



# 2H 2020 results

**Lard Friese**

CEO

**Matt Rider**

CFO

February 11, 2021



*Helping people achieve a lifetime of financial security*

# Financial results

Underlying earnings before tax <sup>1</sup>	Net income <sup>1</sup>	Group Solvency II ratio	Free Cash Flows	Dividend per share
<b>2H20: EUR 1,029m</b>	<b>2H20: EUR (147)m</b>	<b>2H20: 196%</b>	<b>FY20: EUR 530m</b>	<b>FY20: EUR 0.12</b>
2H19: EUR 961m	2H19: EUR 908m	1H20: 195%	FY19: EUR 923m	FY19: EUR 0.15

- Higher equity markets benefiting US and Asset Management
- Lower addressable expenses
- In the US, adverse mortality is offset by favorable morbidity experience, both driven by COVID-19 pandemic

- Net loss due to EUR (1.3) billion fair value items in the Netherlands, reversing a similar gain in 1H 2020
- Hedges are effective for targeted risks

- Group ratio is after deduction of final dividend 2020
- Capital ratios of three main units above their operating levels
- Improvements to the internal model reduce sensitivity of Dutch Life ratio to credit spread movements

- Full-year 2020 Free Cash Flows used for dividends and deleveraging
- Free Cash Flows reflect decision to let US business retain most of its planned remittances in 2H20

- Final dividend 2020 of EUR 0.06 per common share to be proposed to the AGM, bringing full-year dividend to EUR 0.12

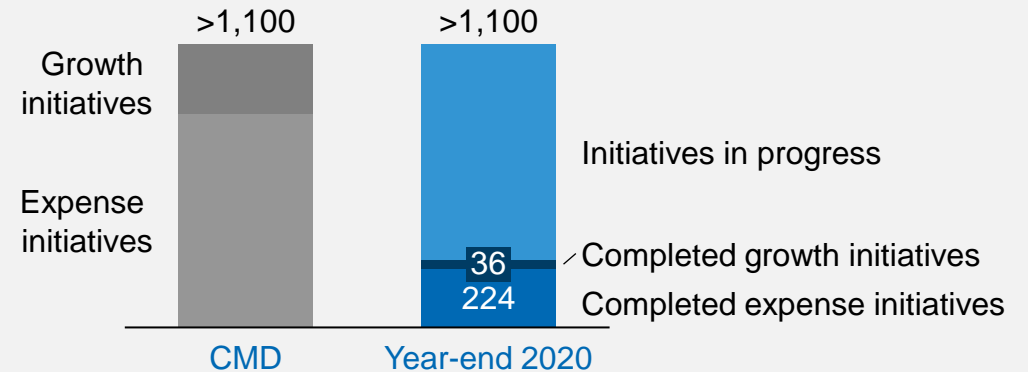
1. Amounts have been restated to reflect the voluntary change in accounting policies related to deferred cost of reinsurance (DCoR) adopted by Aegon effective January 1, 2020. For the amounts of the restatement, we refer to Aegon's Condensed Consolidated Interim Financial Statements

# Improving operational performance

## Initiative delivery

- Good progress on the implementation of the >1,100 performance improvement initiatives
- As of YE 2020, 23% of all planned initiatives already passed through implementation stage, expected to contribute to earnings over time
- Rapid pace and rhythm continue into 2021

## Number of initiatives

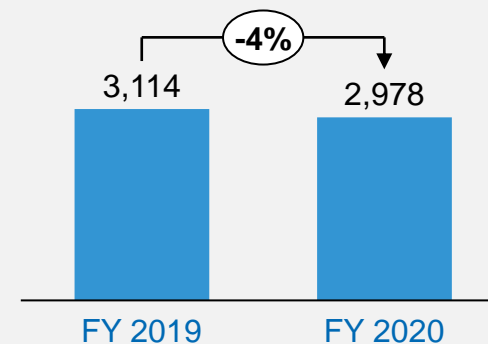


## Expense savings

- Reduction of addressable expenses by 4% or EUR 136 million in 2020
- This includes a contribution from expense initiatives of over EUR 75 million; on track to deliver half of EUR 400 million savings from expense initiatives by the end of 2021
- In addition, expenses benefited from reduced activity in a COVID-19 environment, which is expected to reverse over time

## Addressable expenses

(in EUR million constant currency, excluding CEE operations)



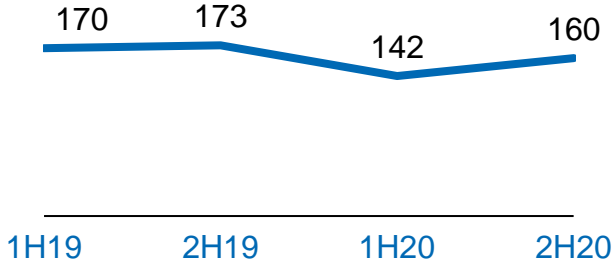
# Building on our strengths in Strategic Assets



US

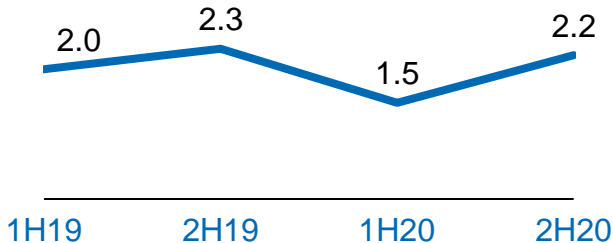
## Individual Life sales

(in USD million)



## Retirement Plans mid-market sales

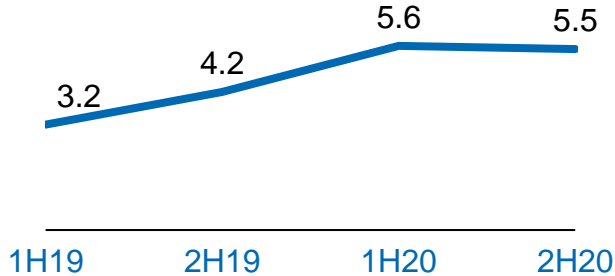
(in USD billion, written sales)



NL

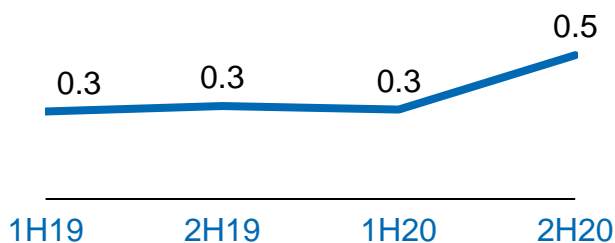
## Mortgage production

(in EUR billion)



## Net deposits DC pensions

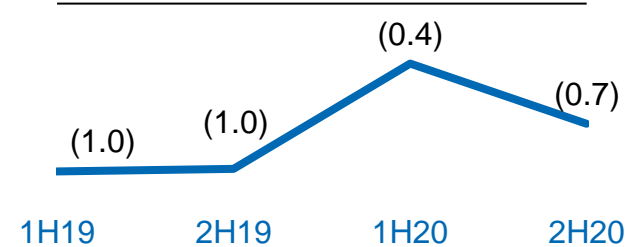
(in EUR billion)



UK

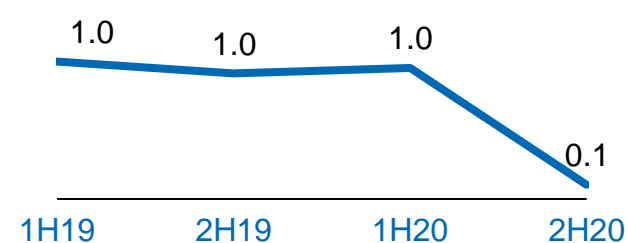
## Net deposits retail

(in GBP billion)



## Net deposits workplace

(in GBP billion)

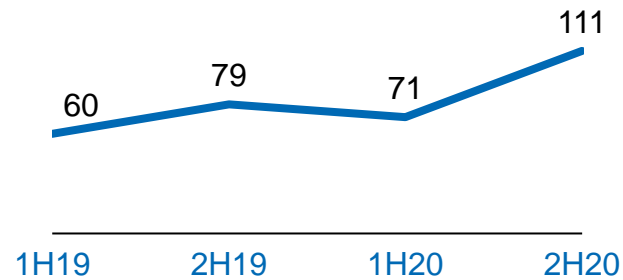


# Growing in Asset Management; developing our businesses in Growth Markets

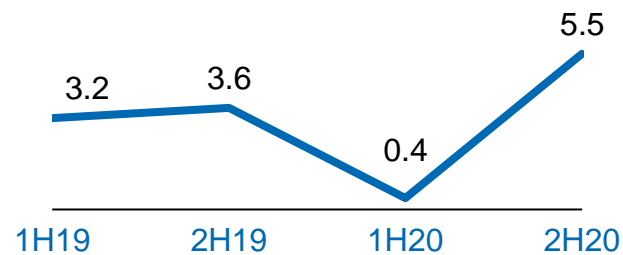


## Asset Management<sup>1</sup>

### Underlying earnings before tax (in EUR million)

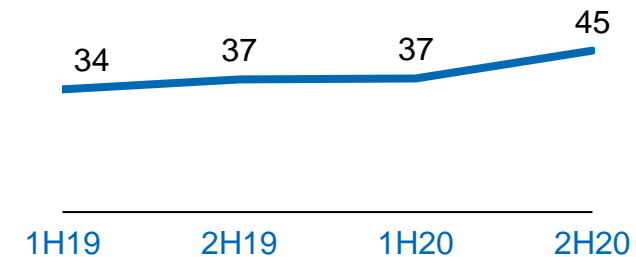


### Net deposits external third-party (in EUR billion)

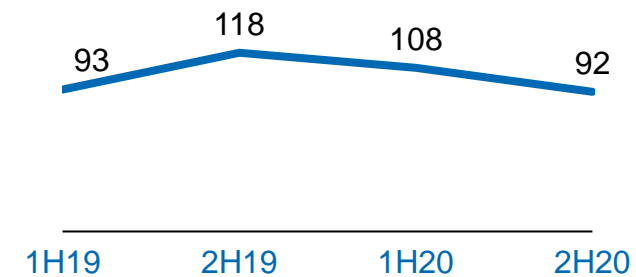


## Growth Markets (Brazil, China<sup>2</sup>, Spain & Portugal)

### Underlying earnings before tax (in EUR million)



### New Life sales (in EUR million)



1. Including Aegon's asset management joint venture in China AIFMC  
2. Aegon's insurance joint venture in China ATHTF

# Progress on Financial Assets and reducing risk profile

## Risk and balance sheet management

- ✓ 25% of the interest rate management plan has been implemented in 2020
- ✓ Establishing dedicated teams to manage Financial Assets

## Financial Assets

### US Variable Annuities

- ✓ >95% hedge effectiveness for the dynamic GMWB hedge for each of the quarters in 2020
- ✓ CTE98 capital decreased from USD 8.2 billion to USD 6.1 billion due to favorable market impacts
- ✓ Launched detailed review of hedging approach for GMIB/DB variable annuity block

### US Long-Term Care

- ✓ LTC rate increase program worth USD 300 million launched, updated assumptions reflected in PDR
- ✓ 71% actual to expected claims ratio in closed LTC book; reflecting impact of COVID-19
- ✓ Set up of USD 39 million reserve for claims that are incurred but not reported due to the COVID-19 pandemic

### NL Life book

- ✓ Lowering the LAC-DT factor from 65% to 45% to reduce sensitivity to economic variances
- ✓ Internal model improvements approved and implemented, reducing sensitivity to credit spreads
- ✗ Volatility in the separate account business; actions to be taken to further stabilize NL Life Solvency II ratio

# Progress on capital allocation

## Divestments and capital re-allocations

### Business

#### Central & Eastern Europe

- Hungary
- Poland
- Turkey
- Romania



- Stonebridge, UK



- High-Net-Worth business focused on Asian market



- India



- GoBear

### Decisions taken

- Divestment for EUR 830 million
- Valuation at 2.6x P/B and 15x net underlying earnings
- Closing expected in 2H 2021

- Divestment for approx. GBP 60 million
- Closing expected in 1Q 2021

- Rightsizing in response to challenging market conditions
- Focus sales on less interest rate sensitive products

- Focus on digital model only
- Close traditional distribution

- Decision to cease funding and close business, while maintaining optionality to sell all or parts of it

## Capital investments



- Spain / Portugal

- Completed expansion of Aegon's joint venture in Spain with Banco Santander for EUR 187 million

# Our priorities for 2021

## Improving operational performance

- Maintain momentum on execution of performance improvement initiatives
- Reduce expenses and invest in business to grow customer base and expand margins

## Value-creating capital allocation

- Active management of Financial Assets as well as smaller and niche operations
  - Review hedging approach for GMIB/DB variable annuity block to further de-risk cash flows
  - Implement LTC rate increases worth USD 300 million; program reflected in PDR
  - Take actions to further stabilize NL Life Solvency II ratio and focused on capital release
- Redeploy capital released to most profitable businesses with the highest growth potential

## Strong balance sheet and growing capital distributions

- Further execute on interest rate management plan in US
- Maintain Cash Capital at Holding in upper end of operating range in near term
- Reduce gross financial leverage by an additional EUR 200 million
- Maintain discipline on capital and deliver on dividend objectives



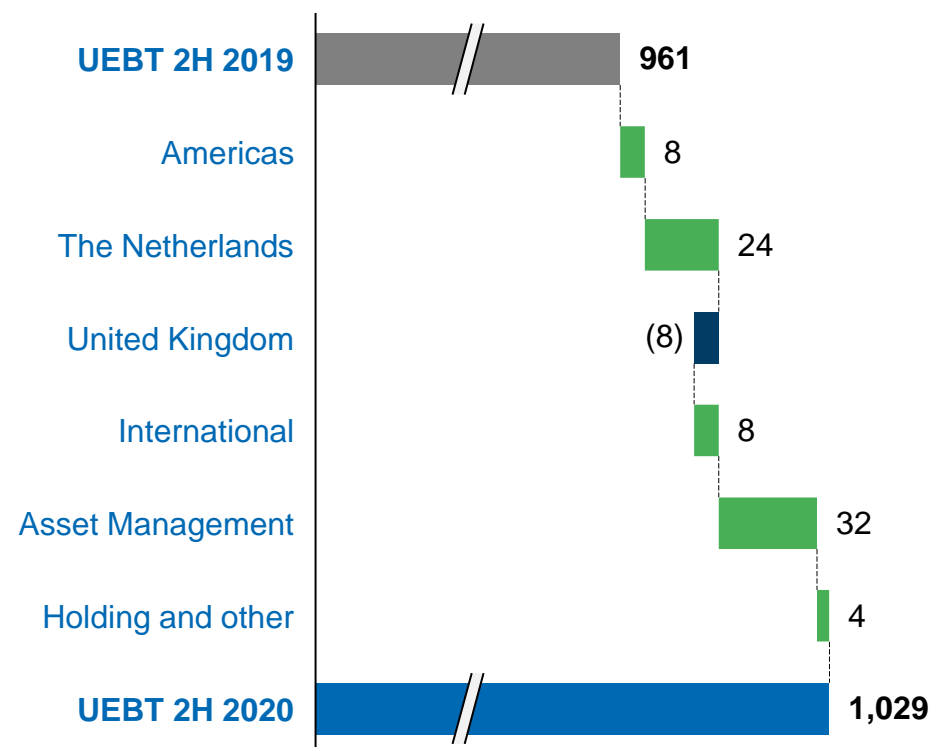


## 2H 2020 Results

# Underlying earnings increase by 7% to EUR 1,029 million

## Underlying earnings before tax<sup>1</sup>

(in EUR million)



### Expense savings

- Operating expense reduction in all units, including lower employee benefit expenses from change in pension arrangement in the Netherlands

### Americas

- EUR 91 million favorable morbidity experience, mainly from closed LTC block, offsets EUR 83 million adverse mortality in Life, both driven by the COVID-19 pandemic
- Higher earnings in Variable Annuities offset lower revenue in Retirement Plans, lower investment margin in Fixed Annuities, and EUR (35) million one-time items

### Asset Management

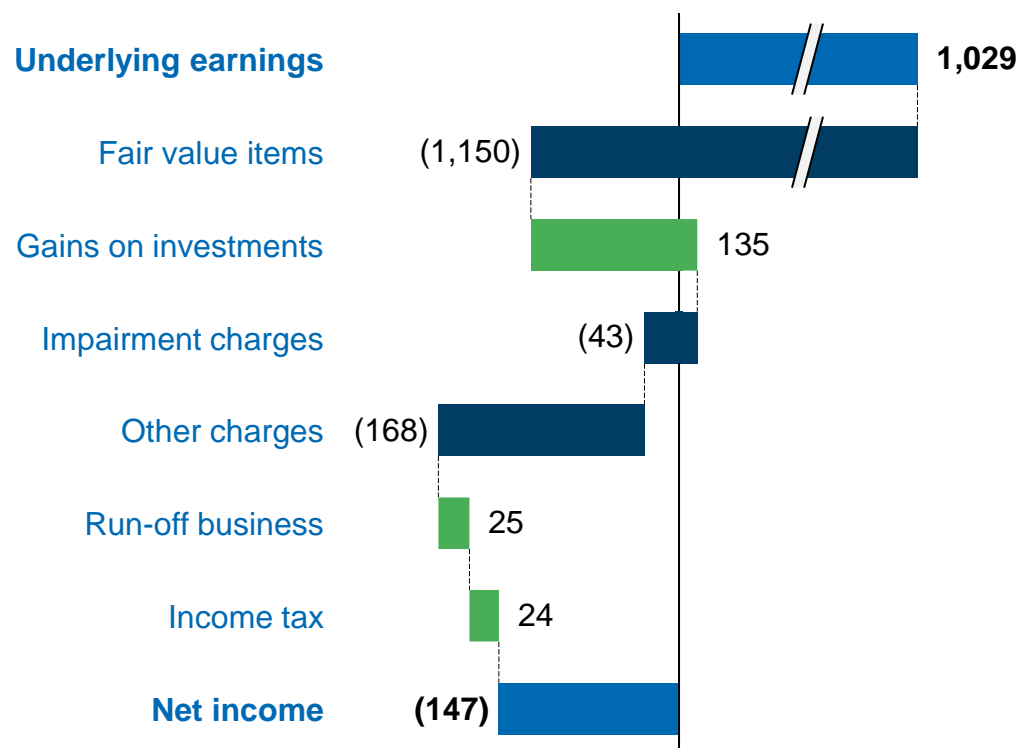
- Performance fees with EUR 56 million earnings impact, and higher management fees in Chinese AM joint venture, offset lower operating margin in Global Platform business

1. Amounts have been restated to reflect the voluntary change in accounting policies related to deferred cost of reinsurance (DCoR) adopted by Aegon effective January 1, 2020

# Net loss of EUR 147 million driven by fair value items

## Net income<sup>1</sup>

(2H 2020, in EUR million)



## Fair value items

- EUR 1,330 million loss in the Netherlands, mainly due to an increase of the value of liabilities as a result of tightening credit spreads, reversing a similar gain in 1H20
- EUR 256 million profit in Americas driven by gains on alternative investments and from unhedged risks; hedges were effective for the targeted risks

## Realized gains and impairment charges on investments

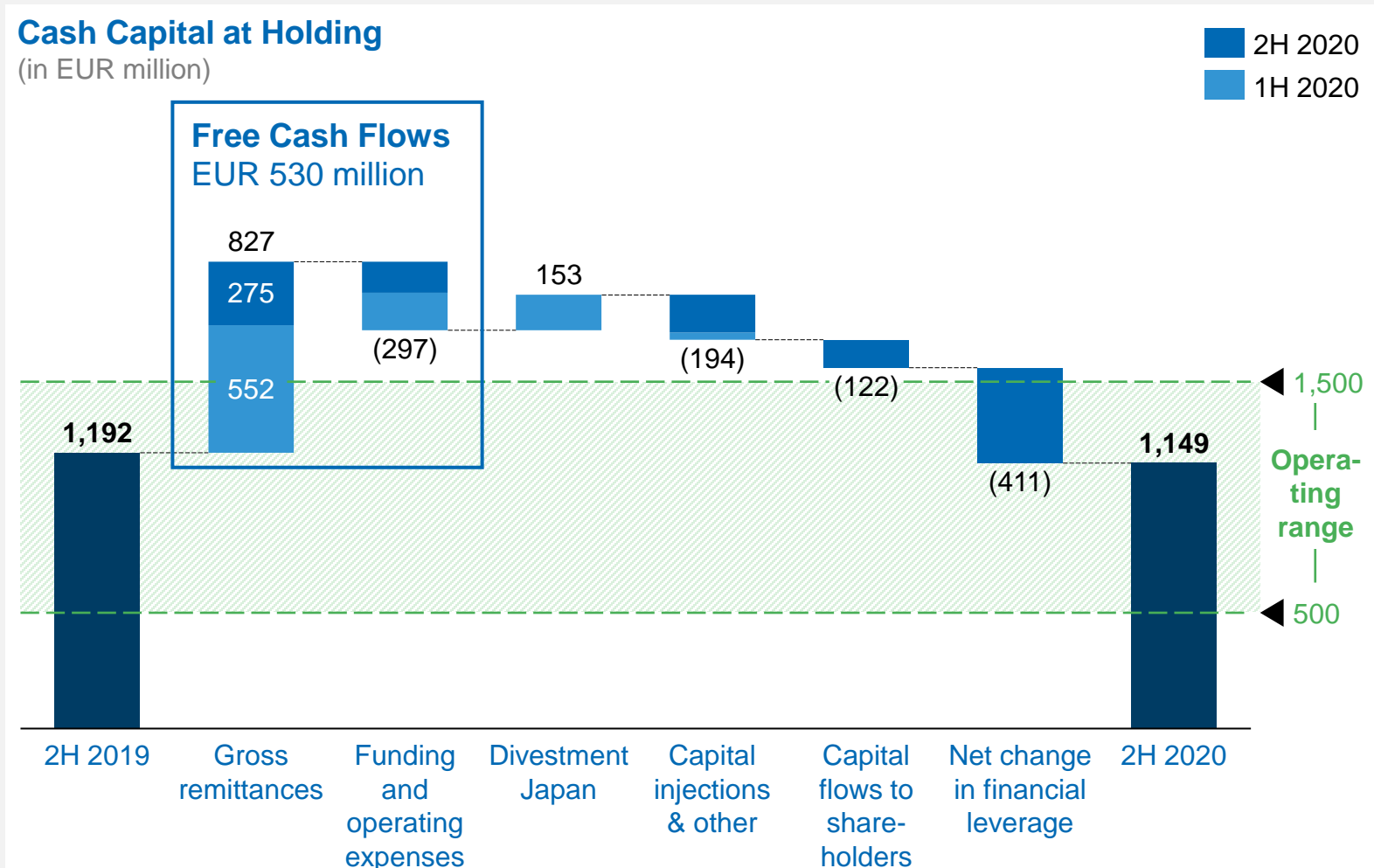
- Normal trading and sales activity in low interest environment and to lengthen asset duration
- Impairments remained below long-term average

## Other income / (charges)

- EUR (125) million related to exposure to reinsurer
- EUR (112) million costs for restructuring of US captives
- Positive contribution from assumption changes in Netherlands offsets other charges including from restructuring and transformation

1. Amounts have been restated to reflect the voluntary change in accounting policies related to deferred cost of reinsurance (DCoR) adopted by Aegon effective January 1, 2020. For the amounts of the restatement, we refer to Aegon's Condensed Consolidated Interim Financial Statements

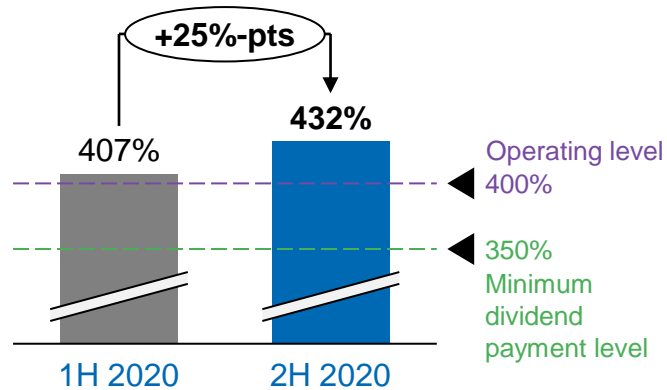
# Free Cash Flows used for dividend and deleveraging



- Free Cash Flows for FY 2020 used for capital return to shareholders and repayment of senior debt in December 2020
- EUR 275 million gross remittances in 2H 2020 reflect decision to let US business retain most of its planned remittances
- Capital injections mainly relate to expansion of Aegon's joint ventures in Spain with Banco Santander
- Cash Capital at Holding in the upper half of the operating range of EUR 0.5 to 1.5 billion

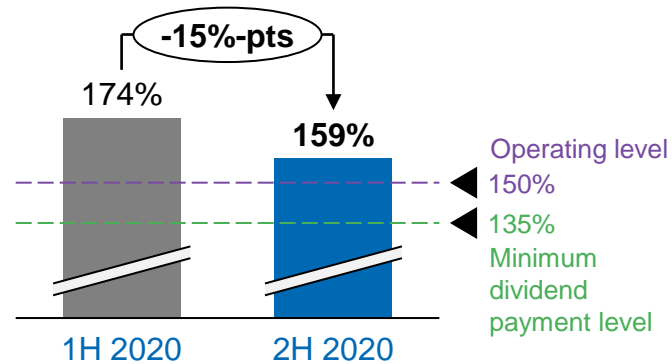
# Capital position of main units above the operating level

## RBC ratio US, regulated entities



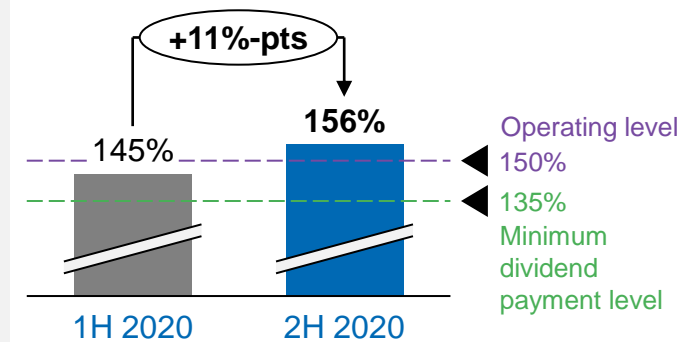
- +29%-pts from USD 629 million normalized capital generation
- +14%-pts market impacts mainly from rising equity markets, this includes -2%-pts from credit migration and defaults
- -16%-pts from management actions and one-time items, incl. dividends to US holding and capital benefit from Pyramid sale
- US holding used dividends to repay affiliate notes, which reduced to USD 0.1 billion per year-end 2020

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



- Improvements to internal model reduce sensitivities of the Solvency II ratio
- Reduction of the LAC-DT<sup>1</sup> factor from 65% to 45% with an impact of -6%-pts on the Solvency II ratio; positive impact from actuarial assumption updates
- Higher required capital from decision to invest more in corporate credit and volatility in the separate account business
- Normalized capital generation of EUR 122 million offsetting dividend payment to Group

## Solvency II ratio UK, Scottish Equitable plc



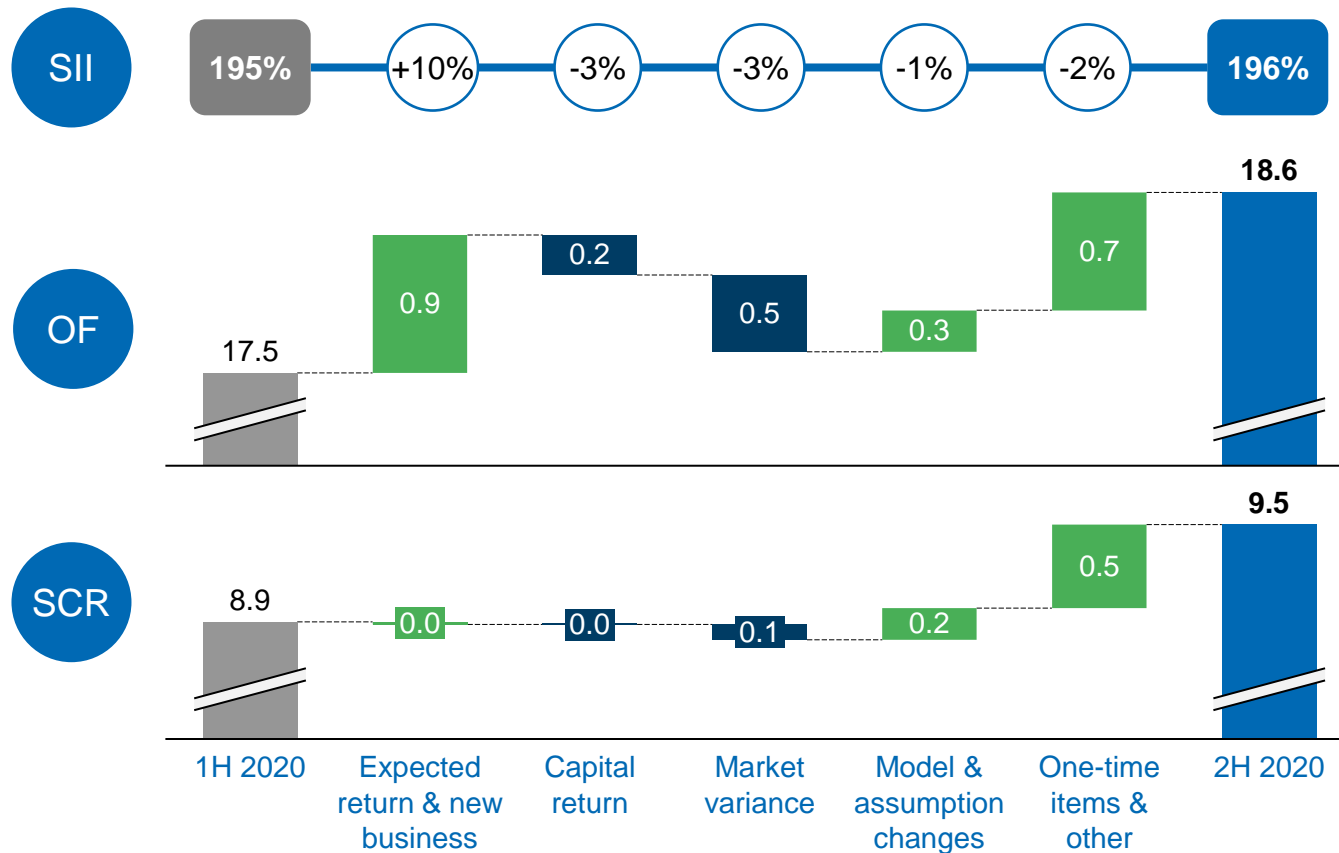
- Increasing capital ratio from update of expense assumptions reflecting cost reduction initiatives
- Normalized capital generation of GBP 44 million with positive contribution of 3%-pts
- Scottish Equitable did not pay a dividend to the Group in 2H20; dividend payment over 2020 to be received in 1Q21

1. LAC-DT = Loss absorption capacity of deferred taxes

# Group Solvency II ratio amounts to 196%

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

(in EUR billion)



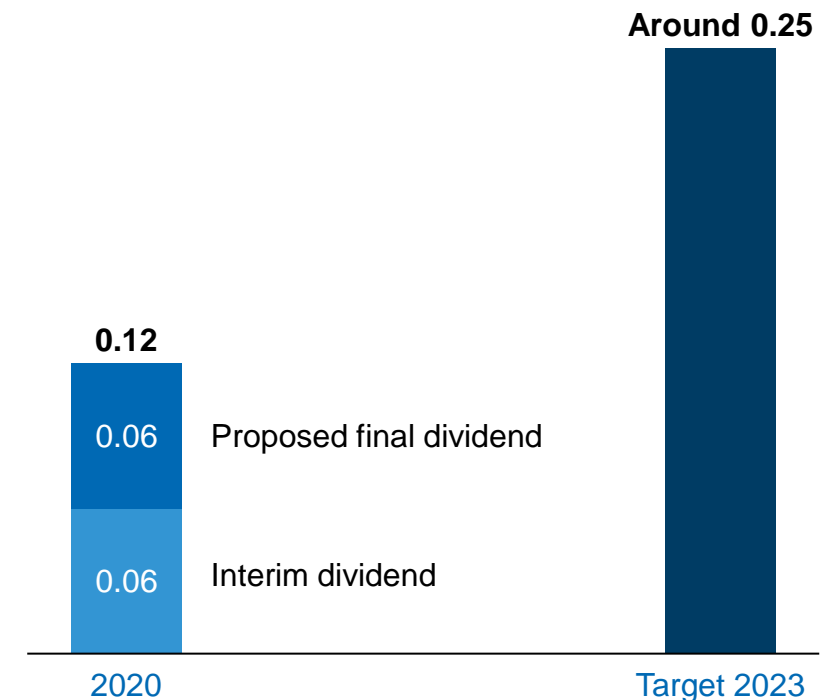
- Strong contribution from normalized capital generation
- Capital return includes impact of proposed final dividend 2020
- Manageable impact from market variance, mainly driven by tightening credit spreads
- Benefit from actuarial assumption changes offset by decision to lower the LAC-DT<sup>1</sup> factor
- Adverse impact from one-time items as a result of the inclusion of Aegon Bank in the Group ratio and expansion of JV with Santander, partly offset by capital benefit from Pyramid sale

Notes: Numbers are based on management's best estimates and an unchanged conversion methodology for the US business. See slide 21 for details  
 1. LAC-DT = Loss absorption capacity of deferred taxes

# Final dividend of EUR 0.06 per share

- EUR 0.06 per share final dividend to be proposed to the AGM<sup>1</sup>
- Policy is to distribute Free Cash Flows to shareholders, unless invested in value-creating opportunities subject to strict financial and non-financial criteria
- Near-term growth in capital distribution to shareholders expected to be muted as we prioritize deleveraging and maintaining Cash Capital at Holding in the upper half of the operating range
- We target to increase the dividend to around EUR 0.25 per share over 2023<sup>1</sup>

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



<sup>1</sup> Barring unforeseen circumstances, and dividend subject to board and AGM approvals



# Concluding remarks



# Key messages

## Clear strategic focus, building on our strengths

- Increased strategic focus through divestments, closure or right-sizing of smaller and niche operations
- Building on our strengths in Strategic Assets and Asset Management

## Value-creating capital allocation

- Setting up dedicated teams to manage Financial Assets in US and NL
- Rolling-out new rate increase program in Long-Term Care
- Launched review of hedging approach for GMIB/DB variable annuity block to further de-risk cash flows

## Improving operational performance

- Underlying earnings increased by 7% to EUR 1,029 million
- Achieved over EUR 75 million addressable expense reduction in 2020
- Implemented 23% of operational improvement initiatives

## Strong balance sheet and growing capital distributions

- Capital ratios of the three main units above the operating level
- Free Cash Flows used for deleveraging and dividends in 2020
- Reduced financial leverage by USD 500 million
- Proposing<sup>1</sup> EUR 0.12 full-year dividend per common share

1. Barring unforeseen circumstances, and dividend subject to board and AGM approvals

## Appendix

For questions please contact  
Investor Relations  
+31 70 344 8305  
[ir@aegon.com](mailto:ir@aegon.com)

P.O. Box 85  
2501 CB The Hague  
The Netherlands

*Helping people achieve a lifetime of financial security*

# Well-managed capital sensitivities

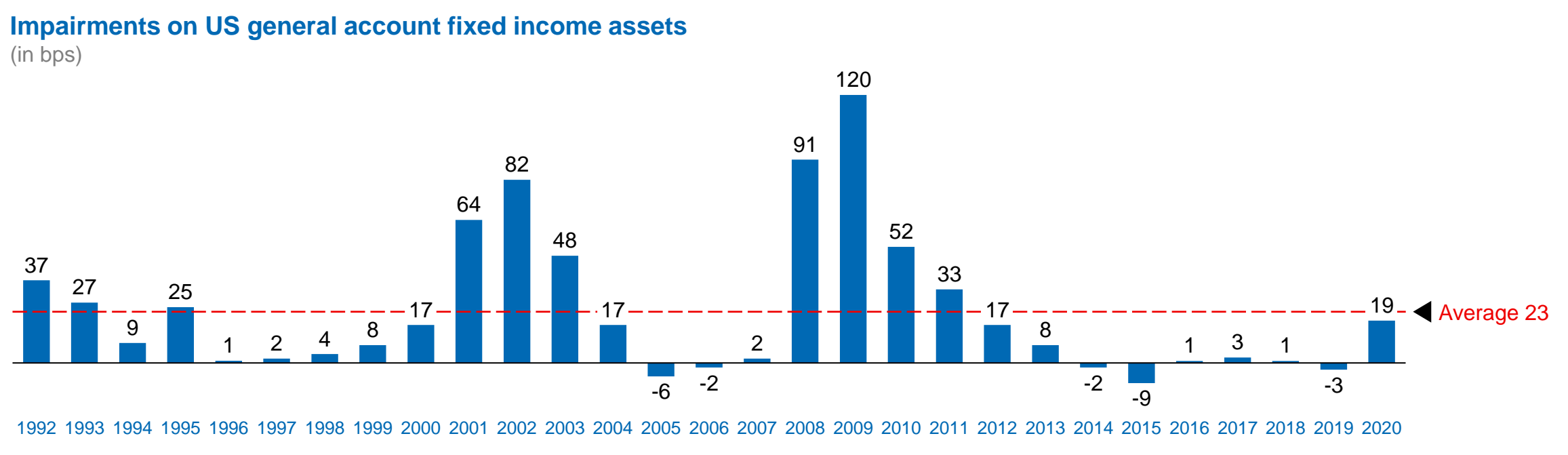
## Solvency II sensitivities

(in percentage points, 2020)

	Scenario	Group	NL Life <sup>4</sup>	UK SE plc <sup>5</sup>	US	US RBC
Equity markets	+25%	+7%	+1%	-1%	+20%	+23%
Equity markets	-25%	-11%	-5%	-5%	-29%	-34%
Interest rates	+50 bps	+1%	-8%	+1%	+4%	+5%
Interest rates	-50 bps	-0%	9%	-1%	-3%	-0%
Government spreads, excl. EIOPA VA	+50 bps	-2%	-2%	-5%	n/a	n/a
Government spreads, excl. EIOPA VA	-50 bps	+3%	+3%	+5%	n/a	n/a
Non-government credit spreads <sup>1</sup> , excl. EIOPA VA	+50 bps	-0%	-10%	+6%	+1%	-5%
Non-government credit spreads <sup>1</sup> , excl. EIOPA VA	-50 bps	-0%	+9%	-10%	-1%	+5%
US credit defaults <sup>2</sup>	~200 bps	-18%	n/a	n/a	-38%	-62%
Mortgage spreads	+50 bps	-2%	-6%	n/a	n/a	n/a
Mortgage spreads	-50 bps	+2%	+6%	n/a	n/a	n/a
EIOPA VA	+5 bps	0%	+1%	n/a	n/a	n/a
EIOPA VA	-5 bps	-0%	-1%	n/a	n/a	n/a
Ultimate Forward Rate	-15 bps	-2%	-6%	n/a	n/a	n/a
Longevity <sup>3</sup>	+5%	-7%	-10%	-3%	-12%	-19%

1. Non-government credit spreads include mortgage spreads; 2. Additional 130bps defaults for 1 year plus assumed rating migration; 3. Reduction of annual mortality rates by 5%  
4. NL Life refers to the capital ratio of Aegon Levensverzekering NV in the Netherlands; 5. UK SE plc refers to the capital ratio of Scottish Equitable PLC in the United Kingdom

# Credit losses in 2020 in line with long-term average



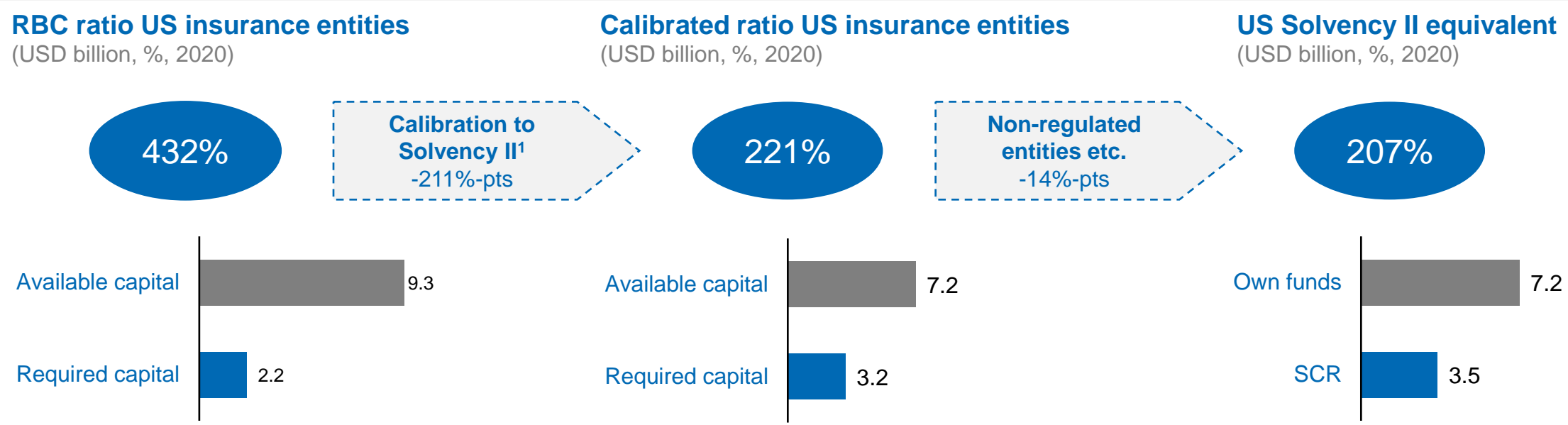
- Almost all fixed income instruments are held as available for sale securities, and as such are impaired through earnings if we expect to receive less than full principal and interest; the impairment amount is the difference between the amortized cost and market value of the security

20

Note: Periods prior to 2005 are based on Dutch Accounting Principles (DAP); Periods 2005 and later are based on International Financial Reporting Standards (IFRS)

# Conversion of RBC to Solvency II

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



1. Solvency II calibration reduces own funds by 100% RBC CAL to reflect transferability limitations and Required Capital is increased to 150% RBC CAL

# Capital generation and remittances

(in EUR million)

Region	Normalized capital generation <sup>1</sup>				Gross remittances			
	1H 2019	2H 2019	1H 2020	2H 2020	1H 2019	2H 2019	1H 2020	2H 2020
Americas	519	591	230	540	402	406	423	42
Netherlands	202	268	182	165	-	-	100	75
United Kingdom	42	40	77	83	179	72	-	39
International	59	80	78	143	34	94	4	29
Asset Management	36	42	56	68	24	20	-	46
Other units	(2)	4	5	10	-	3	25	45
<b>Total before holding expenses</b>	<b>856</b>	<b>1,025</b>	<b>628</b>	<b>1,008</b>	<b>639</b>	<b>595</b>	<b>552</b>	<b>275</b>
Holding funding & operating expense	(142)	(170)	(162)	(135)	(142)	(169)	(162)	(135)
<b>Total after holding expenses</b>	<b>714</b>	<b>855</b>	<b>466</b>	<b>873</b>	<b>497</b>	<b>426</b>	<b>390</b>	<b>140</b>
Divestitures					131 <sup>2</sup>		153 <sup>3</sup>	
Total new business strain	(491)	(545)	(447)	(446)				

1. Capital generation excluding market impacts and one-time items

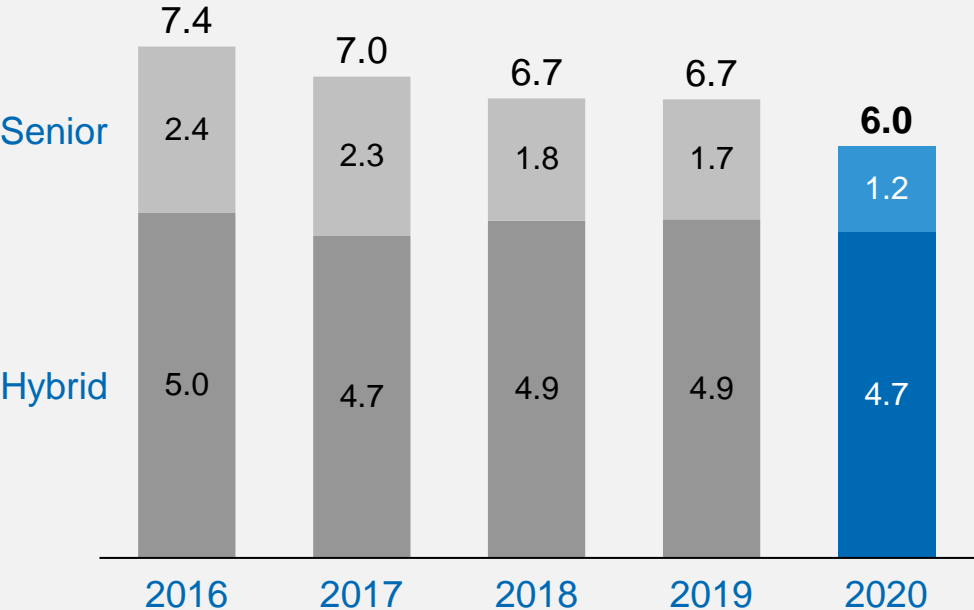
2. Divestment of Czech Republic and Slovakia

3. Divestment of Aegon's joint ventures in Japan

# Leverage ratio benefits from debt reduction in 2020

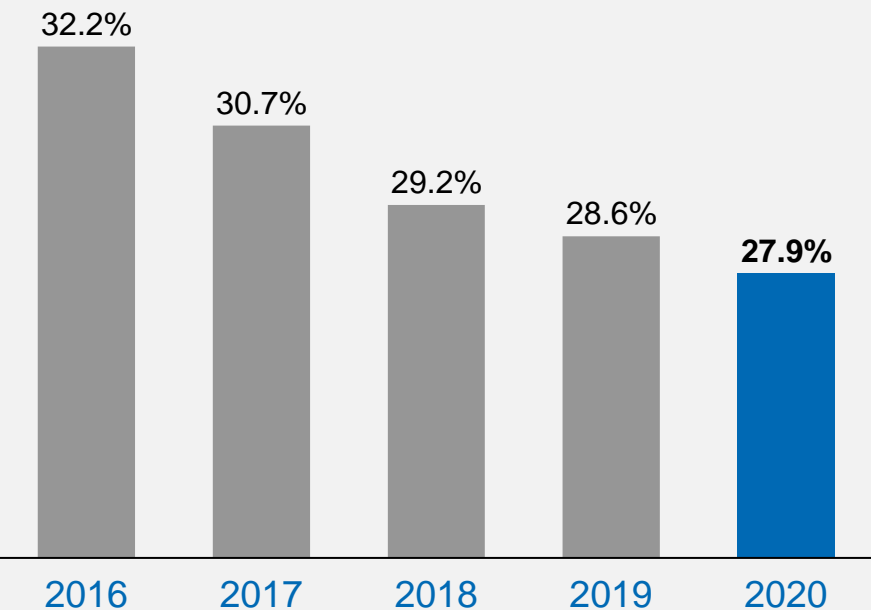
## Gross financial leverage

(in EUR billion)



## Gross financial leverage ratio

(in %)



# Main economic assumptions

Overall assumptions	US	NL	UK
Exchange rate against euro	1.2	n.a.	0.9
Annual gross equity market return (price appreciation + dividends)	2021: 2% 2022 onwards 8%	2021: 4% 2022 onwards 6.5%	2021: 4% 2022 onwards 6.5%

Main assumptions for financial targets	
US 10-year government bond yields	Grade to 2.75% in 10 years time
NL 10-year government bond yields	Develop in line with forward curves
UK 10-year government bond yields	Grade to 3.25% in 10 years time

Main assumptions for US DAC recoverability	
10-year government bond yields	Grade to 2.75% in 10 years time
Credit spreads, net of defaults and expenses	Grade from current levels to 122 bps over four years
Bond funds	Return of 3% for 10 years and 4% thereafter
Money market rates	Grade to 1.5% in 10 years time



# Aegon Investor Relations

## Stay in touch

### Upcoming events 2021

<b>Morgan Stanley Virtual European Financials Conference</b>	March 18
<b>HSBC Virtual US West Coast Financials Conference</b>	March 29 – 30
<b>Aegon 1Q 2021 results</b>	May 12

### Contact Investor Relations

<b>Jan Willem Weidema</b> Head of Investor Relations	+31 70 344 8028
<b>Karl-Otto Grosse-Holz</b> Investor Relations Officer	+31 70 344 7857
<b>Hielke Hielkema</b> Investor Relations Officer	+31 70 344 7697
<b>Henk Schillemans</b> Investor Relations Officer	+31 70 344 7889
<b>Gaby Oberweis</b> Event Coordinator	+31 70 344 8305
<b>Sarita Joeloem Singh</b> Executive Assistant	+31 70 344 8451



# Investing in Aegon

## Aegon ordinary shares

- Traded on Euronext Amsterdam since 1969 and quoted in euros

### Aegon's ordinary shares

Ticker symbol	AGN NA
ISIN	NL0000303709
SEDOL	5927375NL
Trading Platform	Euronext Amsterdam
Country	Netherlands

## Aegon New York Registry Shares (NYRS)

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

### Aegon's New York Registry Shares

Ticker symbol	AEG US
NYRS ISIN	US0079241032
NYRS SEDOL	2008411US
Trading Platform	NYSE
Country	USA
NYRS Transfer Agent	Citibank, N.A.

**AEG**  
**LISTED**  
**NYSE**

### Aegon NYRS contact details

Broker contacts at Citibank:

Telephone: New York: +1 212 723 5435

London: +44 207 500 2030

E-mail: [citiadr@citi.com](mailto:citiadr@citi.com)

# Disclaimer

## Cautionary note regarding non-IFRS-EU measures

This document includes the following non-IFRS-EU financial measures: underlying earnings before tax, income tax, income before tax, market consistent value of new business and return on equity. These non-IFRS-EU measures are calculated by consolidating on a proportionate basis Aegon's joint ventures and associated companies. The reconciliation of these measures, except for market consistent value of new business and return on equity, to the most comparable IFRS-EU measure is provided in the notes to this press release. Market consistent value of new business is not based on IFRS-EU, which are used to report Aegon's primary financial statements and should not be viewed as a substitute for IFRS-EU financial measures. Aegon may define and calculate market consistent value of new business differently than other companies. Return on equity is a ratio using a non-IFRS-EU measure and is calculated by dividing the net underlying earnings after cost of leverage by the average shareholders' equity adjusted for the revaluation reserve. Aegon believes that these non-IFRS-EU measures, together with the IFRS-EU information, provide meaningful supplemental information about the underlying operating results of Aegon's business including insight into the financial measures that senior management uses in managing the business.

## Local currencies and constant currency exchange rates

This document contains certain information about Aegon's results, financial condition and revenue generating investments presented in USD for the Americas and in GBP for the United Kingdom, because those businesses operate and are managed primarily in those currencies. Certain comparative information presented on a constant currency basis eliminates the effects of changes in currency exchange rates. None of this information is a substitute for or superior to financial information about Aegon presented in EUR, which is the currency of Aegon's primary financial statements.

## Forward-looking statements

The statements contained in this document that are not historical facts are forward-looking statements as defined in the US Private Securities Litigation Reform Act of 1995. The following are words that identify such forward-looking statements: aim, believe, estimate, target, intend, may, expect, anticipate, predict, project, counting on, plan, continue, want, forecast, goal, should, would, could, is confident, will, and similar expressions as they relate to Aegon. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Aegon undertakes no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which merely reflect company expectations at the time of writing. Actual results may differ materially from expectations conveyed in forward-looking statements due to changes caused by various risks and uncertainties. Such risks and uncertainties include but are not limited to the following:

- Changes in general economic and/or governmental conditions, particularly in the United States, the Netherlands and the United Kingdom;
- Changes in the performance of financial markets, including emerging markets, such as with regard to:
  - The frequency and severity of defaults by issuers in Aegon's fixed income investment portfolios;
  - The effects of corporate bankruptcies and/or accounting restatements on the financial markets and the resulting decline in the value of equity and debt securities Aegon holds; and
  - The effects of declining creditworthiness of certain public sector securities and the resulting decline in the value of government exposure that Aegon holds;
- Changes in the performance of Aegon's investment portfolio and decline in ratings of Aegon's counterparties;
- Lowering of one or more of Aegon's debt ratings issued by recognized rating organizations and the adverse impact such action may have on Aegon's ability to raise capital and on its liquidity and financial condition;
- Lowering of one or more of insurer financial strength ratings of Aegon's insurance subsidiaries and the adverse impact such action may have on the written premium, policy retention, profitability and liquidity of its insurance subsidiaries;
- The effect of the European Union's Solvency II requirements and other regulations in other jurisdictions affecting the capital Aegon is required to maintain;
- Changes affecting interest rate levels and continuing low or rapidly changing interest rate levels;
- Changes affecting currency exchange rates, in particular the EUR/USD and EUR/GBP exchange rates;
- Changes in the availability of, and costs associated with, liquidity sources such as bank and capital markets funding, as well as conditions in the credit markets in general such as changes in borrower and counterparty creditworthiness;
- Increasing levels of competition in the United States, the Netherlands, the United Kingdom and emerging markets;
- Catastrophic events, either manmade or by nature, including by way of example acts of God, acts of terrorism, acts of war and pandemics, could result in material losses and significantly interrupt Aegon's business;
- The frequency and severity of insured loss events;
- Changes affecting longevity, mortality, morbidity, persistence and other factors that may impact the profitability of Aegon's insurance products;
- Aegon's projected results are highly sensitive to complex mathematical models of financial markets, mortality, longevity, and other dynamic systems subject to shocks and unpredictable volatility. Should assumptions to these models later prove incorrect, or should errors in those models escape the controls in place to detect them, future performance will vary from projected results;
- Reinsurers to whom Aegon has ceded significant underwriting risks may fail to meet their obligations;
- Changes in customer behavior and public opinion in general related to, among other things, the type of products Aegon sells, including legal, regulatory or commercial necessity to meet changing customer expectations;
- Customer responsiveness to both new products and distribution channels;
- As Aegon's operations support complex transactions and are highly dependent on the proper functioning of information technology, operational risks such as system disruptions or failures, security or data privacy breaches, cyberattacks, human error, failure to safeguard personally identifiable information, changes in operational practices or inadequate controls including with respect to third parties with which we do business may disrupt Aegon's business, damage its reputation and adversely affect its results of operations, financial condition and cash flows;
- The impact of acquisitions and divestitures, restructurings, product withdrawals and other unusual items, including Aegon's ability to integrate acquisitions and to obtain the anticipated results and synergies from acquisitions;
- Aegon's failure to achieve anticipated levels of earnings or operational efficiencies, as well as other management initiatives related to cost savings, Cash Capital at Holding, gross financial leverage and free cash flow;
- Changes in the policies of central banks and/or governments;
- Litigation or regulatory action that could require Aegon to pay significant damages or change the way Aegon does business;
- Competitive, legal, regulatory, or tax changes that affect profitability, the distribution cost of or demand for Aegon's products;
- Consequences of an actual or potential break-up of the European monetary union in whole or in part, or the exit of the United Kingdom from the European Union and potential consequences if other European Union countries leave the European Union;
- Changes in laws and regulations, particularly those affecting Aegon's operations' ability to hire and retain key personnel, taxation of Aegon companies, the products Aegon sells, and the attractiveness of certain products to its consumers;
- Regulatory changes relating to the pensions, investment, and insurance industries in the jurisdictions in which Aegon operates;
- Standard setting initiatives of supranational standard setting bodies such as the Financial Stability Board and the International Association of Insurance Supervisors or changes to such standards that may have an impact on regional (such as EU), national or US federal or state level financial regulation or the application thereof to Aegon, including the designation of Aegon by the Financial Stability Board as a Global Systemically Important Insurer (G-SII); and
- Changes in accounting regulations and policies or a change by Aegon in applying such regulations and policies, voluntarily or otherwise, which may affect Aegon's reported results, shareholders' equity or regulatory capital adequacy levels.

This document contains information that qualifies, or may qualify, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation (596/2014). Further details of potential risks and uncertainties affecting Aegon are described in its filings with the Netherlands Authority for the Financial Markets and the US Securities and Exchange Commission, including the Annual Report. These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, Aegon expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Aegon's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.