

Welcome to the Annual General Meeting of Shareholders

In order to hear a
simultaneous translation in
English, please choose
channel 11

Welkom op de jaarlijkse Algemene Vergadering van Aandeelhouders

Voor het beluisteren van
een simultaanvertaling
in het **Nederlands**
kiest u **kanaal 10**



Welcome – Welkom

Annual General Meeting of Shareholders

The Hague, May 19, 2017

Algemene Vergadering van Aandeelhouders

Helping people achieve a lifetime of financial security

AEGON
Transform Tomorrow



Rob Routs

Chairman Supervisory Board

Voorzitter Raad van
Commissarissen

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1 Opening

2 2016 Business overview

2 Presentatie over de gang van zaken in 2016



Providing security in an insecure world

Alex Wynaendts

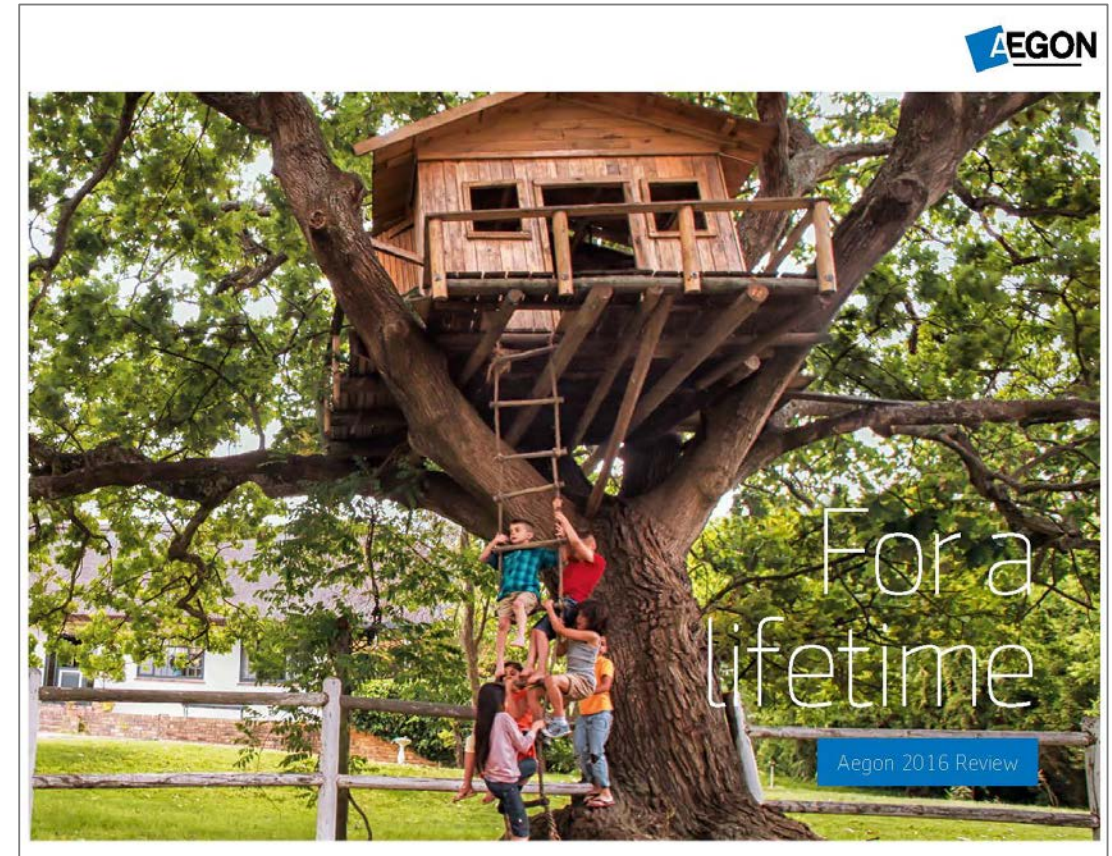
CEO & Chairman of the Executive Board

Helping people achieve a lifetime of financial security

The Hague, May 19, 2017

Today's storyline

- Our operating environment
- Our Group strategy
- Execution of our strategy in 2016
- Our financial performance in 2016
- Progress towards our 2018 targets



Evolving with the world around us



Economic and financial uncertainty



Political changes



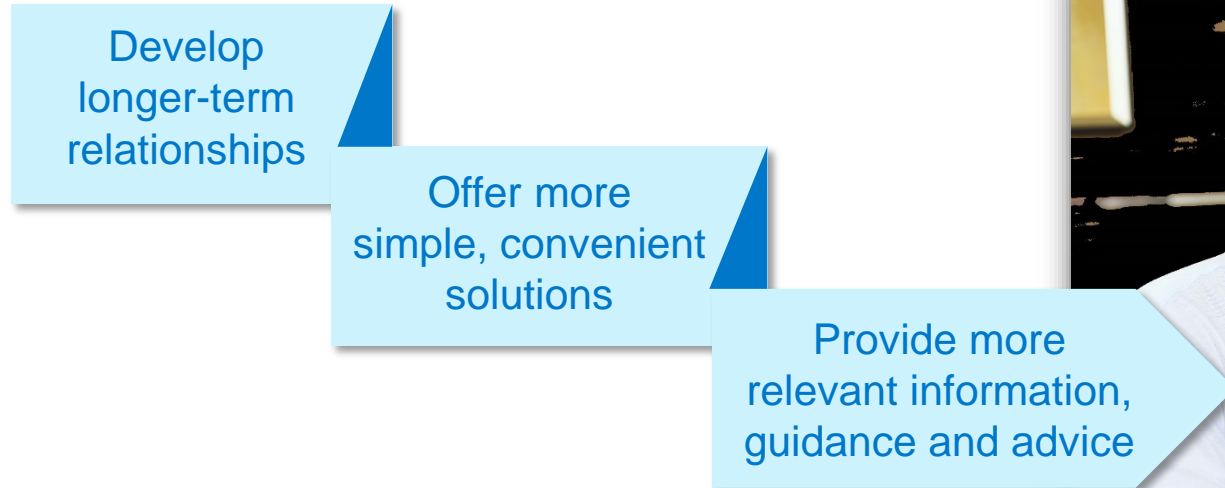
Increased regulation in financial services



New technologies and digital transformation

Living up to our purpose

To help people achieve a lifetime of financial security



Getting closer to our customers

Responsible Business integrated into strategy

Company-wide focus on the intersection of ‘financial security & well-being’

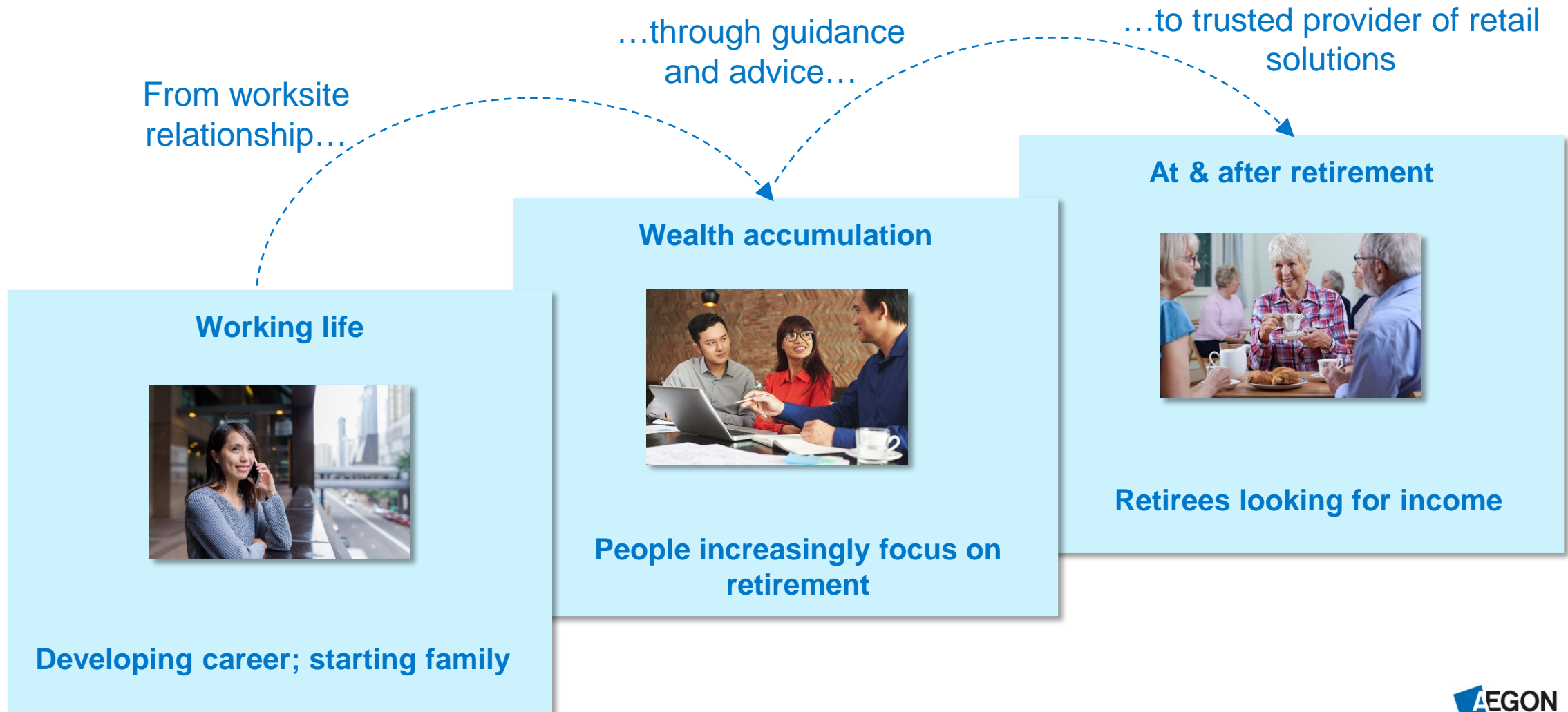


Raise awareness and create innovative solutions to get our **customers** to take action

Build knowledge and solutions to make **society** age-friendly

Increase our investments in a clean and healthy **planet**

Opportunity to serve along customer lifecycle

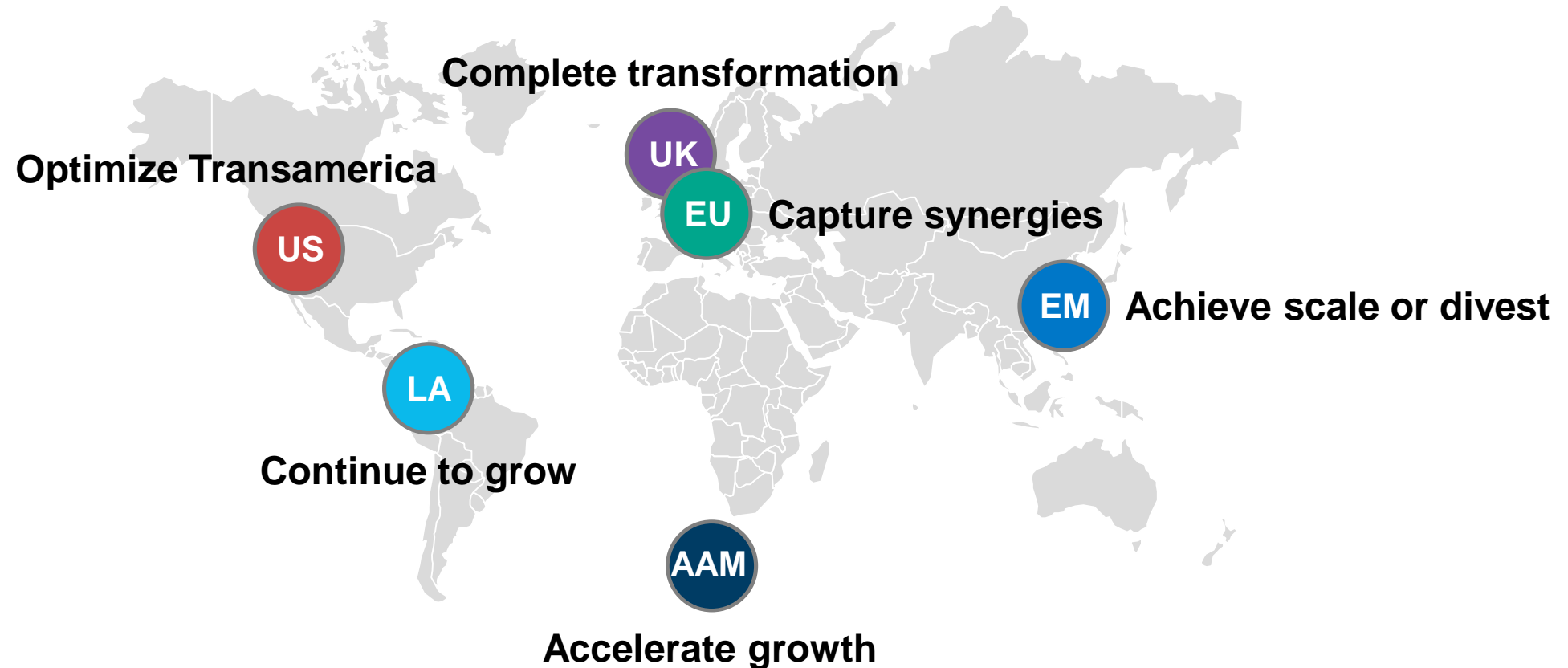


Our strategic priorities

- Broaden relationship with our customers throughout their financial lifecycle
 - Investing in technology to offer a fully digitized service to our customers
- Creating a balanced portfolio of businesses
 - Divest non-core businesses & invest in fee businesses
- Improve our performance by growing our business and reducing expenses
 - Expense savings target up from EUR 200 million to EUR 350 million to improve returns

Clear focus for each unit

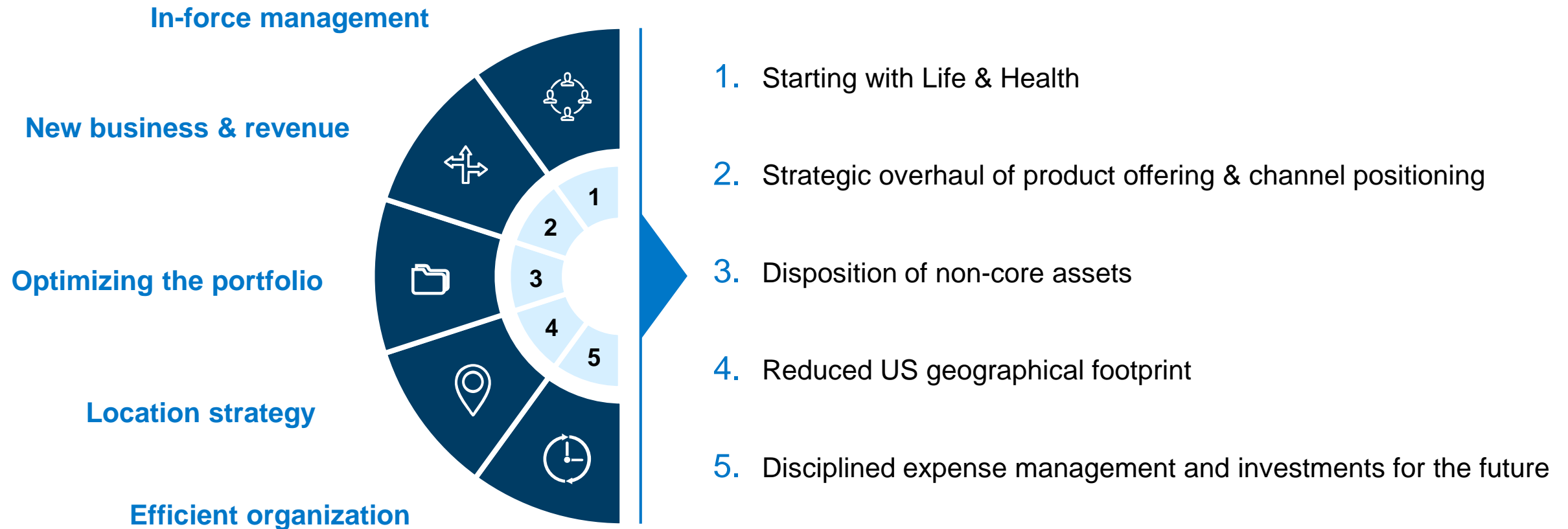
Become a trusted partner for financial solutions at every stage of life



Creating a balanced portfolio of businesses with predictable cash flows

Clear 5-part plan to optimize US performance

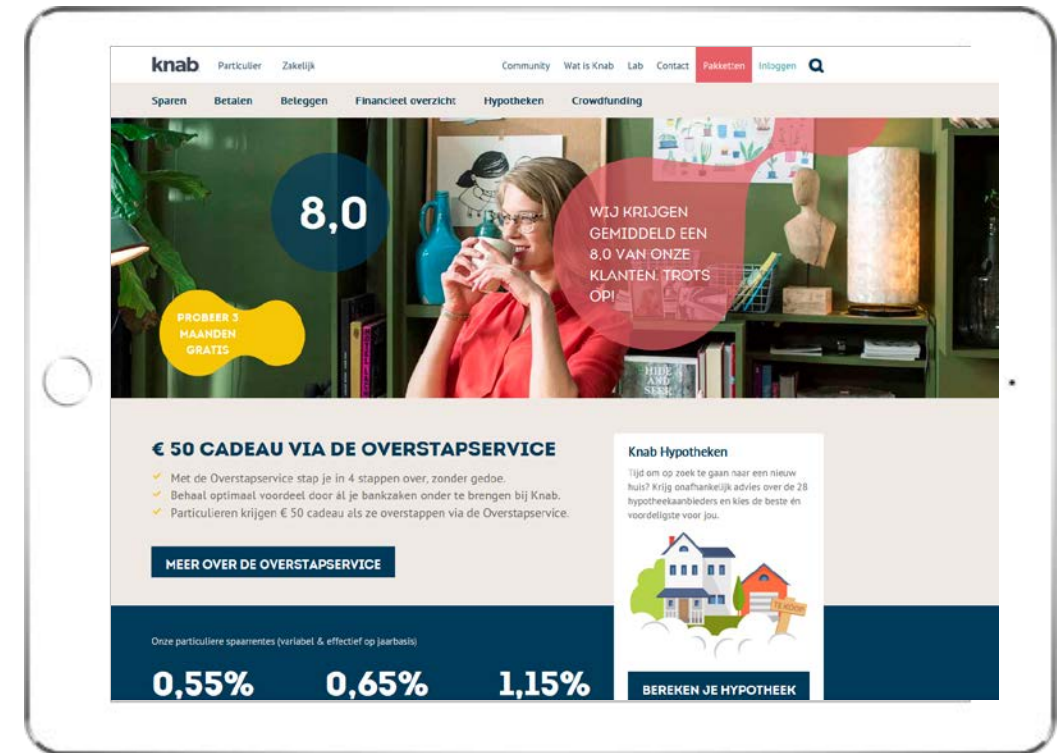
Significant reorganization to be more responsive to customer needs



Transition in the Netherlands on track

Towards more efficient ways of working

- Responsive to continued shift in pensions business
 - Largest insurance company among pension administrators
- Omni-channel distribution
 - Online bank Knab large driver for fee business growth
- Half of expense reduction target of EUR 50 million realized
- Strengthening Solvency II position



Major transformation towards a digital business

An unique and leading multi-channel platform in the UK

- # 1 retail platform with over GBP 100 billion in assets under management
- #3 in workplace savings
- Serving 1.2 million customers
- Become pure digital provider
- Achieving cost synergies



BLACKROCK®

c.funds

Milestone year for Aegon Asset Management

- 2016 marked increased importance of Aegon Asset Management
 - Separate reporting segment for the first time
- Strong partnerships to attract gross inflows
 - La Banque Postale Asset Management in France; AIFMC in China
- New sales force channels and enlarged strategies offering
 - Focus on Dutch Mortgage Fund and Kames Capital's Global funds



Solid delivery on growth initiatives

- Growth opportunities in Asia
 - Aiming to grow our distribution network & continue to push for digital
- Significant increase in protection sales CEE
 - Reflection of focus on profitable growth
- Extended distribution in Spain & Portugal
 - Partnership with Banco Santander to also include health insurance

Focused investments in FinTech

Selective investing to differentiate our offering

Technology to enhance customer experience

- Improved user experience
- Online advice & guidance
- Simplified transaction services
- Benefit from analytics & big data

Investing in FinTech



Benefits to Aegon

- Building life-long relationships with customers
- Developing new solutions & distribution models
- Excellent service at competitive cost levels



How is Aegon digitizing its business



How did we perform in 2016?

Strong results and solid capital position

Underlying earnings



EUR 1.9 billion
up 2%

Net income



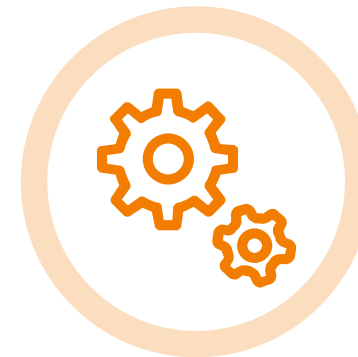
EUR 586 million
n.a.

Operational expenses



EUR 3.8 billion
up 1%

Sales



EUR 12 billion
up 15%

Revenue-generating investments

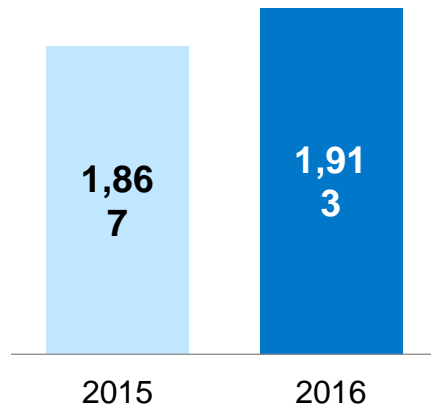


EUR 743 billion
up 5%

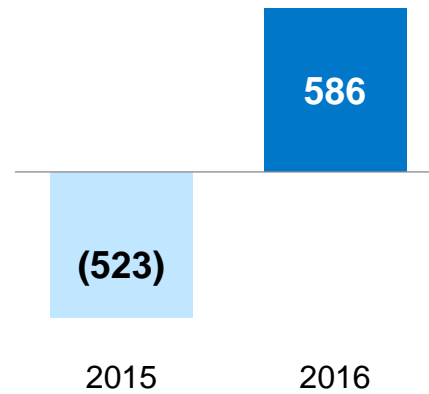
Solid Solvency II ratio of 157% for the Group year-end 2016

Solid results despite challenging environment

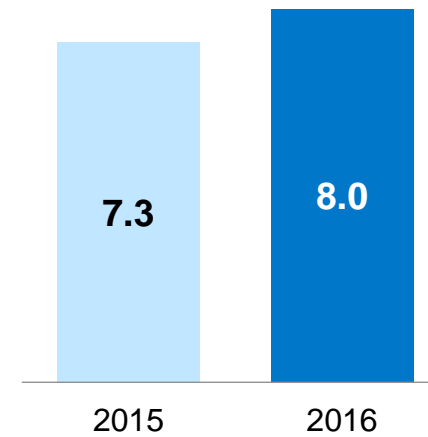
Underlying earnings before tax
(EUR million)



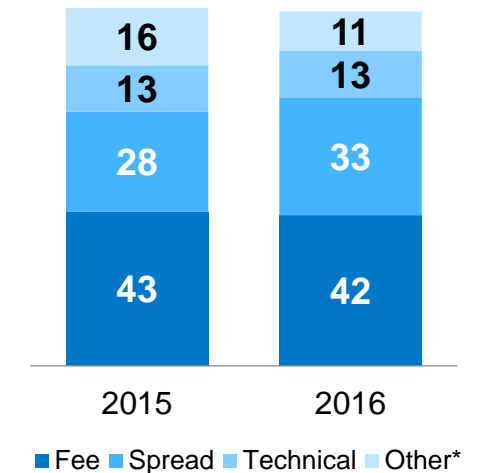
Net income
(EUR million)



Return on equity
(%)



Sources of earnings
(% of UEBT)



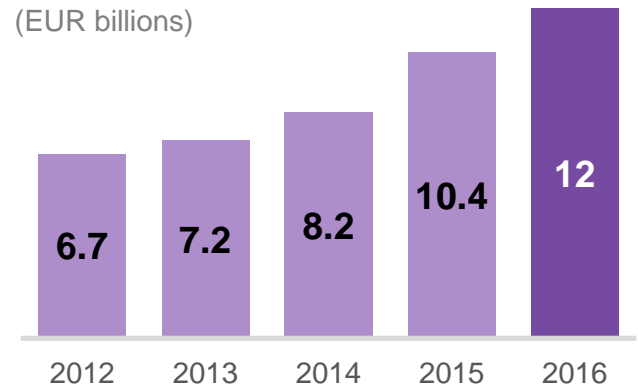
*Other includes interest on surplus and holding costs, excludes new business costs

Continued strong growth of fee-business

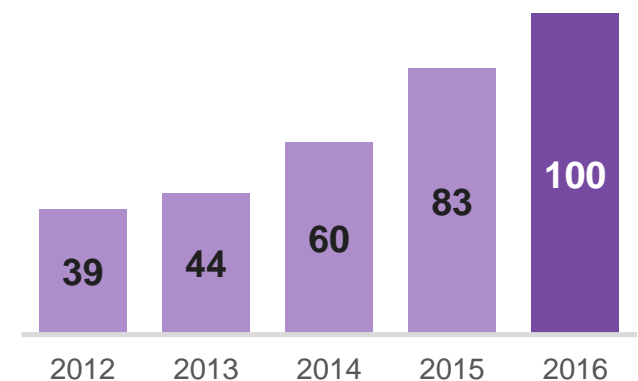
Record gross deposits

- Sales up 15% in 2016 to EUR 12 billion
 - Mainly due to growth of gross deposits
 - New life sales declined 12%
- Record gross deposits of EUR 100 billion
 - Clear evidence of successful shift toward fee-based
 - Higher retirement plan deposits in the US
 - Increased deposits from online bank Knab
 - Strong growth in Aegon Asset Management

Total sales¹⁾
(EUR billions)



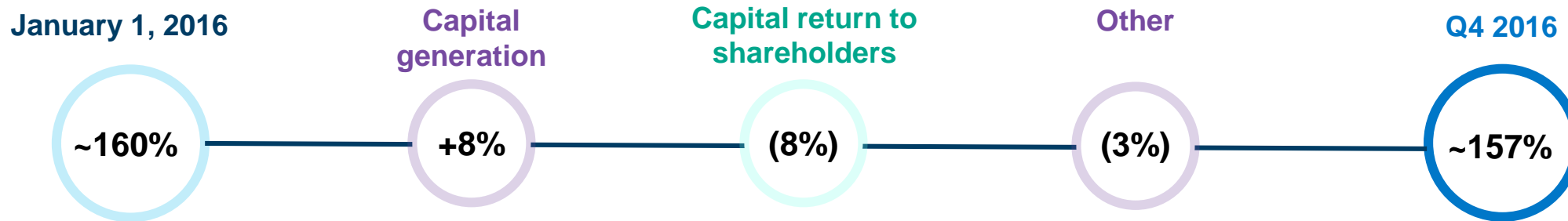
Gross deposits
(EUR billions)



* Sales represents new life sales + accident & health premiums + general insurance premiums + 1/10 gross deposits

Solid Solvency II ratio

Well within target range despite widespread economic volatility



- EUR 0.8 billion normalized capital generation after holding costs
- EUR 0.9 billion capital return to shareholders through share buyback and dividends
- Other consists of market impacts and one-time items

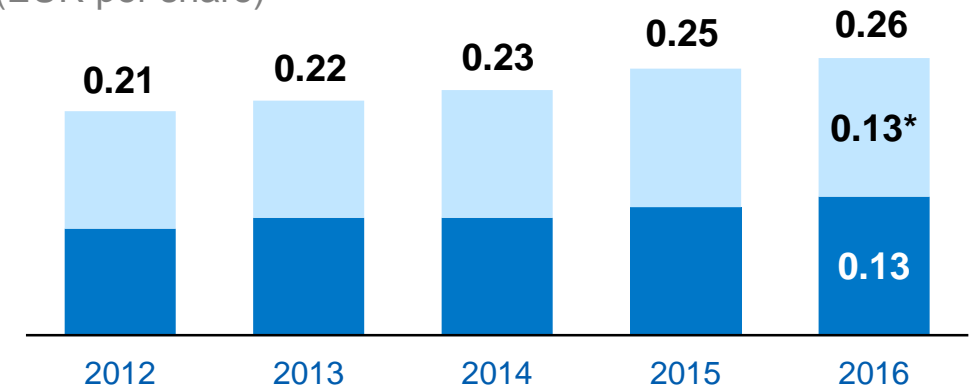
Returning capital to shareholders

Delivering on our financial commitments

Commitments to shareholders

	2016 - 2018	2016 actual
Share buyback	EUR 400 million	EUR 400 million
Dividend	EUR 1.7 billion	EUR 530 million
Total capital return to shareholders	EUR 2.1 billion	EUR 930 million

Sustainable growing dividend for five consecutive years (EUR per share)



- Final dividend
- Interim dividend

* Subject to shareholder approval at the AGM of May 19, 2017

Progress on financial targets

Commitment	Year-end 2018 target	Q1 2017 results
Strong sales growth	CAGR of 10%	>10%
Reduce operating expenses	EUR 350 million	EUR ~160 million
Increase RoE	10%	7.2%
Excess capital at Holding	EUR 1.0 – 1.5 billion	EUR 1.4 billion
Return capital to shareholders	EUR 2.1 billion	EUR ~930 million

Providing security in an insecure world

For a lifetime

- Accelerated execution of our strategy
- Clear focus for each business unit
- Strong results and solid capital position
- Progress towards our 2018 financial targets

Well-positioned to deliver on our promises

3 Annual Report 2016 and dividend

3 Jaarverslag 2016 en dividend

3.1 Reports of the Boards for 2016

3.1 Verslagen van de Raad van Bestuur en de Raad van Commissarissen over 2016

3.2 Remuneration report 2016

3.2 Remuneratierapport 2016



Corien Wortmann

Member of the Remuneration
Committee

Lid van de Remuneration
Committee

Aegon's Remuneration Policy

- Legislation and regulations impacting Aegon's remuneration policies worldwide
- Aegon's policies vary per country taking into account circumstances and conditions on the labor markets in which we operate and have to compete:
 - In the USA and Asia in particular, the ratio between fixed and variable pay differs significantly from that in the Netherlands
 - To continue to be able to attract and retain key talents we use the flexibility on variable compensation provided for in the legislation, up to the maximum of 200%
- Executive Board Remuneration Policy based on four objectives:
 - Allow to attract and retain qualified executives
 - Pay for performance
 - Align with international market practices
 - Comply with (European) regulations

Current Executive Board Remuneration Policy

Fixed compensation (annual salary)
+
Variable compensation (max. 100% of annual salary)
+
Benefits (e.g. pension)

Variable compensation:

- Conditionally allocated after completion of performance year, depending on results
- Maximum of 100% as per Dutch legislation for international holdings
- 50% of the allocation is in shares, 50% in cash
- 40% of the allocation is paid out/vests in year following performance year
- 60% of the allocation is deferred and is paid out/vests in the subsequent 3 years, subject to ex-post assessments
- After vesting, the variable compensation shares are subject to a holding period of 3 years

Executive Board fixed compensation in 2016

Change to the annual salary for the CEO:

- As per January 1, 2016 the CEO's annual base salary was increased with 10%
- The Supervisory Board decided to reduce the gap between his total compensation and the desired market position
- The desired position is (close to) the median of the peer group of European Insurance Firms
- After the 10% increase the overall remuneration of the CEO is still in the lower half of the peer group

No change to the annual salary of the CFO

Executive Board Variable Compensation 2016

Aegon currently uses 1-year performance measures:

- Dutch legislation on remuneration makes it difficult to use multi-year performance measures. The maximum on variable pay at 100% of annual salary, does not allow for a long-term incentive scheme next to a short-term scheme (that already includes deferral periods).

The measures are contributing to long term value creation:

- The financial measures include sales growth, return on equity, capital generation, etc.
- The non-financial measures contain targets that measure the progress on the implementation of our strategy (e.g. percentage of capital allocation to products with a short pay-back time, customer satisfaction-levels, growth in customers on digital platforms, achievement of cost reductions, talent development and succession planning, etc.). These aspects will in time lead to value growth.

Executive Board variable compensation 2016

Performance indicators and results

Financial and non-financial Group targets		Outcome 2016	
Underlying earnings after tax (7.5%)	●	}	
Return on equity (7.5%)	●		
Market consistent value of new business (7.5%)	●		
Normalized Operational Free Cash Flows (5%)	●		
Return on economic required capital (5%)	●		
Objectives measuring corporate responsibility and strategy implementation (e.g. Customer engagement, Employee engagement, Digitization) and Aegon's control environment (CEO 30% CFO 40%)	●		
49.87% CEO (of 62.5% max)	Personal targets		
	<u>CEO</u>		
	Strategy execution (10%), Cultural transformation program (10%), Responsible Business (7.5%), Succession Planning (10%)	●	}
	32.38% CEO (of 37.5% max)		
	<u>CFO</u>		
	Financial strategy (8%), Key Performance Indicators (6%), Functional Governance (7.5%), Talent development (6%)	●	22.00% CFO (of 27.5% max)
● = On target or above ● = Between threshold and target ● = Below threshold			

Executive Board variable compensation 2016

Conditional variable compensation allocated:

- CEO: 82.25% of fixed compensation (2015: 79.94%, 2014: 79,13%)
- CFO: 81.87% of fixed compensation (2015: 79.14%, 2014: 79,76%)

- 40% of variable compensation to be paid / vest in 2017
- 50% of this is in shares, 50% in cash

- 60% is deferred in three tranches (to be paid / vest in 2018, 2019 and 2020)
- Each tranche is 50% in shares, 50% in cash
- All tranches are subject to ex-post assessments prior to pay out / vesting
- Vested shares have an additional 3-year holding period during which they can not be sold

3.2 Remuneration report 2016

3.2 Remuneratierapport 2016

3.3 Annual accounts 2016 and report
independent auditor

3.3 Jaarrekening 2016 en
accountantsrapport

3.4 Adoption of the annual accounts 2016

3.4 Vaststelling van de jaarrekening 2016

Voting procedure / Stem procedure

Prior to the voting

- Insert card with chip facing you
- Name appears on display

During the voting

- Voting options appear in display
- Press button:
 - 1 = For
 - 2 = Against
 - 3 = Abstain
- Choice appears in display
- During voting you can change your choice
- Last choice counts



Vóór de stemming

- Plaats kaart met chip naar voren
- Naam verschijnt in venster

Tijdens de stemming

- Stemkeuzes verschijnen in venster
- Maak uw keuze:
 - 1 = Vóór
 - 2 = Tegen
 - 3 = Onthouding
- Keuze verschijnt in venster
- Tijdens stemming kunt u uw keuze wijzigen
- Laatste keuze geldt

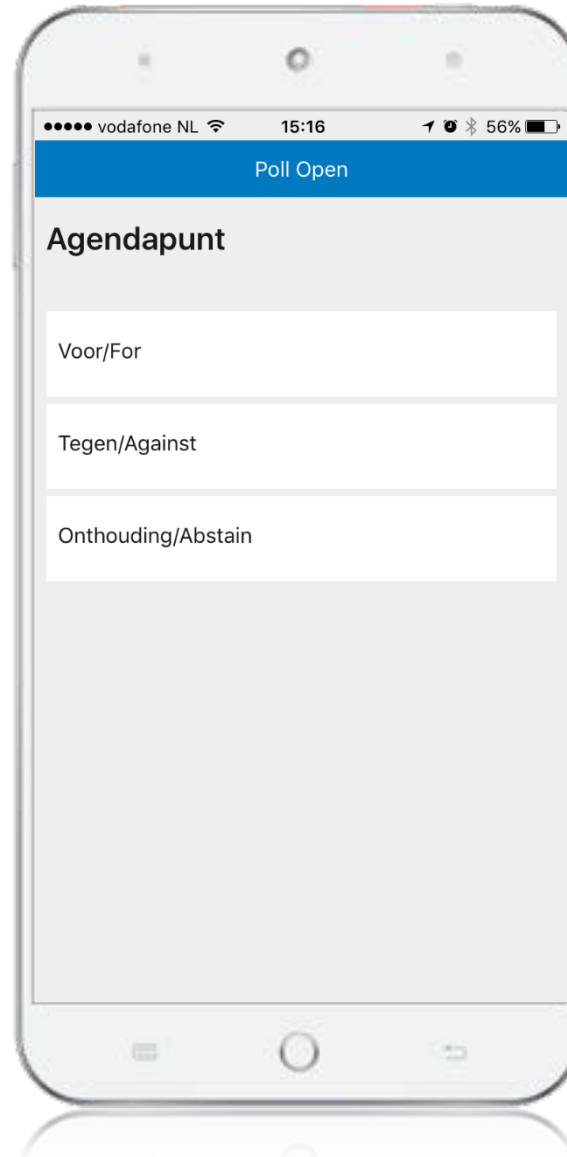
Voting procedure / Stem procedure

Prior to the voting

- You've logged in to Lumi AGM
- Agenda item appears automatically

During the voting

- Voting options appear in display
- Press button:
 - For
 - Against
 - Abstain
- Choice appears in display
- During voting you can change your choice
- Last choice counts



Vóór de stemming

- U heeft ingelogd bij Lumi AGM
- Agenda item verschijnt automatisch

Tijdens de stemming

- Stemkeuzes verschijnen in venster
- Maak uw keuze:
 - Vóór
 - Tegen
 - Onthouding
- Keuze verschijnt in venster
- Tijdens stemming kunt u uw keuze wijzigen
- Laatste keuze geldt

Voting / stemming

3.4 Proposal to adopt the annual accounts 2016

3.4 Voorstel tot vaststelling van de jaarrekening 2016

3.5 Approval of the final dividend 2016

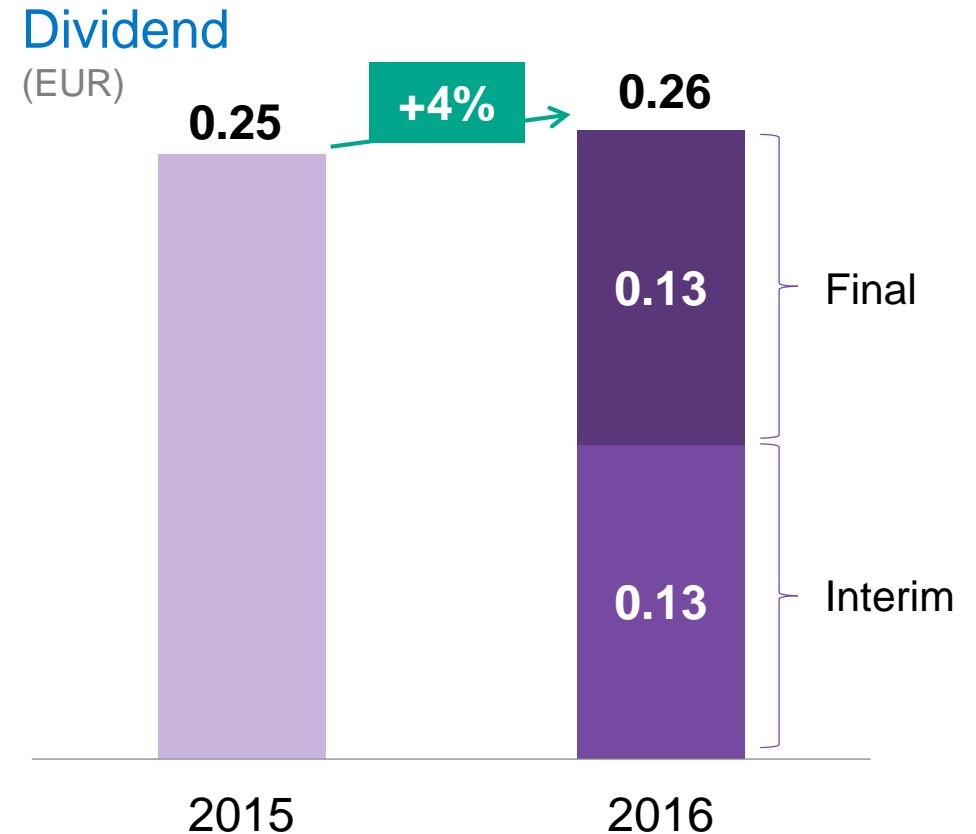
3.5 Goedkeuring van het slotdividend
over 2016

Aegon's dividend policy

- Cash flows upstreamed to the holding are available to execute our strategy, to fund operating expenses and to pay dividends to shareholders
- Aegon aims to pay a sustainable dividend to shareholders, which can grow over time if performance of the company allows so
- In normal circumstances, Aegon expects to declare an interim dividend and propose a final dividend for approval at the AGM

Aegon's dividend proposal

- Proposed final dividend for 2016: **EUR 0.13** per common share
 - Results in total dividend for 2016 of EUR 0.26 per common share
- To be paid in cash or stock
- Value of stock dividend approximately equal to cash dividend
- Stock dividend to be repurchased to neutralize effect of dilution



3.5 Approval of the final dividend 2016

3.5 Goedkeuring van het slotdividend over 2016

Voting / stemming

3.5 Proposal to approve the final dividend 2016

3.5 Voorstel tot goedkeuring van het slotdividend over 2016

- 4 Appointment of PwC as independent auditor for the annual accounts 2017 and 2018

- 4 Benoeming van PwC als onafhankelijke accountant voor de jaarrekeningen 2017 en 2018

Voting / stemming

- 4 Proposal to appoint PwC as independent auditor for the annual accounts 2017 and 2018

- 4 Voorstel om PwC te benoemen als onafhankelijke accountant voor de jaarrekeningen 2017 en 2018

5 Release from liability

5 Kwijting

5.1 Release from liability for the members of the Executive Board for their duties performed during 2016

5.1 Verlenen van kwijting aan de leden van de Raad van Bestuur voor de uitoefening van hun taak in 2016

- 5.2 Release from liability for the members of the Supervisory Board for their duties performed during 2016

- 5.2 Verlenen van kwijting aan de leden van de Raad van Commissarissen voor de uitoefening van hun taak in 2016

5 Release from liability

5 Kwijting

Voting / stemming

- 5.1 Proposal to release the members of the Executive Board from liability for their duties performed during 2016

- 5.1 Voorstel tot verlenen van kwijting aan de leden van de Raad van Bestuur voor de uitoefening van hun taak in 2016

Voting / stemming

- 5.2 Proposal to release the members of the Supervisory Board from liability for their duties performed during 2016
- 5.2 Voorstel tot verlenen van kwijting aan de leden van de Raad van Commissarissen voor de uitoefening van hun taak in 2016

6 Composition of the
Supervisory Board

6 Samenstelling van de
Raad van Commissarissen

6.1 Reappointment of Dona Young

6.1 Herbenoeming van Dona Young



Dona Young

Year of birth: 1954

Nationality: American

Former occupation: Chairman, President and CEO of The Phoenix Companies

Shares in the company: 13,260 (December 31, 2016)

Membership of other Boards: Member of Supervisory Board and Lead Independent Director of Foot Locker, Inc., Board of Trustees of Save the Children US and International

6.2 Appointment of William Connelly

6.2 Benoeming van William Connelly



William Connelly

Year of birth: 1958

Nationality: French

Former occupation: Member of the Management Board ING Bank N.V.

Shares in the company: None

Membership of other Boards: None*

** The Board of Directors of Societe General proposed to nominate Mr. Connelly as an independent director at the Annual General Meeting of Shareholders of Societe General to be held on May 23, 2017*

6.3 Appointment of Mark Ellman

6.3 Benoeming van Mark Ellman



Mark Ellman

Year of birth: 1957

Nationality: American

Former occupation: Vice Chairman Global Origination, Bank of America/Merrill Lynch

Shares in the company: None

Membership of other Boards: Non-Executive Board member Aegon US*

** The board membership at Aegon US will end if Mr. Ellman is appointed to the Supervisory Board of Aegon N.V.*

6 Composition of the
Supervisory Board

6 Samenstelling van de
Raad van Commissarissen

Voting / stemming

6.1 Proposal to reappoint Dona Young to the Supervisory Board

6.1 Voorstel tot herbenoeming van Dona Young als lid van de Raad van Commissarissen

Voting / stemming

6.2 Proposal to appoint William Connelly to the Supervisory Board

6.2 Voorstel tot benoeming van William Connelly als lid van de Raad van Commissarissen

Voting / stemming

6.3 Proposal to appoint Mark Ellman to the Supervisory Board

6.3 Voorstel tot benoeming van Mark Ellman als lid van de Raad van Commissarissen

7 Composition of the
Executive Board

7 Samenstelling van de
Raad van Bestuur

7.1 Appointment of Matthew Rider

7.1 Benoeming van Matthew Rider



Matthew Rider

Year of birth: 1963

Nationality: American

Former occupation: Finance/Actuary

Shares in the company: None

Membership of other Boards: None

7.1 Appointment of Matthew Rider

7.1 Benoeming van Matthew Rider

Voting / stemming

7.1 Proposal to appoint Matthew Rider to the Executive Board

7.1 Voorstel tot benoeming van Matthew Rider als lid van de Raad van Bestuur

8 Issuance and acquisition of shares

8 Uitgifte en verkrijging van aandelen

8.1 Authorization of the Executive Board
to issue common shares

8.1 Machtiging van de Raad van Bestuur
tot uitgifte van gewone aandelen

8.2 Authorization of the Executive Board to restrict or exclude pre-emptive rights upon issuing common shares

8.2 Machtiging van de Raad van Bestuur tot beperking of uitsluiting van voorkeursrechten bij de uitgifte van gewone aandelen

8.3 Authorization of the Executive Board to issue common shares under incentive plans

8.3 Machtiging van de Raad van Bestuur tot uitgifte van gewone aandelen in het kader van incentiveplannen

8.4 Authorization of the Executive Board to acquire shares in the Company

8.4 Machtiging van de Raad van Bestuur tot verkrijging van eigen aandelen door de Vennootschap

8 Issuance and acquisition of shares

8 Uitgifte en verkrijging van aandelen

Voting / stemming

8.1 Proposal to authorize the Executive Board to issue common shares

8.1 Voorstel tot machtiging van de Raad van Bestuur tot uitgifte van gewone aandelen

Voting / stemming

8.2 Proposal to authorize the Executive Board to restrict or exclude pre-emptive rights upon issuing common shares

8.2 Voorstel tot machtiging van de Raad van Bestuur tot beperking of uitsluiting van voorkeursrechten bij de uitgifte van gewone aandelen

Voting / stemming

8.3 Proposal to authorize the Executive Board to issue common shares under incentive plans

8.3 Voorstel tot machtiging van de Raad van Bestuur tot uitgifte van gewone aandelen in het kader van incentiveplannen

Voting / stemming

8.4 Proposal to authorize the Executive Board to acquire shares in the Company

8.4 Voorstel tot machtiging van de Raad van Bestuur tot verkrijging van eigen aandelen door de Vennootschap

9 Any other business

9 Wat verder ter tafel komt

10 Closing

10 Sluiting

A woman with long brown hair, wearing a white long-sleeved shirt and a blue denim apron, stands in the foreground of a flower shop, smiling warmly at the camera with her arms crossed. In the background, a man in a blue shirt and a woman in a white top are engaged in conversation near a counter. The shop is filled with various potted plants and flowers, creating a bright and inviting atmosphere.

Thank you – Dank u wel

**Please return your
headphone, voting device,
chip card or any other
borrowed devices before
departure**

**Wilt u voor uw vertrek uw
koptelefoon, stemkastje,
stempas of overige
geleende apparatuur
inleveren**

Executive Board Remuneration and the new Dutch Corporate Governance Code

When determining the remuneration of EB members, the remuneration committee should take note of new individual EB members' view with regard to the amount and structure of their own remuneration. – Existing practice in Aegon

The EB should inform the Supervisory Board about the remuneration of the Management Board, and discuss this with the SB. – Existing practice in Aegon

Our disclosure needs to contain a ratio expressed as a number between the remuneration of the EB and that of a representative reference group with the company and its business.

– Existing practice in Aegon

In the event that a current or former EB member receives a severance payment, the reason needs to be disclosed. – To be implemented