



Realizing efficiencies

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Chief Operations Officer

New York City – December 8, 2016

Helping people achieve a lifetime of financial security



Today's storyline

Doubling expense savings

- Achieved run rate savings of USD 75 million by Q3 2016
- Delivering original 2018 expense target of USD 150 million in 2017
- Strong delivery on expense savings target; doubling 2018 target to USD 300 million
- Transformation to One Operations team is delivering ~50% of future savings

Streamlining operations

- First phase of location strategy implemented – impacting 3 locations
- Completed transfer of legacy recordkeeping systems to a single platform
- Significant outsourcing capabilities already in place as foundation for future
- Utilizing new technologies to drive further efficiencies and improved experiences

Launch Advice Center and Digital Platform

- Innovative use of digital solutions provide new integrated worksite platform
- Provides employer, employee and adviser with engaging, self-service capability
- Broader advice capabilities enables closer customer relationships and increased revenue
- Ready for Department of Labor changes in line with April 2017 deadline

Clear 5 part plan to improve performance

Focusing activity to deliver committed targets and become future fit



Doubling expense savings target to USD 300 million by 2018

2016 Achievements

- Run rate savings of USD 75 million achieved by Q3 16
- Net reduction of >500 additional roles
 - ~800 roles removed or relocated
 - ~300 first phase of roles created to capture skills in advice & digital
- Location strategy implemented
 - Closing 3 Operations locations in the US



Transforming Operations

Operations delivers ~50% of Transamerica's expense savings



Dec 2015

- Organized by major lines of business
- ~6000 employees over 17 locations



2016

- One Transamerica
- Alignment of work by key priorities to simplify and gain efficiencies



2017

- Further digitization of processes using new technologies
- Implementing the Worksite Platform and full launch of Advice Center



2018

- Additional digital capabilities on Platform
- Gaining additional efficiencies through process improvements, robotics and sourcing

Delivering One Transamerica to customers

Creating a single Operations team drives efficiency and experience

Priorities



Driving customer value through an improved experience



Optimizing our mobile and digital experience



Leveraging scale and simplifying business processes



Engaging and developing our team

Seeking to combine commonality to drive efficiency

Specialist activities

Life, Health & Annuity

Underwriting, new business, licensing & claims

Worksite & Institutional*

Client management, fund operations, installations, recordkeeping administration, and plan compliance

Unified activities

One Customer Care serving needs across all products

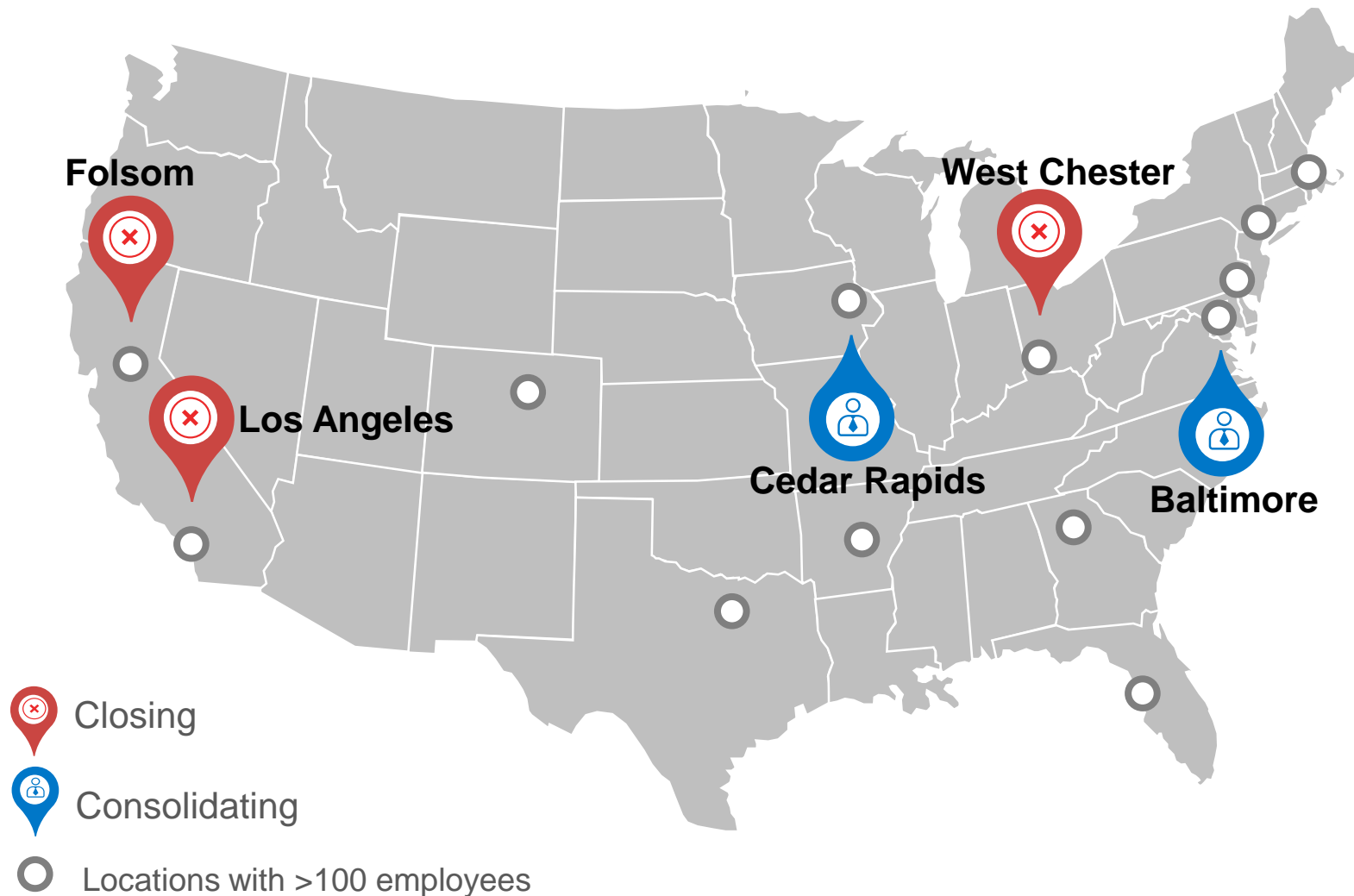
One Advice Center for new & existing customers

One administration team supporting enterprise services

* Retirement Plans, Voluntary Benefits and Mutual Funds

Location strategy – phase 1

Execution of location strategy is on track, announced closing of 3 offices



Closing impact:

- Closing 3 offices and consolidating locations in Cedar Rapids and Baltimore
- Reduction of >500 roles

Consolidation impact:

- Efficiencies from fewer leases, lower maintenance and travel
- Improved collaboration and culture across locations

Delivering operational excellence

Management action drives successful implementation

Process improvements

- Completed the transition of legacy retirement recordkeeping into a single system, improving experience for customers and reducing costs
- Implementing streamlined Life application processes to reduce handling costs by ~40% and improve the cycle time by 80%

Sourcing and third party relationships

- Allows us to focus on core competencies
- Benefit from economies of scale and specialist skills
- Long track record of using vendor partners for back office functions
- Outsourced roles represent ~10% of existing workforce

Implementing new technologies in H1 2017

- Implementing artificial intelligence and robotics to enhance workforce capabilities
- Digitizing transactions to gain efficiencies and improve the overall customer, employer and adviser experience

Digitizing transactions

Improving the customer experience and gaining operational efficiencies



Self service

Putting more control in the hands of the customer



Digitization of transactions

Enabling straight-through processing to gain operational efficiencies



Digitization of paper

Delivering customer documents electronically

Areas of opportunity

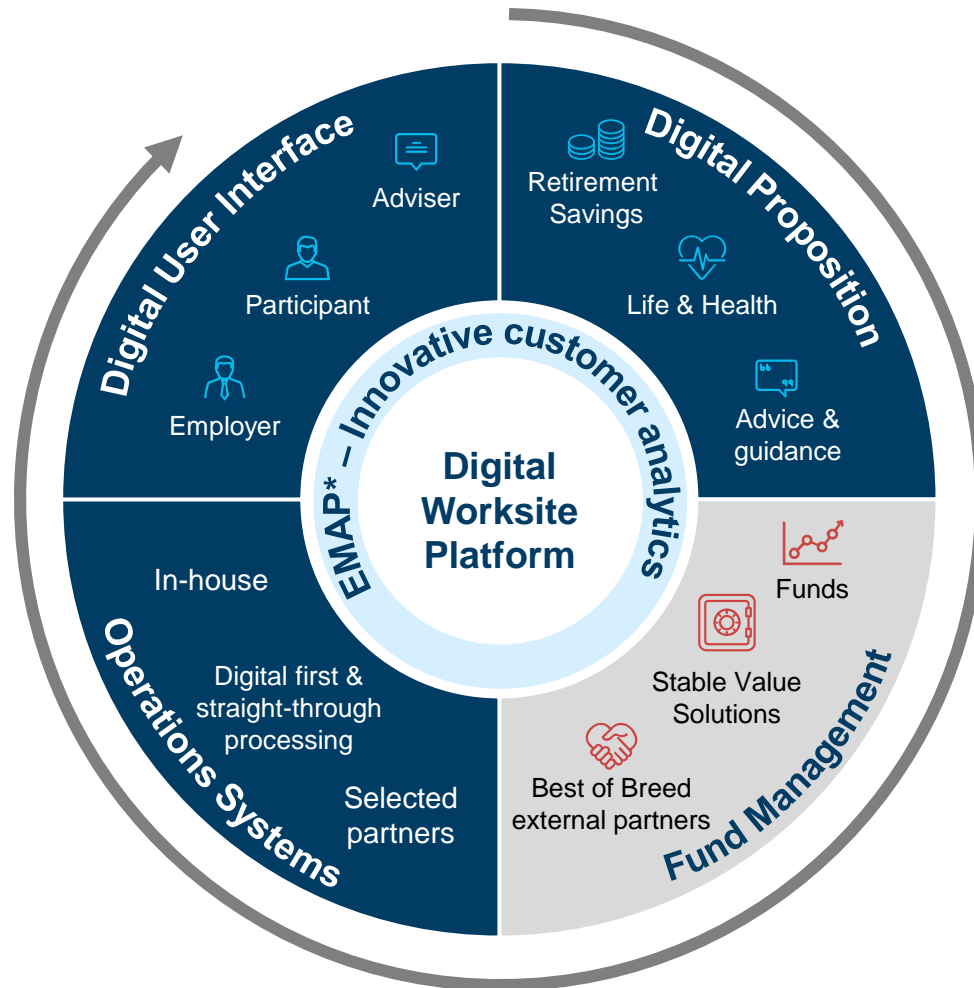
- Initial focus on worksite activities:
 - Retirement Plans
 - Transamerica Employee Benefits
- Further opportunities:
 - Life & Health
 - Annuities

Driving efficiencies

- Increase adoption rates
- Broaden areas digitized
- Drive more customers to our digital platform

Digital experience for customers

Significant experience improvement but also a step change in efficiency



Digital User Interface

- Omni-channel, mobile-first experience for employer, participant and advisers
- Self-service to a multi-product proposition
- Backed up by digitally enabled Customer Care

Customer Analytics

- Capturing valuable insight to inform a holistic view of Customer Journey and Experience touch points
- Enables opportunity to increase share of wallet

Operations Systems

- Digital first – drives significant efficiency
- New skills required in continuous customer experience improvement & outsourcing management

* Enterprise Marketing & Analytics Platform – incorporating internal and external data sources to drive insight on customer value & journeys

Creating a holistic Advice Center

Getting closer to the customer and expanding the relationship

Digital Platform drives customers to Advice Center



Adding customer value



One customer touch-point



Holistic needs assessment



More advice options

Creating a holistic offering to improve experience

- **Broader offering** – advice within the plan, advice with IRAs, annuities, and life & protection
- **Leveraging Venture Fund** – investment with Next Capital for aggregation and investment platform
- **DOL compliant** – acting in the customer's best interest facilitates deeper planning
- **Increases revenue** – consolidation of outside assets and delivering on broader needs

DOL readiness

Transamerica ready for the changes

New advice & service models

- Investing in infrastructure to support the Best Interest Advice Model (Advice Center/TFN*)
- Installing controls for back office functions
- Operating under the BIC** and a fee for service model for more customer choices

Updating training & compliance procedures

- Implementing required rule and fiduciary training
- Creating new procedures to ensure compliance where we are not becoming a fiduciary
- Installing new systems for oversight and review

Completing system & operational changes

- System changes to comply with disclosure requirements under the DOL (DTCC***)
- Changing compensation on various product lines to comply with reasonable and differential compensation requirements

* TFN – Transamerica Financial Network covering World Financial Group and Career Agents **BIC – Best Interest Contract Exemption

*** DTCC – Depository Trust and Clearing Corporation

Strong foundation to deliver Realizing efficiencies

**Doubling
expense savings
with credible plan**



**Streamlining
operations**



**Launch Advice
Center and
Digital Platform**

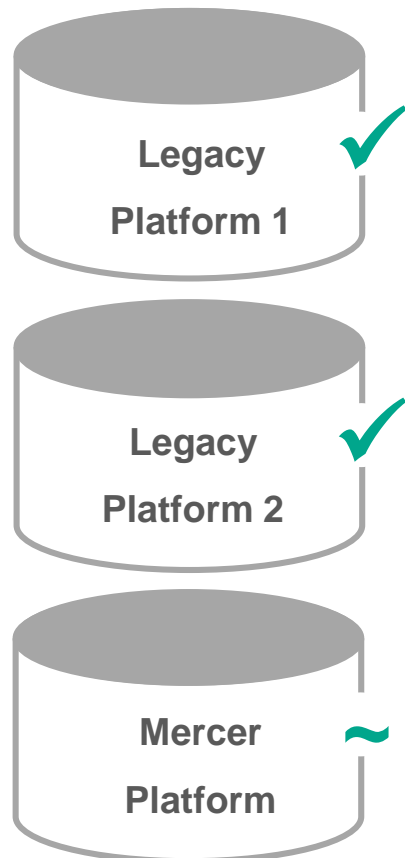
Delivering operational excellence

Appendix

Recordkeeping platforms consolidated

Mercer platform fully migrated to Paris 3 by end of 2017

Legacy platforms



Solution



Benefits

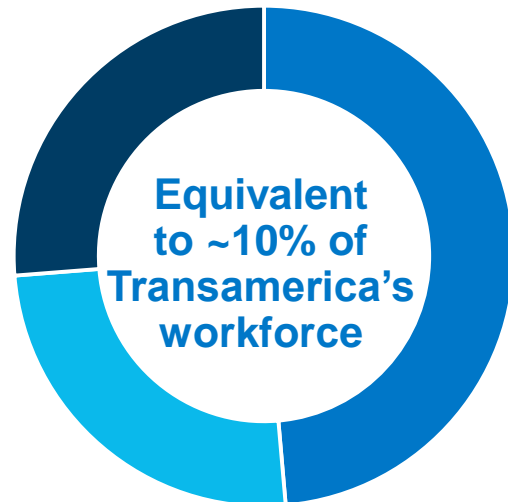


Sourcing and third party administration

Strong capabilities developed through years of successful execution

Current sourcing utilization

(Resources by function)



- Technology
- Finance & Actuarial
- Operations back-office

Third party administration

- Administers ~3 million policies* on behalf of Transamerica
- Provides specialized services across Life, Annuities and Health
- >25 years of experience with external partnerships

Benefits of sourcing & TPAs



Creates a scalable policy cost structure



Supports continuous improvements and ongoing savings



Allows internal focus on automation, process improvement, and core competencies



Provides flexibility to leverage internal resources to provide new services to our customers

* Active records including group certificates and individual policies

Applying technologies

Gaining efficiencies within each of our Operations priorities



Driving customer value through an improved experience

- Improved Interactive Voice Response in Customer Care
- Cognitive computing and predictive models simplify and improve customer interactions in our new business, claims and customer care teams



Optimizing our mobile and digital experience

- Improved customer website and log on experience
- Digitizing the top customer transactions to improve customer self service



Leveraging scale and simplifying business processes

- Robotics improving producer appointments and retirement file processing
- Other automated processes reducing back office handling and improving overall cycle times



Engaging and developing our team

- Integrated customer facing teams to improve engagement and service
- Improved business acumen and more career pathing options given the advancement of new technologies

Thank you!

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 - 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
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 - Changes in the performance of Aegon's investment portfolio and decline in ratings of Aegon's counterparties;
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 - 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;
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