dutch residential mortgage market and has demonstrated the flexibility to adjust to changing market conditions
- ▶ Highly rated issuer: Aegon Bank A+/A- (S&P/Fitch)
- ▶ Solid performance on all key financials through H1 2017. The activities of Aegon Bank N.V. show sound financials and the operations are strongly tied into Aegon Group
- ▶ Strong capital position with a CET1 Ratio of 20.6% (H1 2017) already meeting the medium term target of 16% and a Leverage ratio of 4.1% (H1 2017)

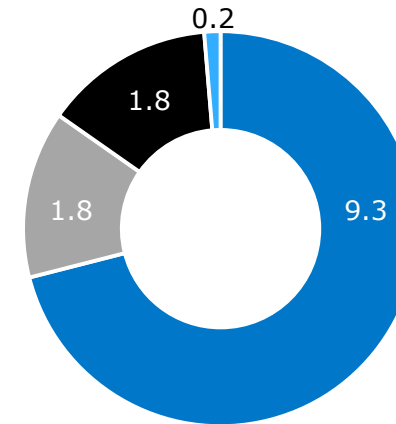
Solid Conditional Pass-Through Covered Bond programme

- ▶ Registered Conditional Pass-Through Covered Bond programme with DNB
- ▶ Covered Bonds are rated AAA/AAA (S&P/Fitch), dual recourse
- ▶ Favourable regulatory treatment (LCR level 1, Solvency II, ECB CBPP3, ECB repo eligible, ECBC Covered Bond Label, exemption from bail-in)
- ▶ Aegon Bank launched three successful Covered Bonds in Q4 2015, Q2 2016 and Q2 2017

High quality Mortgage Loan Portfolio

- ▶ Aegon NL's portfolio of prime residential mortgage loans amounted to approximately EUR 38bn (including fee business) at H1 2017
- ▶ Aegon NL 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 minimal default and loss rates

Aegon Bank N.V. – Asset composition and key ratios

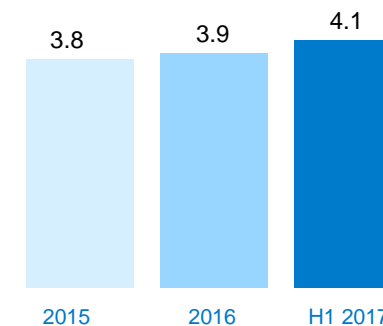


Assets

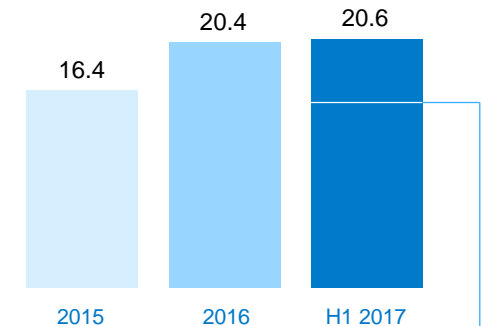
Total **EUR 13.1bn** (H1 2017)

- Mortgage loans and other loans
- Fixed income securities
- Cash and amounts due from banks
- Other

Leverage ratio (%)

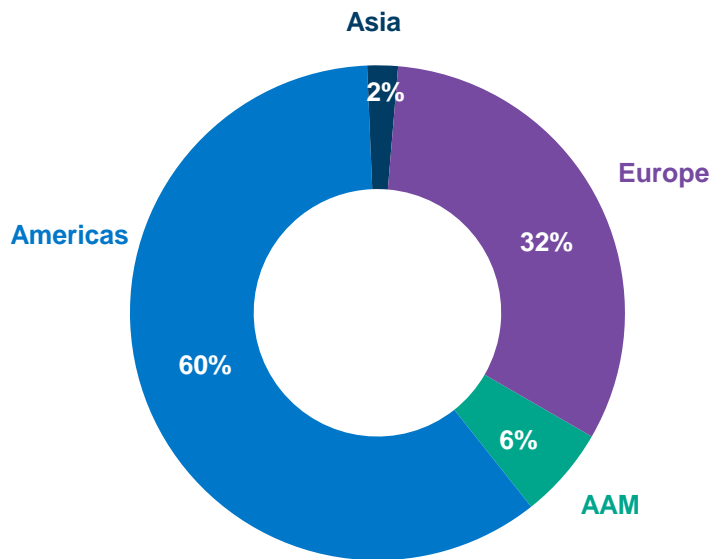


Common Equity Tier 1 Ratio (%)



Medium term target >16%

Aegon at a glance



Earnings

Underlying earnings before tax of **EUR 1,578m** (2017 YTD)



Focus

Life insurance, pensions & asset management for over **26 million customers**



Sales

Total sales of **EUR 12.3bn** (2017 YTD)



History

Our roots date back to the first half of the **19th century**



Employees

Over **29,000** employees (September 30, 2017)



Investments

Revenue-generating investments **EUR 816bn** (September 30, 2017)

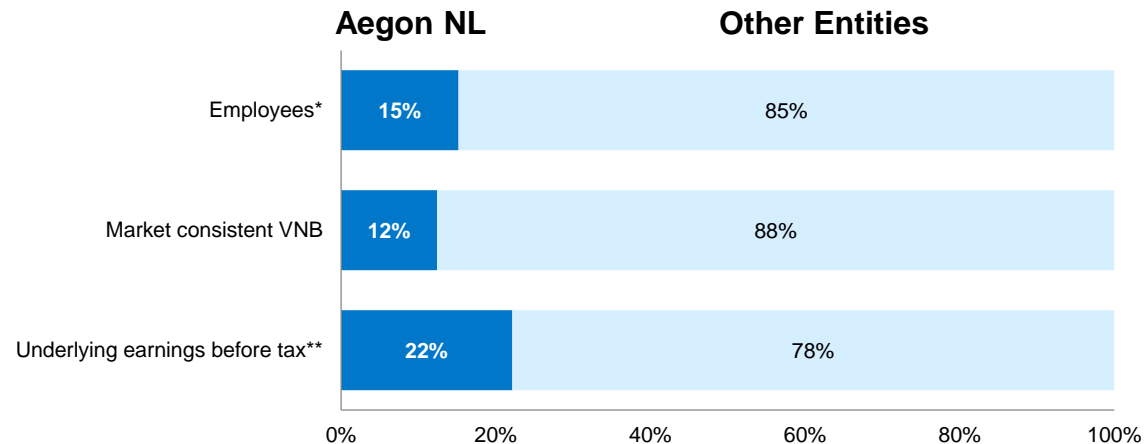
Aegon Netherlands N.V. (“Aegon NL”)

Underlying earnings before tax

EUR millions	Q3 2017
Life and Savings	71
Pensions	47
Non-life	10
Distribution & associates	4
Underlying earnings before tax	132

- Aegon NL is wholly owned by Aegon N.V. and a core member of the Aegon group
- Aegon NL offers a wide range of financial products and services to its clients, including pensions, insurance (life and non-life), mortgage loans, savings and investment products
- All newly originated mortgage loans are underwritten by Aegon Hypotheken B.V., a 100% subsidiary of Aegon Netherlands N.V.; mortgage loan servicing is performed by Aegon Leven
- Through Q3 2017, Aegon NL represented 22% of Aegon’s total underlying earnings before tax. Aegon Hypotheken & Aegon Bank account for EUR 33mn underlying earnings
- Aegon Leven has a AA- (Negative) Insurer Financial Strength Rating from S&P Global

Aegon NL 3Q 2017 results as a % of total



*Year-end 2016 numbers

**Excludes negative contribution from Holdings

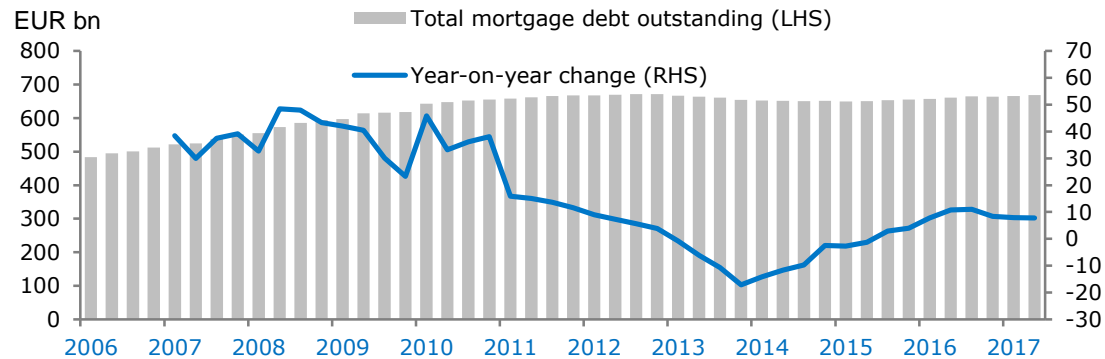
Simplified Aegon NL Structure



Successful Dutch mortgage loan operation

Mortgage debt outstanding

Source: Dutch Central Bank; H1 2017



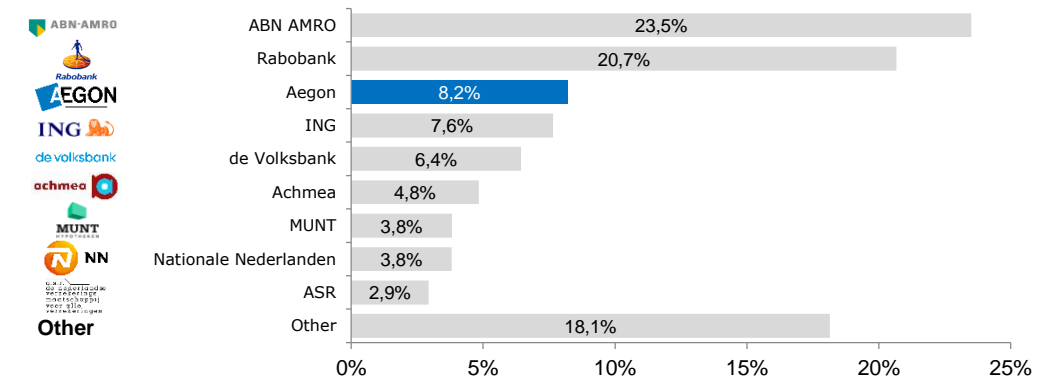
Overview of the Dutch mortgage market

Source: DNB, Land Registry (Kadaster)

- Per H1 2017, the total outstanding residential mortgage debt in the Netherlands was EUR 669bn
- New mortgage lending through H1 2017 was EUR 47bn
- 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

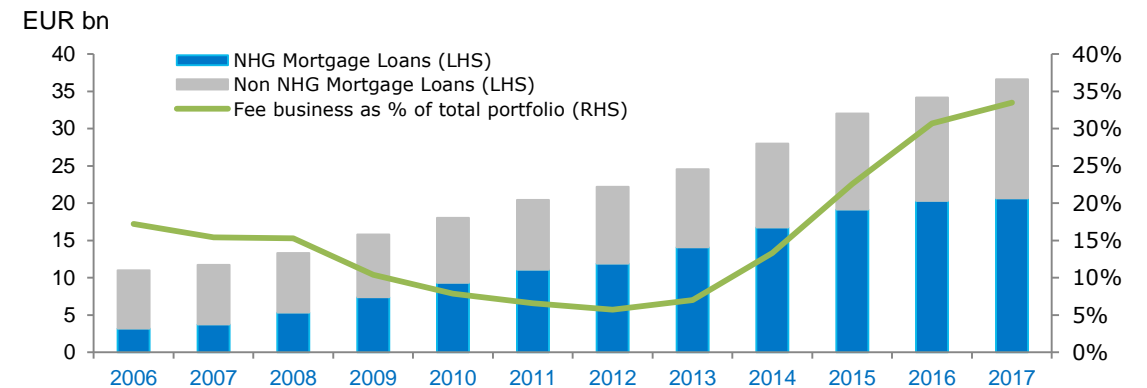
Mortgage lending market share in the Netherlands

(H1 2017); Source: Land Registry (Kadaster)



Mortgage loan portfolio Aegon NL

Source: Aegon (2006 – H1 2017)



Diversified funding supports strong mortgage origination capabilities

Competitive advantages

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

Origination vehicle
Aegon Hypotheken

Mortgage allocation

- Vertical slice allocation

Nominal mortgage amounts per H1 2017 (in EUR bn)

8* ▲	AEGON Bank knab	<ul style="list-style-type: none"> • Mostly short interest rate reset periods • Offering products to clients on both sides of the balance sheet
4 ≈	RMBS – SAECURE programme	<ul style="list-style-type: none"> • Funding diversification • Low spreads
11 ▲	AEGON Asset Management Fee business	<ul style="list-style-type: none"> • Full risk transfer • Attractive fee business
15 ≈	Life & Pension	<ul style="list-style-type: none"> • Long-dated assets • Good match against liabilities
<1 ≈	Non-life	<ul style="list-style-type: none"> • Mostly variable rate mortgages • Supports investment income

* Bank with RMBS (SAECURE 13 NHG) and Covered Bonds

Ratings reflective of strong capitalisation and prudent risk management*

Aegon N.V. Issuer Credit ratings

Ratings	Long-term	Short-term
S&P Global	A-, Negative	A-2
Moody's	A3, Negative	P-2
Fitch	A-, Stable	F2

Aegon Insurance Financial Strength ratings

Ratings	Aegon USA	Aegon NL	Aegon UK
S&P Global	AA-, Negative	AA-, Negative	A+, Negative
Moody's	A1, Stable	NR	NR
Fitch	A+, Stable	NR	A+, Stable

Aegon Bank N.V. ratings

Ratings	Long-term	Short-term
S&P Global	A+, Negative	A-1+
Fitch	A-, Stable	F2

*Ratings as of November 10, 2017

Comparison to other Dutch Covered Bond programmes

Issuer	Aegon Bank	ABN	Achmea Bank	de Volksbank	ING Bank ⁵	NIBC	NN Bank	Rabobank	Van Lanschot
Size programme	EUR 5bn	EUR 40bn	EUR 5bn	EUR 15bn	EUR 30bn	EUR 5bn	EUR 5bn	EUR 25bn	EUR 5bn
Type programme	Conditional Pass-Through	Hard bullet/Soft bullet	Conditional Pass-Through	Soft bullet	Hard bullet/Soft bullet	Conditional Pass-Through	Conditional Pass-Through	Soft bullet	Conditional Pass-Through
Issuer Rating (S/M/F)	A+ / NR / A-	A / A1 / A+	A-/NR/A	A- / Baa1 / BBB+	A+ / Aa3 / A+	BBB / Baa1 / BBB-	A- / NR / NR	A+ / Aa2 / AA-	BBB+ / NR / BBB+
Mortgage lending position ¹	Number 3	Number 1	Number 6	Number 5	Number 4	Not in top 9	Number 8	Number 2	Not in top 9
Pool information									
NHG% ²	63.7%	0.0%	24.6%	20.7%	7.7%	45.6%	0.0%	47.0%	0.0%
IO% ^{2*}	30.1%	58.3%	58.3%	70.9%	68.1%	39.7%	29.9%	24.4%	73.3%
CLTIMV ²	73.0%	70.1%	70.8%	69.0%	72.0%	77.6%	80.6%	71.5%	59.8%
Covered Bond maturities	Max. 47-year ³	Max. 30-year	Max. 62-year ³	Max. 40-year	Max. 45-year	Max. 47-year ³	Max. 47-year ³	Max. 45-year	Max. 47-year ³
Transfer of assets	Assignment	Assignment	Assignment	Assignment	Assignment	Assignment and sale	Assignment	Assignment	Assignment and sale
Asset Monitor	PwC	EY	KPMG	EY	EY	PwC	KPMG	KPMG	PwC
Asset Percentage ²	93.0%	89.3%	93.5%	80.5%	84.8%	95.0%	93.0%	100%	95.0%
Documented minimum OC (%)	10.0%	8.1%	5.0% ⁶	N/A	N/A	15.0%	10.0%	N/A	15.0%
Indexed Valuation ²	90% incr / 100% decr	85% incr / 100% decr	90% incr / 100% decr	100% incr / 100% decr	90% incr / 100% decr	90% incr / 100% decr	90% incr / 100% decr	90% incr / 100% decr	90% incr / 100% decr
Maturity of mortgage loan >30 years allowed	Yes ⁴	Yes	No	Yes	Yes	No	Yes ⁴	Yes ⁴	Yes ⁴
Maximum size of mortgage loan	No	EUR 1.5mn	No	EUR 1.5mn	EUR 1.0mn	No	No	EUR 1.0mn	No
Minimum IR on mortgage loan ²	1.0%	1.5%	N/A	1.5%	N/A	3.0%	1.0%	N/A	1.5%
Swap active	No (option possible)	No (option possible)	No (option possible)	Yes (partial)	Yes	No (option possible)	No (option possible)	No (option possible)	No (option possible)
Rating Agencies	S&P, Fitch	Moody's, Fitch	Moody's, Fitch	Moody's, Fitch	S&P, Moody's, Fitch	S&P, Fitch	S&P	Moody's	S&P, Fitch

¹Source: Dutch Land Registry 2017 YTD (Kadaster); ²Source: Company September 2017 Covered Bond Monthly Investor Reports; ³Including Extended for Due Payment Date; ⁴Long Term Mortgage Loans may have longer tenors or no maturities; ⁵ING has two Covered Bond programmes outstanding, details shown are for the hard/soft bullet programme. ⁶ The documented minimum OC is the legal minimum OC of 5%. Note: (*) IO refers to Interest only loans as percentage of total pool;

Aegon Bank N.V. at a glance



Aegon Bank N.V. and Aegon Nederland

Aegon NL is committed to Aegon Bank

Aegon Bank N.V. is a core asset of Aegon NL:

- ▶ Aegon Bank N.V. is Aegon NL's entity for offering savings and investment products
- ▶ Aegon NL benefits from Aegon Bank N.V.'s large valuable customer base
- ▶ Aegon NL benefits from online traffic generated by Aegon Bank N.V.'s customers
- ▶ Aegon Bank N.V. implements Aegon NL's transition from the Dutch life insurance market to banking products
- ▶ Aegon Bank N.V. is a platform for funding mortgage loans for Aegon NL
- ▶ Aegon NL benefits from the (client) innovations developed and introduced by Knab



Joint approach for building customer relationships, retaining customers and for the intermediary strategy



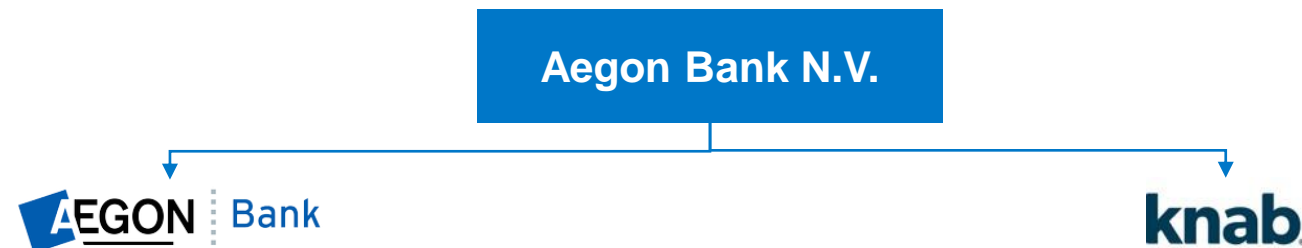
Aegon NL continues to demonstrate its commitment to developing Aegon Bank N.V.'s potential:

- ▶ Aegon NL uses one website and one brand for banking and insurance business
- ▶ Aegon NL is committed to maintain a strong capital base for Aegon Bank N.V.
- ▶ Aegon Bank N.V. is integrated within Aegon's strong risk management culture



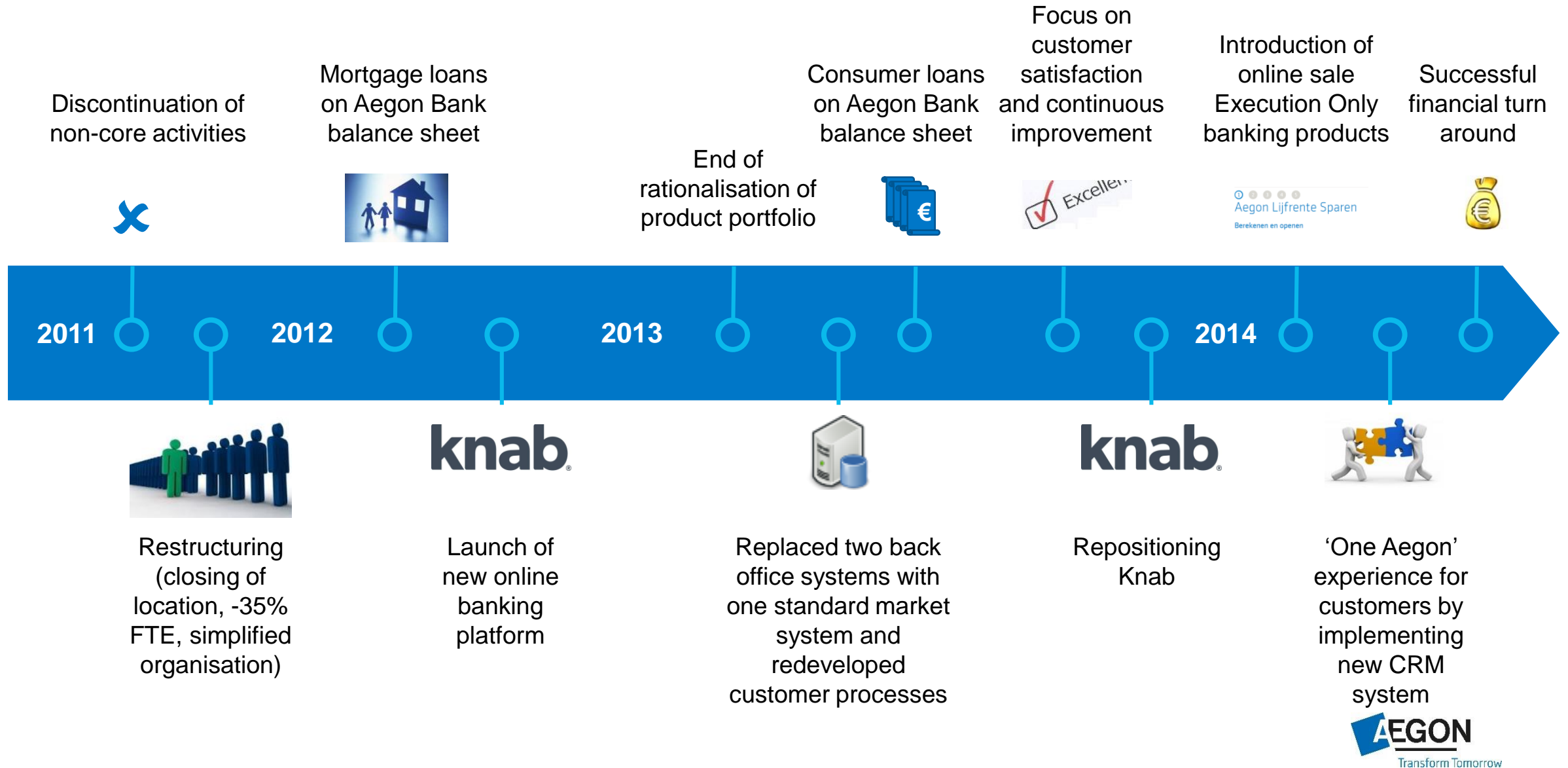
Aegon Bank N.V. two brands, one bank

Aegon Bank and Knab both support different strategic objectives



General	Is an online retail internet bank	Is a disruptive online banking initiative for retail and small business clients
Role in Aegon strategy	Develops third and fourth pillar products for future income, additional to second pillar pension	Has frequent customer contact and is an accelerator for the (online) developments in client contact of Aegon
Brand	Aegon	Knab
Products & services	Savings and investment products with a focus on long term wealth accumulation including tax friendly solutions. Focus on 24 hour service level	Full banking concept with payment services, investments, savings, financial planning tools, alerts, access to online archives and experts. Service quality is high
Business model	Mainly spread driven, turn to more fee-driven through investment products	Mainly spread driven, turn to more fee-driven through investment products

Executing strategic plan: 2011-2014



knab



knab



Continuing strategic developments: 2015-2017

First loans originated for Aegon by AuxMoney



First loans originated for Aegon by Younited Credit



Agreement signed with UK consumer lending platform Zopa



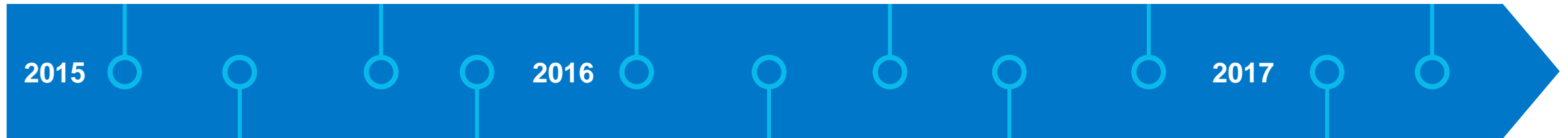
Milestones:
EUR 3bn AuM
100k clients



Expanded strategic partnership with German consumer lender AuxMoney



First SME loans originated for Aegon by Funding Circle



knab

Growth accelerates



EUR 750mn
5yr CPT
Covered Bond issued

knab

Crowdfunding platform launched



EUR 500mn
7yr CPT
Covered Bond issued



EUR 500mn
10yr CPT
Covered Bond issued

Aegon Bank N.V. is key in the execution of Aegon NL's Income & Living strategy

Key conclusions

(Dutch board/Aegon Bank N.V.)

- In the Dutch wealth accumulation market a retail banking activity is essential
- Savings and mortgage markets are still (but less) distorted due to crisis
- Aegon Bank N.V. is in transition from a mono line short term savings bank into a long term customer oriented solutions provider

Key transitions Aegon Bank N.V.

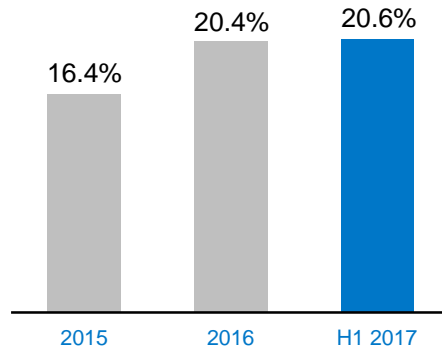
- Shift from spread business to fee business and improve customer focus
- Match both sides of the balance sheet (with retail products), e.g. by setting pricing, spread duration and liquidity
- Build scale in on balance and off balance products
- Optimize risk and funding profile
- Manage costs and reduce client rates (increase margin)



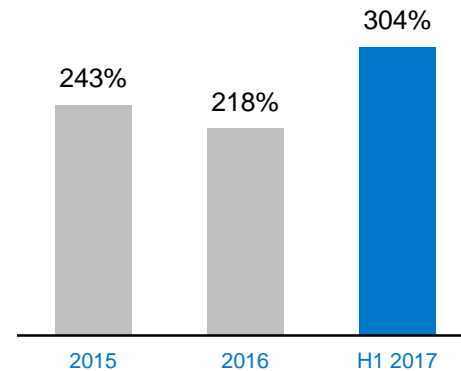
Aegon Bank N.V. is key in the execution of Aegon NL's Income and Living strategy

Aegon Bank N.V. in a snapshot

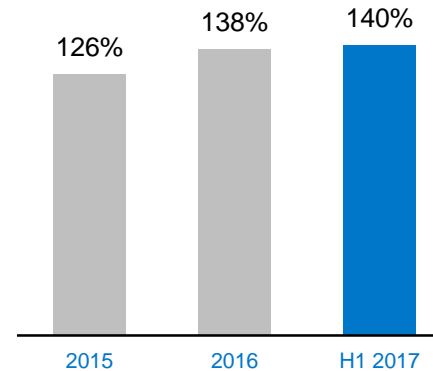
CET1



LCR

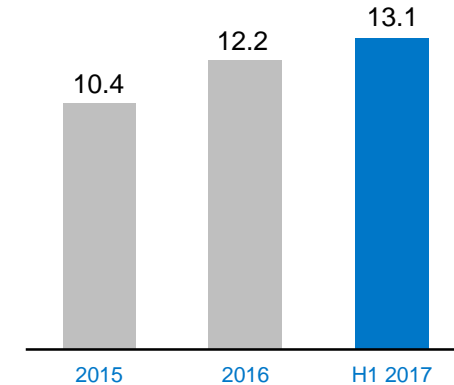


NSFR



Balance sheet

(EUR billion)



Ratings*

S&P Global

Fitch

Long-term

A+, Negative

A-, Stable

Short-term

A-1+

F2

- Aegon Bank N.V. is key in the execution of Aegon's strategy
- Prudent capitalisation
- Stable long term funding profile
- Strong liquidity buffer in place

*Ratings as of November 10, 2017

Conservative risk profile and strong risk management

Prudent capitalisation	<ul style="list-style-type: none">▶ Solid CET1 ratio in place to ensure sufficient capitalisation▶ Equity funding to increase – anticipated growth matched by retained earnings and client participations▶ Leverage ratio targeted above 3% requirement
Strong liquidity buffer in place	<ul style="list-style-type: none">▶ Sizeable buffer of high quality liquid assets in place to be able to cover potential stress outflows▶ High quality liquid asset portfolio with the largest holding in sovereign bonds and treasuries▶ Additional asset classes (RMBS/credits) to increase yield/return on investment portfolio
Stable long term funding profile	<ul style="list-style-type: none">▶ Extending duration of funding profile by switching to more long term retail deposits▶ Covered Bonds enable Aegon Bank N.V. to diversify funding sources and issue long-term capital markets funding
Spread / risk matching	<ul style="list-style-type: none">▶ Credit spread risk matching of assets and liabilities resulting in lower P&L volatility▶ Adding consumer loans to match retail savings▶ Lower dependency on derivatives to eliminate interest rate risk
Operational risk management	<ul style="list-style-type: none">▶ Aegon employs holistic risk governance▶ Integrated risk reporting and databases in place, incl. process documentation across risk types▶ Aegon has defined three “lines of defence” for risk management

Aegon Bank N.V. Balance Sheet

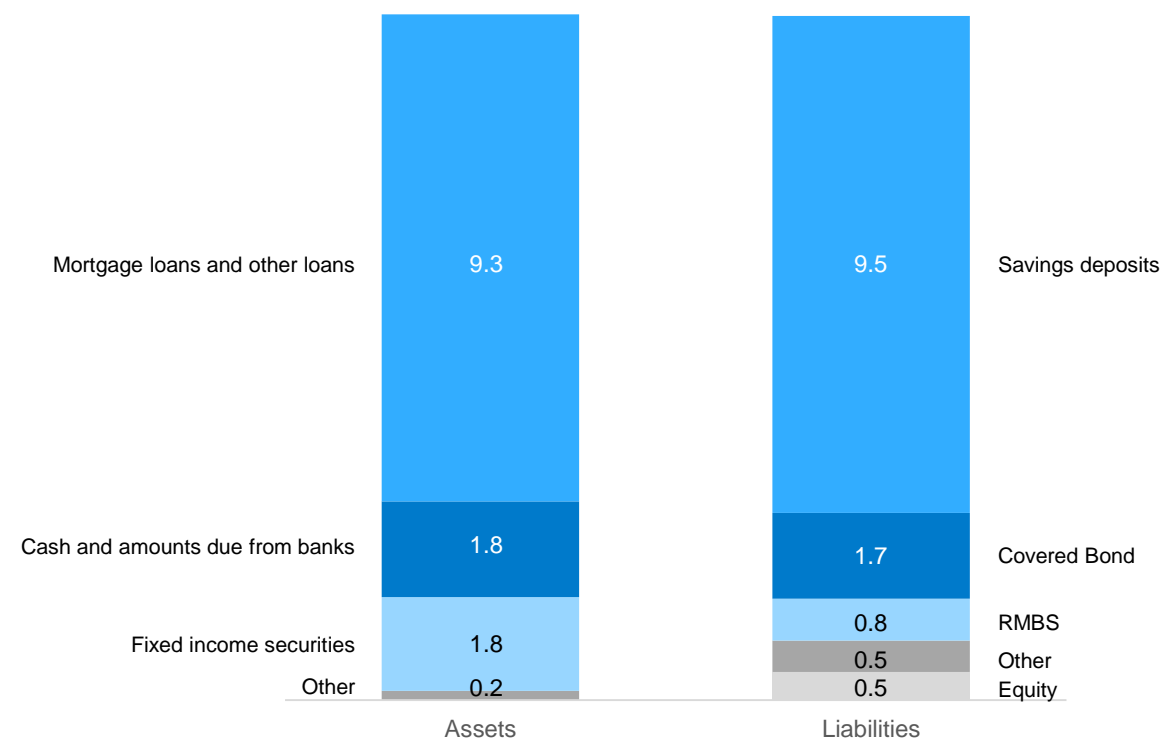
Composition of assets

- Mortgage loans and consumer loans are an important asset class on the balance sheet. They offer attractive risk-adjusted-returns. The aim is to increase the share of consumer loans on the balance sheet over time
- The bond portfolio is of high quality (98% investment grade, 59% AAA rated) and is mainly used as a liquidity buffer

Composition of liabilities

- Retail savings are the main source of funding for Aegon Bank N.V. Savings have grown rapidly in the last year and are expected to continue to grow with the success of Knab
- Aegon Bank N.V. launched three successful Covered Bonds in Q4 2015, Q2 2016 and Q2 2017
- Aegon Bank N.V. maintains a strong capital position and meets CRD IV/CRR and Basel III requirements on a fully phased-in basis

Balance Sheet as of H1 2017* (EUR billion)



Total = EUR 13.1bn

*The Balance Sheet is presented in billions of euros (EUR billion) and all values are rounded to the nearest one hundred million unless otherwise stated. The consequence is that the rounded amounts may not add up to the rounded total in all cases.

Aegon Bank N.V. Profit & Loss Account

Continued improvement in income	<ul style="list-style-type: none"> ▶ Interest margin is improving as a result of an increasing balance sheet, lower savings rates and the addition of mortgages and consumer loans
Costs under control	<ul style="list-style-type: none"> ▶ Increase of costs in line with the growth of Aegon Bank N.V. and additional costs for the ex-ante deposit guarantee deposit scheme ▶ Substantial investments have been made to set up Knab, and due to the sharp increase in number of clients the servicing cost increased
Operating result	<ul style="list-style-type: none"> ▶ Operating result was impacted by an amortization charge due to strategic ALM transactions in 2016. Normalized for this effect, underlying operating result improved significantly in the recent years, despite Knab's negative operating result
Non-operating income	<ul style="list-style-type: none"> ▶ Result from financial transactions includes realized gains and the hedge accounting ineffectivity as a result of the swaps valuation at OIS (Overnight Index Swaps) ▶ Impairments increased in line with increased consumer loans ▶ In H2 2017 Aegon Bank entered into a strategic ALM transaction (a sale of mainly non-NHG mortgage loans with a longer fixed-rate term and a purchase of mainly NHG mortgage loans with a shorter fixed-rate term). A positive non-operating result from this sale was realised whereas the purchase will negatively impact profitability in the coming years

Profit & Loss Account

Amounts EUR million	H1 2017	2016	2015
Total interest and fee margin	71.2	126.2	106.4
Total costs	(55.5)	(107.4)	(84.3)
Operating Results	15.7	18.7	22.1
Results from financial transactions	(16.8)	115.7	4.4
Impairment charges/reversals	(9.9)	(16.3)	(10.9)
Results before tax	(11.1)	118.2	15.6
Results after tax	(8.3)	88.8	11.8

An aerial photograph of a Dutch city, likely Utrecht, showing a dense urban landscape with numerous multi-story residential buildings, many with red-tiled roofs. A prominent church spire is visible in the lower-left corner. The city extends to the horizon under a clear blue sky.

The Dutch Mortgage and Housing Market

Key characteristics of the Dutch residential mortgage market

Products

- Predominantly prime, owner occupied
- Virtually no buy-to-let, non-conforming and sub-prime
- Mainly fixed rate mortgage loans

Underwriting

- Mortgage loans are provided predominantly on the basis of income (LTMV's are a less significant basis due to tax incentives)
- “Full-doc” underwriting, no self certification of income
- Industry wide credit database (BKR) and Fraud Register (SFH)

Code of Conduct

- The Code of Conduct aims to have lenders compete on service and price rather than aggressive lending practices
- Affordability calculation assuming 30 year amortizing loan regardless of product and interest rate risk

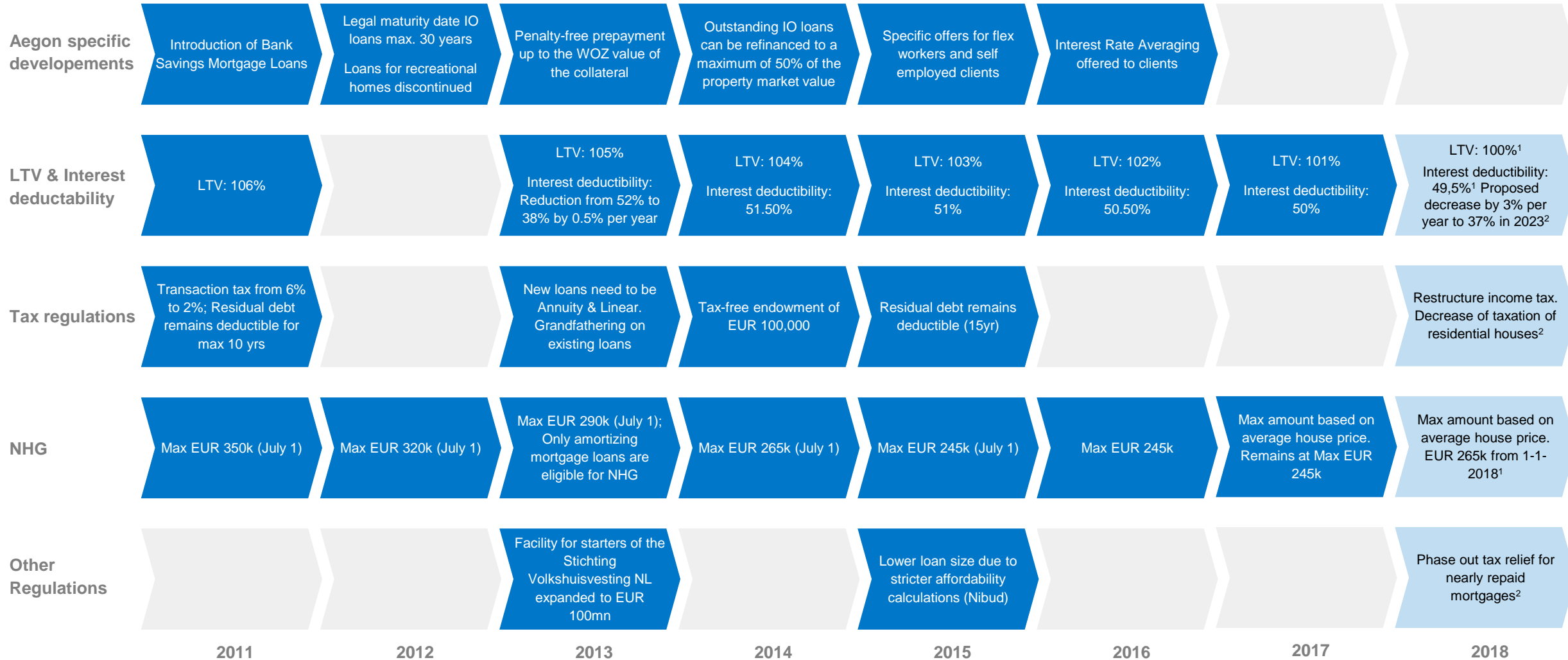
NHG

- The NHG programme is the public mortgage loan guarantee scheme supporting home ownership in The Netherlands
- All Dutch citizens can obtain a guarantee from the Dutch State guaranteed non-profit organization (Stichting WEW) subject to the applicable terms and conditions

Framework

- Lenders can repossess and sell properties by public auction without a court order
- Full recourse to the borrower. After foreclosure, any remaining debt remains enforceable until discharged in full
- Strong social support and pension system

Recent policy developments impacting the Dutch housing market



¹ Established policy

² Proposal of the new coalition agreement (October 2017), effective dates to be determined. Source 'Regeerakkoord 2017' <https://www.kabinetsformatie2017.nl/documenten/publicaties/2017/10/10/regeerakkoord-vertrouwen-in-de-toekomst>

The Dutch housing market: supply and demand

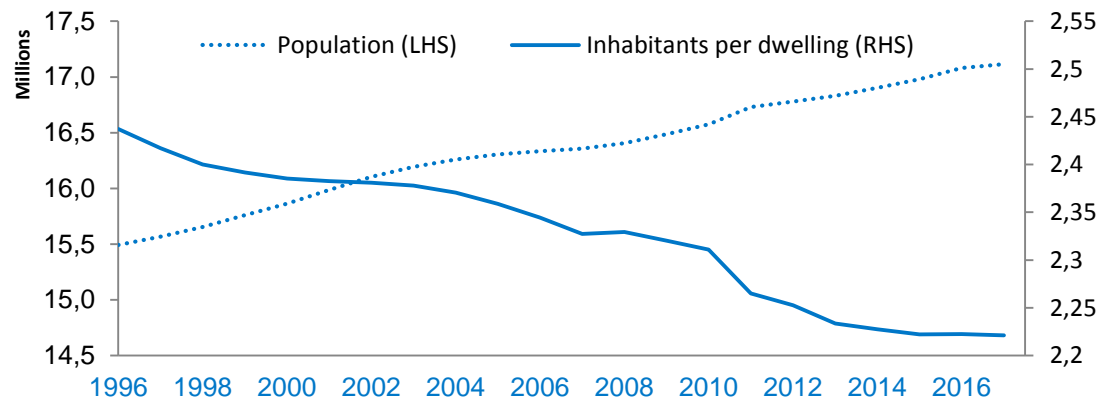
Supply dynamics

Source: CBS, Ministry of Housing, VROM, ABF Research

- Supply in the Dutch housing market is relatively inelastic
 - Limited land available for housing
 - Regulations and planning permissions
- The Dutch Ministry of Housing estimated that at least 70,000 new homes are required annually
- The number of completed homes reached its lowest point since 1953. Given the growing demand for new homes and increased number of granted building permits, it is to be expected that the number of completed homes will increase in the coming years

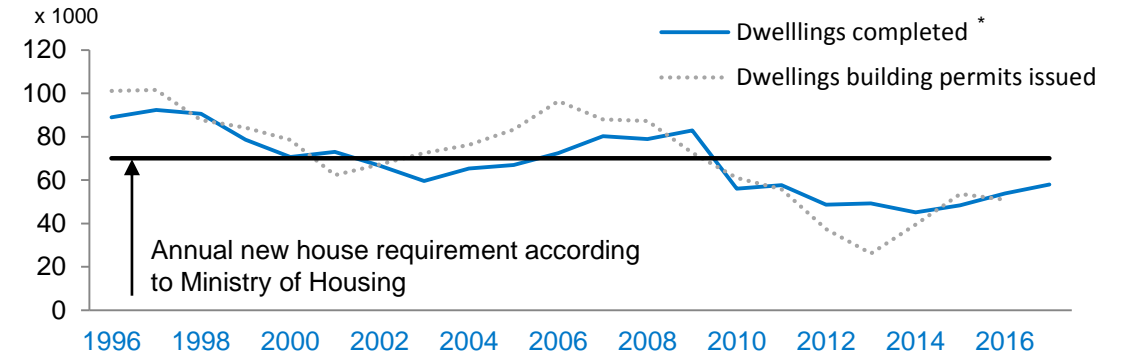
Dutch population and housing occupation

Source: CBS; H1 2017



Building permits and newly built homes

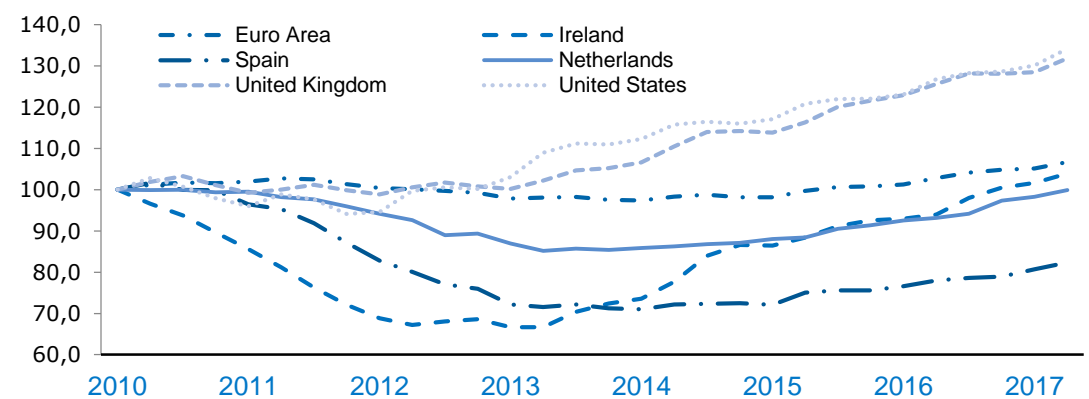
Source: CBS; H1 2017



* 2017 Full year estimate based on figures through Q2 2017

Dutch housing prices development

Source: Eurostat, S&P Case Schiller; H1 2017



NHG mortgage loan guarantee

NHG

- NHG (Nationale Hypotheek Garantie) refers to the public mortgage loan insurance scheme supporting home ownership in the Netherlands
- WEW (Stichting Waarborgfonds Eigen Woningen) is the foundation responsible for granting NHG guarantees
- All people in the Netherlands can apply for an NHG guarantee over an amortizing residential mortgage loan up to an amount of EUR 245k (EUR 265k from January 1st 2018) and by paying an upfront premium of 100bps over the loan amount.
- Mortgagors that benefit from an NHG guarantee will:
 - receive an interest rate discount varying between 5 - 65bps depending on LTMV
 - receive full or partial compensation for a mortgage loss caused by a divorce, unemployment, occupational disability, decease or a non culpable drop in income
- Mortgage lenders that apply for an NHG guarantee on behalf of their clients are responsible for ensuring that the guarantee application meets NHG conditions:
 - If the NHG conditions are not satisfied, the mortgage lender may not be fully covered by the guarantee
 - NHG conditions may change over time:
 - Starting January 1st 2017 the maximum NHG mortgage loan amount will be determined on a yearly basis, based on the national average house price. Per 2018 the limit rises to EUR 265k. In addition the maximum NHG mortgage loan amount is capped at 100% of the market value of the property.
 - Starting July 1st 2015 the maximum NHG mortgage loan was reduced from EUR 265k to EUR 245k and was scheduled to be reduced further in 2016. This second reduction has been put on hold due the recovering housing market and rising house prices and subsequently replaced by following the national average house price.
 - Starting January 1st 2014 the mortgage lender is accountable for 10% of the realized loss
 - Starting January 1st 2013 NHG guarantee is only available for amortizing mortgage loans

WEW Source: NHG Quarterly Report Q2 2017

- Fitch and Moody's have both confirmed Stichting WEW's Aaa/AAA rating and stable outlook in 2016 and 2017 respectively
- Since January 1st 2011 the Dutch State is providing a full back stop for all new guarantees granted by Stichting WEW, before 2011 this back-stop was provided by the Dutch State (50%) and Dutch Municipalities (50%)
- In Q2 2017 the guaranteed amount increased by EUR 1bn to EUR 194bn while the WEW's capital position increased by EUR 34mn to EUR 1,032bn, resulting in a capital ratio of 0.53%

Summary - Aegon Bank N.V. Conditional Pass-Through Covered Bond Programme

- Aegon Bank N.V. is key in the execution of Aegon's Strategy
- The activities of Aegon Bank N.V. show sound financials and the operations are strongly tied into Aegon N.V.
- Aegon NL is one of the top 3 lenders in the Dutch residential mortgage market and has demonstrated the flexibility to adjust to changing market conditions
- Aegon NL has a high quality and low risk mortgage lending business
- The historical performance of Aegon NL's residential mortgage loan portfolio has been stable over the last years
- Aegon Bank N.V. is rated by S&P (A+) and Fitch (A-)
- The Cover Pool contains a high % of NHG and a relatively low % of interest only mortgage loans
- Aegon Bank N.V. launched three successful Covered Bonds in Q4 2015, Q2 2016 and Q2 2017
- Covered Bonds enable Aegon N.V. and Aegon Bank N.V. to diversify funding sources in addition to RMBS – SAECURE programme
- Aegon Bank N.V. is expected to remain a committed issuer

Aegon Bank N.V. Conditional Pass-Through Covered Bond Programme

An aerial photograph of a dense European city, likely Brno, Czech Republic, showing a mix of historic and modern architecture. The city is characterized by numerous multi-story buildings with varied rooflines, including several prominent church spires. The buildings are packed closely together, with some green spaces interspersed. The overall scene is captured from a high angle, providing a comprehensive view of the urban landscape.

Summary

Key features of the Covered Bond Programme

Issuer	Aegon Bank N.V.
Programme size	EUR 5bn
Currency	Euro
Format	Conditional Pass-Through
Extension period	Maximum of 32 years
Guarantor	Aegon Conditional Pass-Through Covered Bond Company B.V.
Ratings	AAA/AAA (S&P/Fitch)
Collateral	Prime Dutch residential mortgage loans
Documented minimum OC	10%
Robust structure	<ul style="list-style-type: none"> ✓ Registered programme with DNB ✓ Strong programme tests (Asset Cover Test & Amortisation Test) ✓ No interest rate swap counterparties* ✓ Back-up administrator in place ✓ External bank account

Key benefits

- Dual recourse:
 - ✓ Highly rated issuer: Aegon Bank N.V. A+/A- (S&P/Fitch)
 - ✓ Obligation for Aegon Bank N.V. to redeem the bond at expected maturity date (no optionality)
 - ✓ Recourse to CBC in case of default of Aegon Bank N.V.
- Stability of ratings:
 - ✓ De-linkage from issuer rating; a downgrade of the issuer rating does not directly affect the Covered Bonds rating
- Favourable regulatory treatment. Covered Bonds are expected to:
 - ✓ qualify as LCR eligible (Level 1)
 - ✓ be Solvency II eligible
 - ✓ be ECB CBPP3 eligible
 - ✓ be exempt from bail-in
 - ✓ be ECB repo eligible
 - ✓ have ECBC Covered Bond Label
- Cover Pool:
 - ✓ High quality portfolio of prime Dutch residential mortgage loans
 - ✓ All mortgage loans backed by eligible collateral
 - ✓ 64%** of the mortgage loans benefit from an NHG guarantee

*Portfolio swap and Interest rate swap are optional for the Programme

**As of September 30, 2017 – For the most recent Investor Reports please look at www.aegon.com/coveredbond

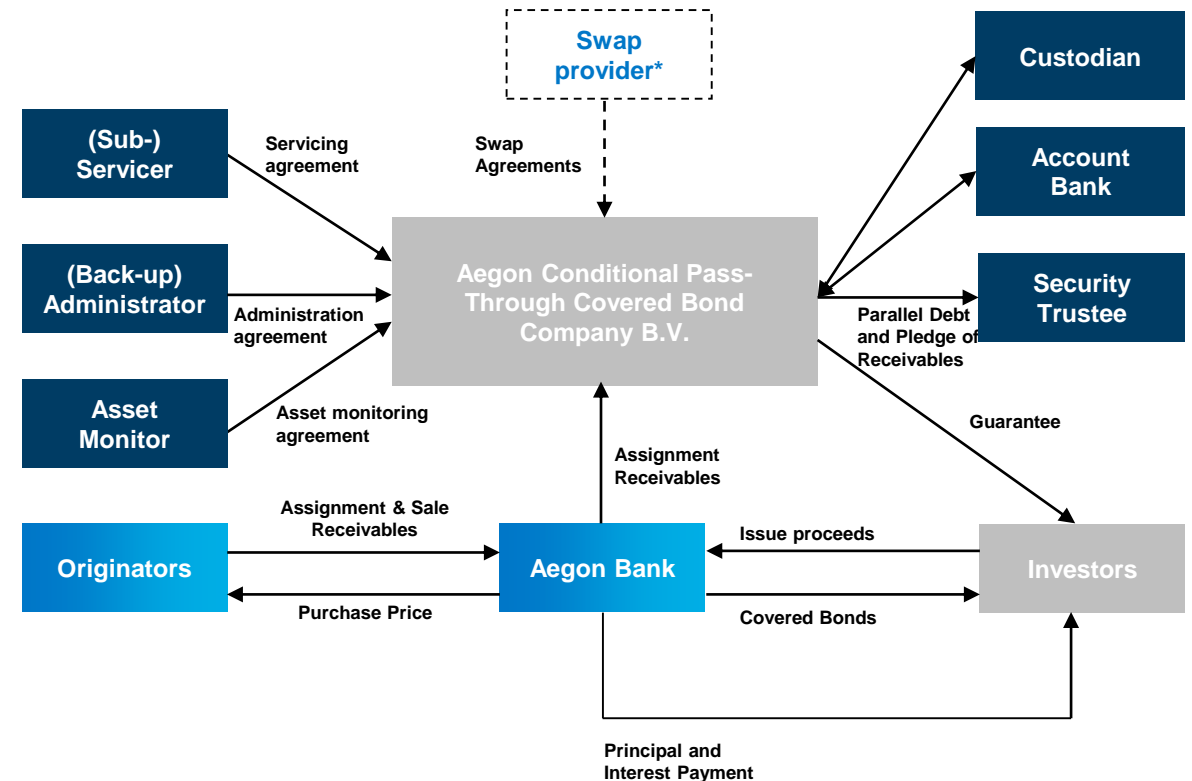
Programme highlights

Key Programme Parties

Originators:	Aegon Bank / Aegon Hypotheken / Aegon Leven
Transferor:	Aegon Bank
Issuer:	Aegon Bank
Servicer:	Aegon Bank / Aegon Hypotheken / Aegon Leven
Administrator:	Aegon Bank
Back-up Administrator:	Intertrust
Asset Monitor:	PwC
Director CBC:	Intertrust
Security Trustee:	Stichting Security Trustee Aegon Conditional Pass-Through Covered Bond Company
CBC Account Bank:	Bank Nederlandse Gemeenten
Principal Paying Agent:	Citibank
Custodian:	Rabobank

* Portfolio swap and Interest rate swap are optional for the Programme

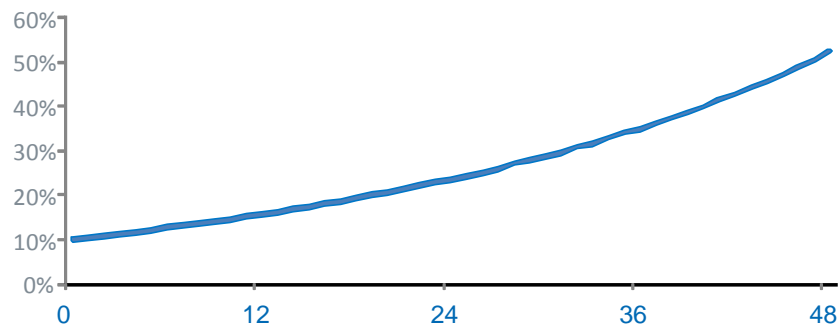
Transaction Structure



Conditional Pass-Through vs Hard and Soft Bullet Covered Bonds

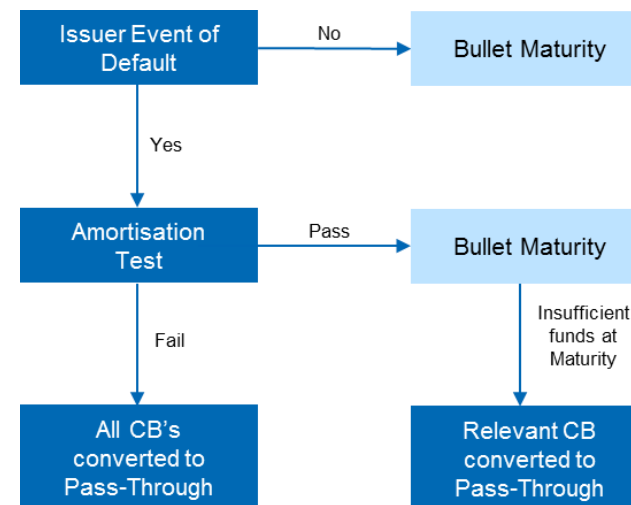
- The Conditional Pass-Through structure ensures an orderly wind-down of the Cover Pool and avoids the risk of a fire sale
- The Covered Bonds are bullet obligations of the issuer. Ahead of issuer default, Aegon Bank will make both coupon and principal payments under the programme
- Once the Pass-Through 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

Expected increase of OC in pass-through scenario
(by month)*

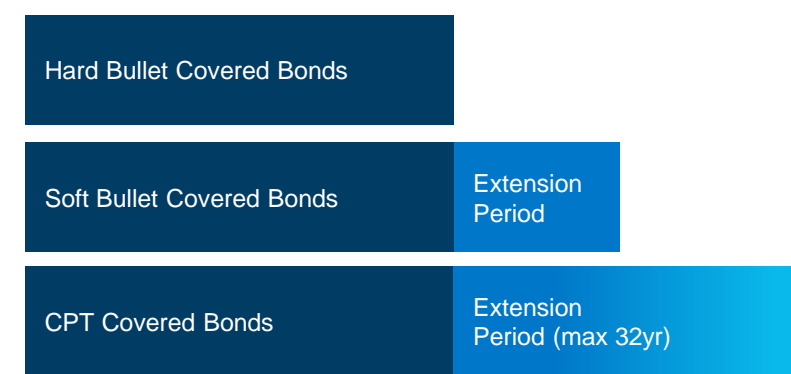


* Assuming, inter alia, all bonds in pass-through mode, 5% CPR, no losses

Conditional Pass-Through Mechanics



Comparison Covered Bond structures

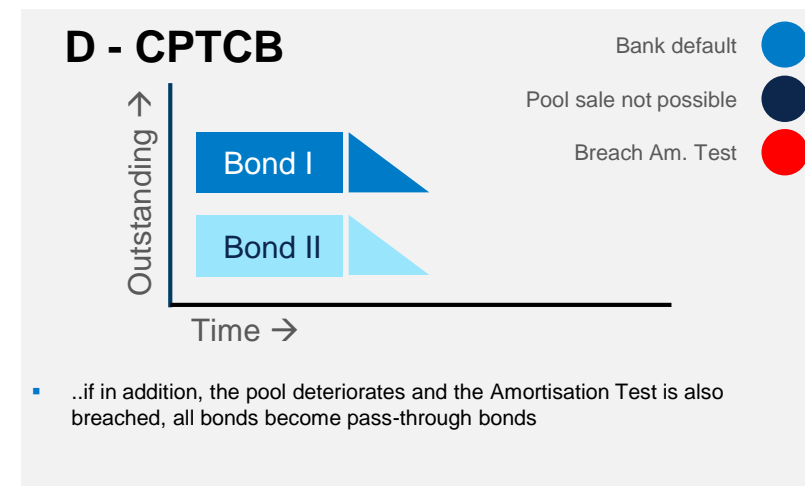
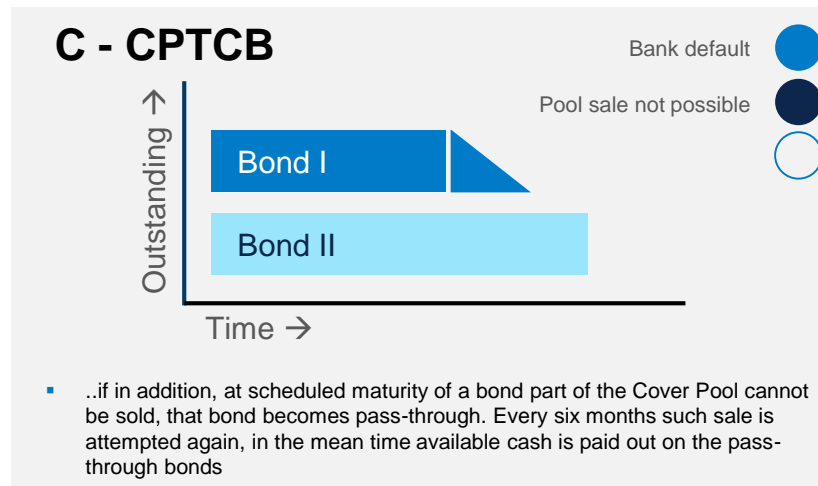
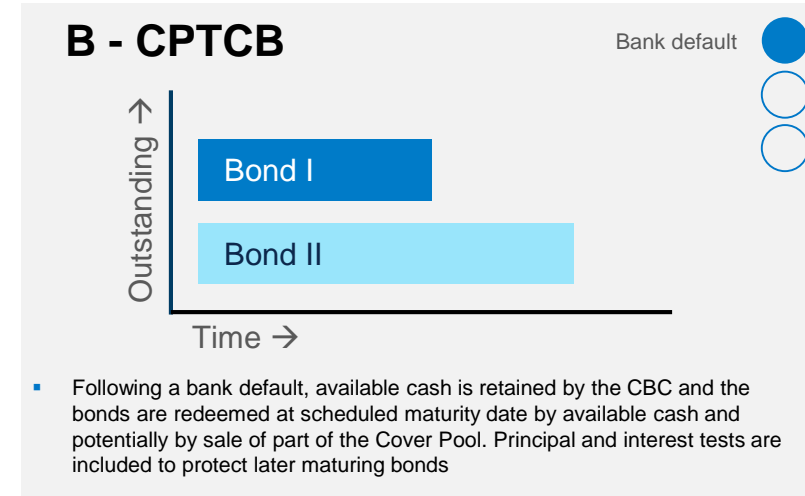
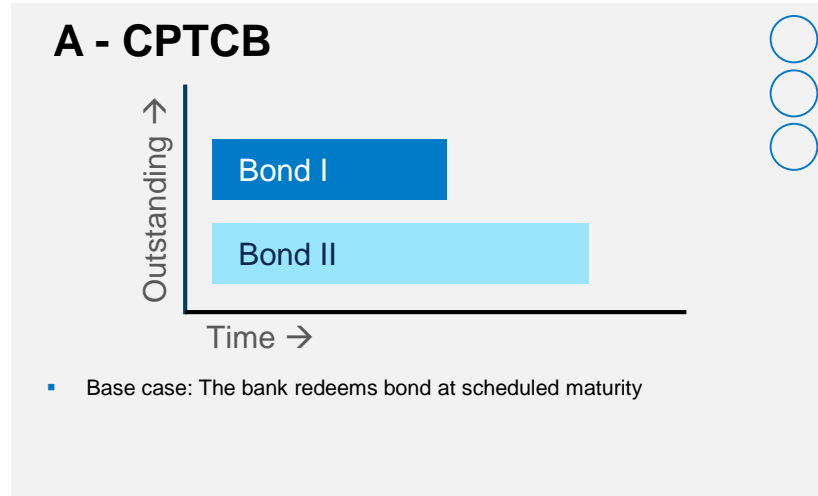


Four Potential Scenarios – Conditional Pass-Through Covered Bonds

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 ●



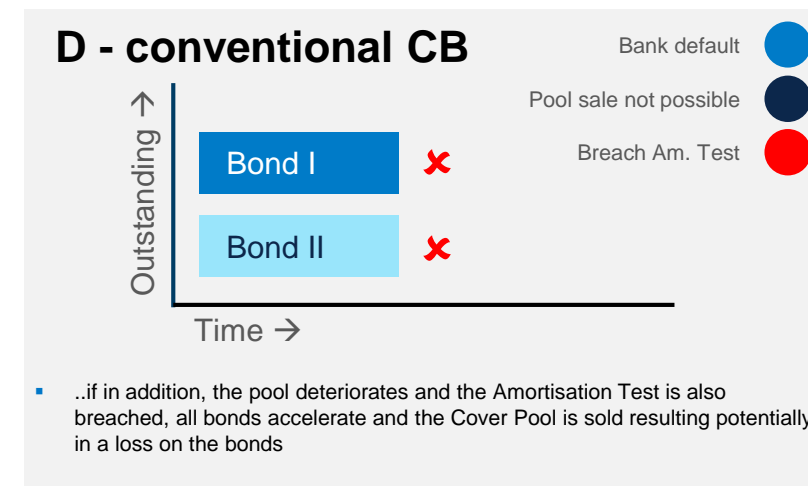
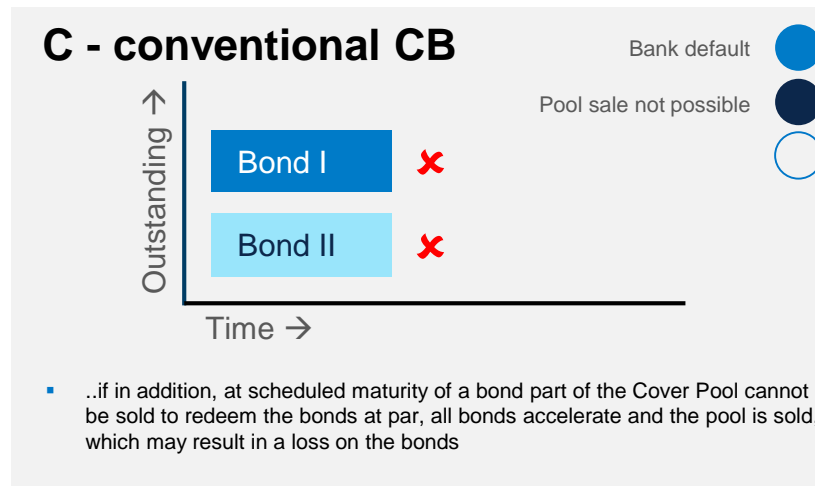
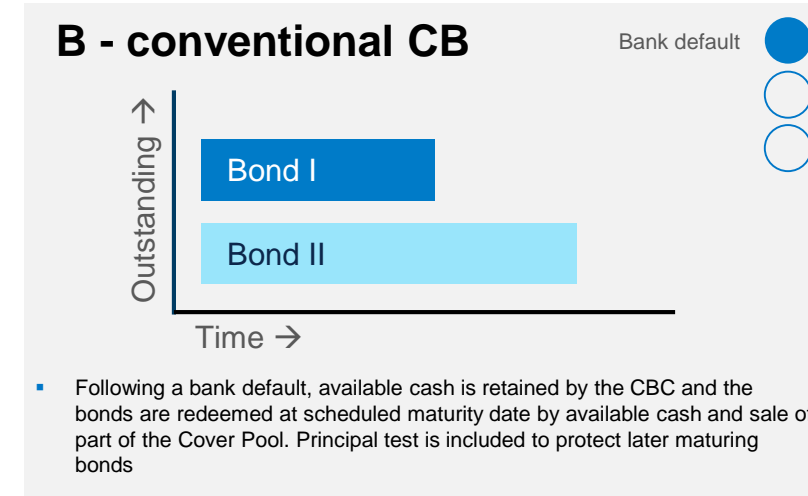
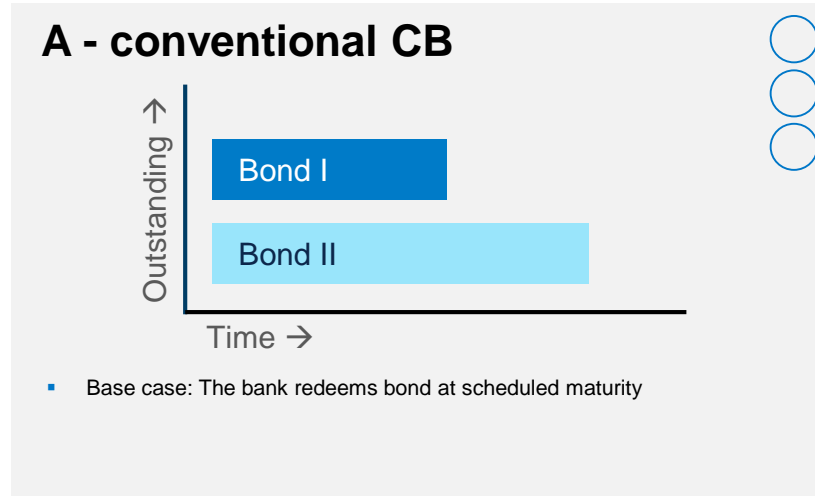
CPTCB

Four Potential Scenarios – Conventional Covered Bonds

Conventional CB (hard bullets) and CPTCB are very similar, only under severe stress the work-out scenario differs

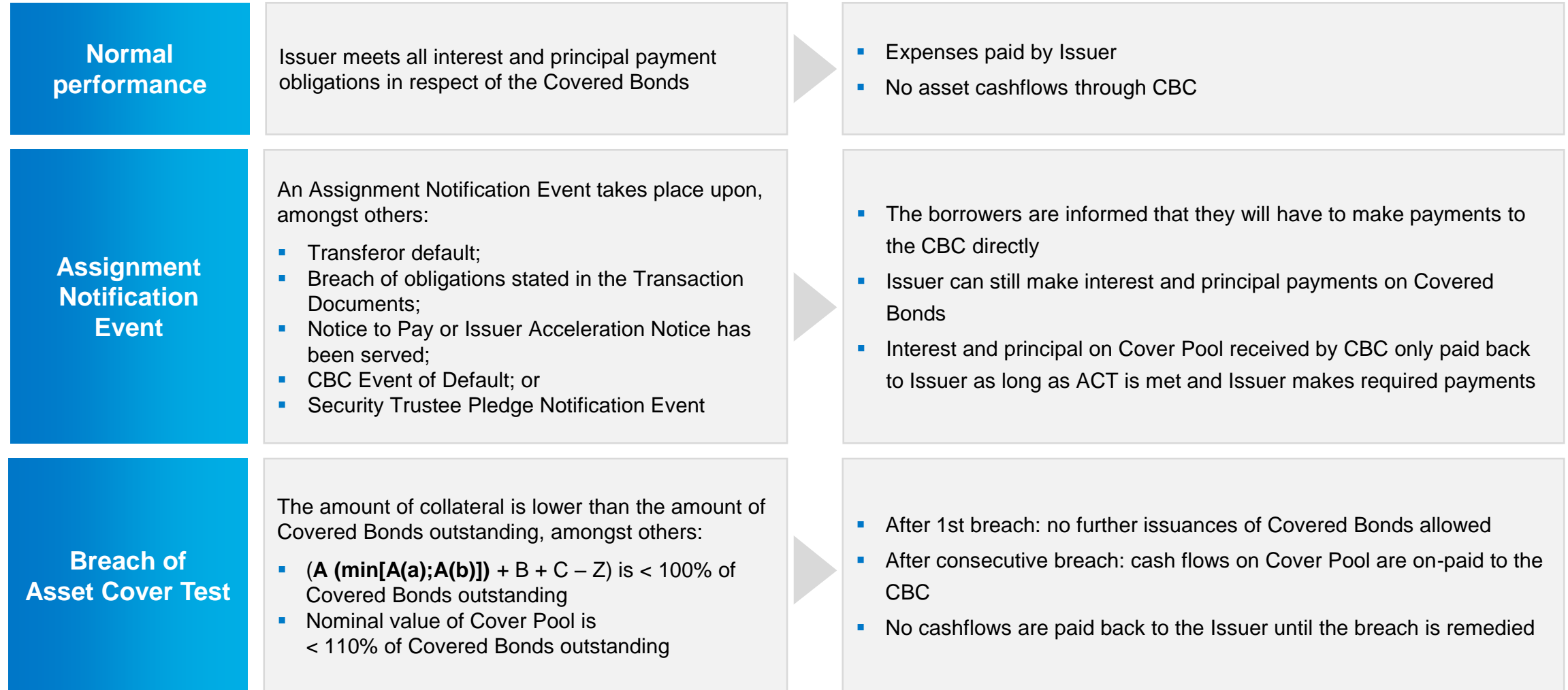
For the scenarios a combination of three events can occur:

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

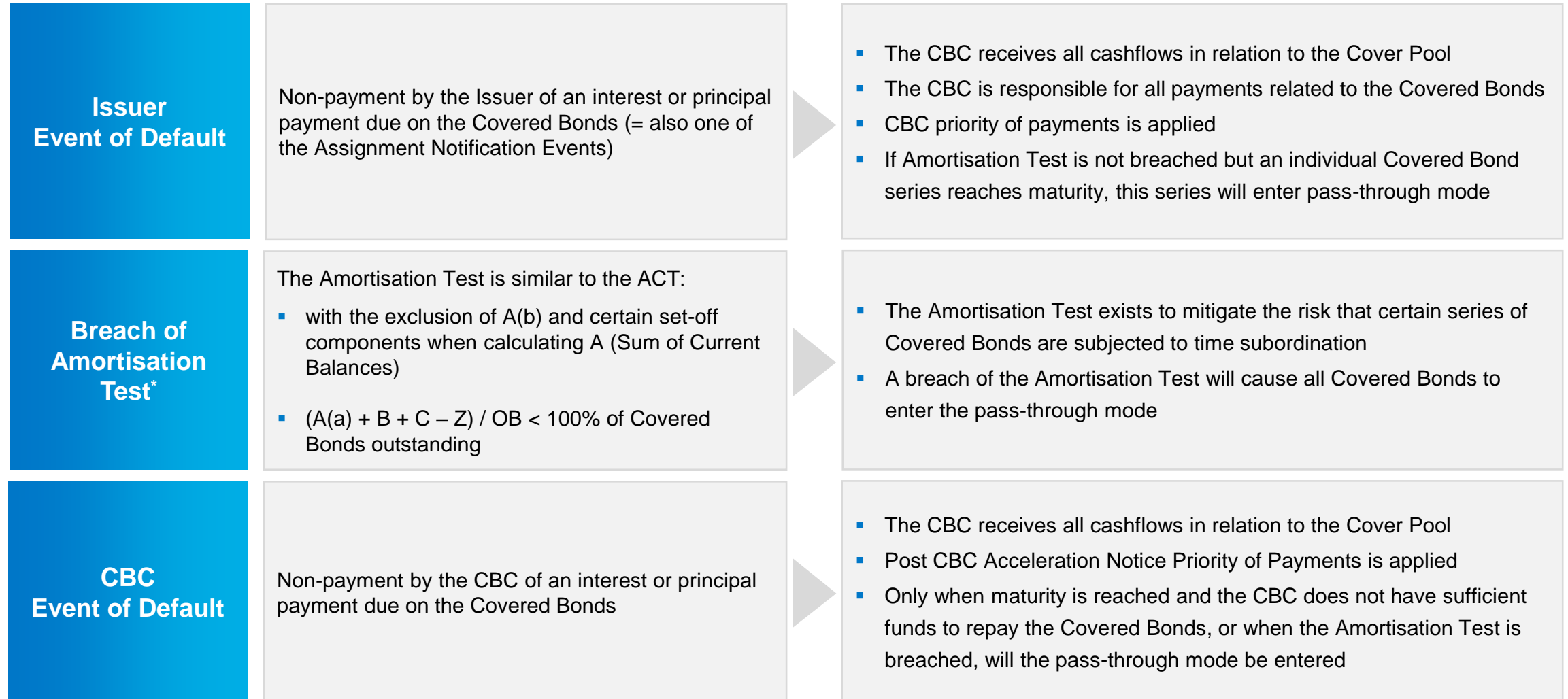


Conventional CB

Key Triggers in a Conditional Pass-Through Covered Bond



Key Triggers in a Conditional Pass-Through Covered Bond



* Following a Notice to Pay the Amortisation Test is calculated each month

Priority of Payments

CBC Priority of Payments

- 1 ■ Security Trustee (excl. Parallel Debt)
- 2 ■ Tax authority
- 3 ■ Paying agent, Registrar and Calculation agent expenses (if applicable)
- 4 ■ Servicer expenses
■ Administrator expenses
■ Back-up administrator expenses
■ Account bank expenses
■ Asset Monitor expenses
■ Directors expenses
- 5 ■ Portfolio swap counterparty
- 6 ■ Other swap counterparties
■ **Interest due on Covered Bonds**
- 7 ■ Replenishment Reserve Account
- 8 ■ **Principal due on Covered Bonds**
- 9 ■ Cash trapping (for 1-8) for next payment date (until maturity date)
- 10 ■ (Remaining) swap termination amounts (if swap counterparty is the defaulting party)
- 11 ■ Indemnity amounts to transferor
■ Costs and indemnity amounts to asset monitor
- 12 ■ Remaining moneys to the issuer

Post CBC Acceleration Priority of Payments

- 1 ■ Security Trustee (excl. Parallel Debt)
- 2 ■ Paying agent, Registrar and Calculation agent expenses (if applicable)
- 3 ■ Servicer expenses
■ Administrator expenses
■ Back-up administrator expenses
■ Account bank expenses
■ Directors expenses
- 4 ■ Portfolio swap counterparty
- 5 ■ Other swap counterparties
■ **Interest due on Covered Bonds**
- 6 ■ **Principal due on Covered Bonds**
- 7 ■ (Remaining) swap termination amounts (if swap counterparty is the defaulting party)
- 8 ■ Indemnity amounts to transferor
■ Costs and indemnity amounts to asset monitor
- 9 ■ Remaining moneys to the issuer

Asset Cover Test

1

Adjusted aggregate asset amount* \geq outstanding Covered Bonds

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%** of the aggregate Principal Amount Outstanding of the Covered Bonds

* Please refer to section 16 of the base prospectus for a detailed overview; **10% committed minimum OC level, regulatory minimum OC requirement is 5%

Amortisation Test

1

Amortisation Test Aggregate Asset Amount* \geq outstanding Covered Bonds

Adjusted aggregate asset amount = $A+B+C-Z$

- The calculation of 'A' includes:
 - ▶ 80% LTMV cut-off
 - ▶ Deduction of arrears and defaulted receivables
 - ▶ 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%** of the aggregate Principal Amount Outstanding of the Covered Bonds

* Please refer to section 16 of the base prospectus for a detailed overview; ** 10% committed minimum OC level, regulatory minimum OC requirement is 5%

For questions and information relating to Aegon Bank N.V.'s Conditional Pass-Through Covered Bond Programme

please contact:

Peter Kuijpers

Head of Capital Management Aegon Bank N.V.
T: +31 70 344 8335
E: PKuijpers@aegon.nl

Tom Hoefakker

Vice President Corporate Treasury
T: +31 70 344 4997
E: Tom.Hoefakker@aegon.com

Otto Venhuis

Capital Manager Aegon Bank N.V.
T: +31 6 2782 1036
E: OVenhuis@aegon.nl

Lein-Pieter Cevaal

Vice President Corporate Treasury
T: +31 70 344 8986
E: lein-pieter.cevaal@aegon.com

Or visit our website: www.aegon.com/coveredbond

For questions relating to Aegon please contact:

Aegon Investor Relations

T: +31 70 344 8305
E: ir@aegon.com



WWW.AEGON.COM

Thank you!

Aegonplein 50, 2591 TV the Hague
Telephone: +31 (0)70 344 3210

Postbus 202
2501 CE the Hague
The Netherlands

