Helping to make tomorrow

Integrating sustainability into Aegon’s strategy

Paris, May 2013

AEGON
Transform Tomorrow

Marc van Weede
Global Head of Sustainability

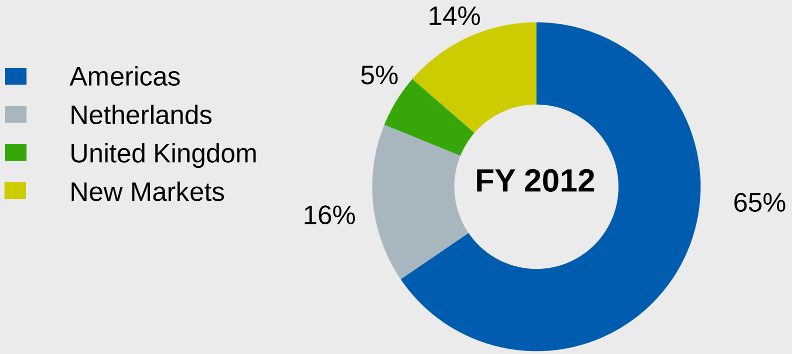
Key messages

- Creating a new, transformed Aegon
  - Strong capital position
  - Improved risk profile
  - More efficient and cost-effective business
  - New generation of leaders
- Clear, well-defined ambition for 2015
  - Balanced set of financial and sustainability goals
  - Sustainability – particularly employee engagement and customer loyalty – at core of Aegon's strategy

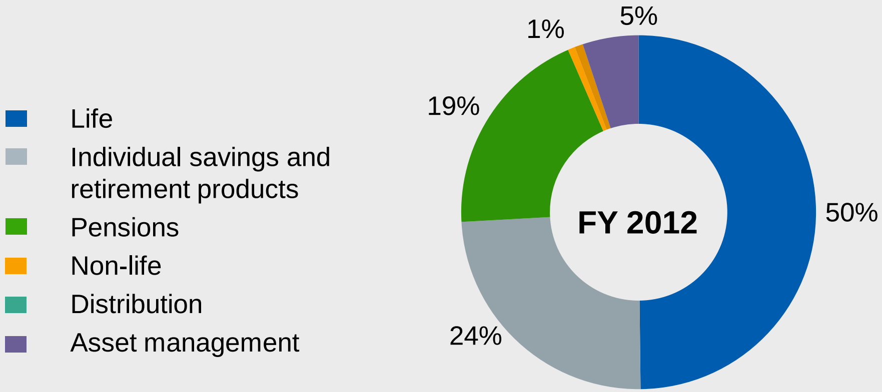
Aegon in 2012 at a glance

- Life insurance, pensions and asset management serving millions of customers
- Presence in markets throughout the Americas, Europe and Asia
- Approximately 24,000 employees worldwide
- Revenues of EUR 30 billion

Underlying earnings before tax by geography



Underlying earnings before tax by line of business



Our products and services have never been more needed

Demographic and economic uncertainties

Increasing longevity and aging populations	Financial market volatility	Reduced safety net from government, employers and family

People need to take their own responsibility

=

Opportunity to help fulfill financial needs

Need for financial guarantees	Need for accumulation products	Need for long-term protection

Providing peace of mind

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Responding to the realities of a changing environment

- Lower interest rates
- Changing distribution landscape
- Market entry of non-traditional competitors
- Customer needs
- Higher capital requirements

Aegon's actions

- **Active (re)pricing strategy**
  - Focus on creating value
  - Make products less sensitive to interest rates
  - Introduce more fee-based components
- **Getting closer to our customers**
  - Build new distribution capabilities
- **Reducing costs and improve service**
  - Increase efficiency and accuracy
  - Improve quality of service levels
- **Addressing real customer needs**
  - Redesign products and services
  - Offer simple and transparent products
- **Maintaining a strong capital position**

Aegon's ambition

"To be a leader in all of our chosen markets by 2015"

- Be the most recommended by our customers
- Be the most recommended partner for our distributors
- Be the most recommended by our employees
- Be the most respected and trusted financial services company for society

… resulting in sustainable profitable growth

Focus on delivering on targets

Achieve return on equity of

10-12%

by 2015

Grow underlying earnings before tax by

7-10%

on average per annum between 2010 and 2015

Double fee-based earnings to

30-35%

of underlying earnings by 2015

Increase annual operational free cash flow to

€1.3-1.6 billion

by 2015

Execute on strategic transformation

2009 2010 2011 2012 2013 2014 2015

Improving risk-return profile

Strategic transformation

- Run-off spread-based businesses
- Cost restructurings in US, UK and NL
- Divestments of TARe and Guardian
- Set ambitious financial targets
- Repaid the Dutch State
- Improved capital base ratio
- Resumed dividend payments
- Continue to improve risk-return profile

- Set ambition to become leader in our chosen markets
- Renewed purpose and values
- Repositioned Transamerica brand
- Set sustainability strategy
- Rolled out 4 strategic objectives across all businesses

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Transform tomorrow

Capture business opportunities and execute strategic transformation

Optimize Portfolio

- Divested Transamerica Reinsurance in the US and Guardian in the UK
- Continued strategic shift from spread-based products to fee-based products
  - US institutional spread-based business put in run off
  - De-emphasizing sales of fixed annuities
  - Winding down BOLI/COLI
  - Strong growth in fee-based businesses like US pensions, US variable annuities and asset management
- Focus on less interest rate sensitive products
- Restructuring the UK and NL to better position business for future opportunities
  - Focus on At-retirement and Workplace Savings in the UK where we have a leading position
  - Developing new distribution capabilities in the Netherlands
  - Reducing life & pension cost base by GBP 80 million in UK achieved year end 2011 and EUR 100 million in NL by 2013
- Market consistent product pricing
- Reallocate capital to businesses that offer growth prospects and higher returns

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Enhance Customer Loyalty

- Net Promoter Score (NPS) now the preferred measure of customer loyalty; NPS covering 74% of our business year end 2012
- More integrated approach to brand management
- Transamerica brand extended to all US businesses
- Measures to improve products to be clearer and more transparent
- New distribution concepts

Deliver Operational Excellence

- Structurally reduce costs in established markets
  - Reduce operating expences by EUR 100 million in the Netherlands by 2013
  - 25% cost reduction in the UK at year end 2011 – GBP 80 million
  - Grow our businesses in the US faster than industry average, while operating expenses remain flat
    - Life & Protection business reduced costs by USD 100 million to offset higher employee benefits and cost increases
    - Creation of the employee services & pensions Institutional Service Center to align service platforms will result in ~USD 25 million of savings over the next 4 years
- EUR 20 million cost reduction at the Corporate Center achieved at end 2012
- New approach to responsible investment
- Reduced CO_2 footprint by 25% over period 2009 – 2012 (ahead of 10% target)
- Working on a global sustainable procurement strategy
- Investing in new, efficient distribution models

Empower Employees

- First stage of global talent review complete
- Encouraging greater management accountability by strengthening link between pay & performance
  - New remuneration framework which applies to all Aegon staff worldwide; it sets out clear principles, including linking pay to performance
  - Bonuses for senior management across the company are tied directly to both financial and non-financial performance, as well as personal objectives.
- Re-launch of Aegon University
- Updated Code of Conduct
- EUR 11 million spent on training Aegon employees in 2012
- Second global employee survey showed strong improvement in engagement and enablement

Our corporate strategy drives our approach to sustainability

Our ambition

To become a leader in our chosen markets…

…By becoming trusted and respected for our valued products and services, our responsible approach to investment and our broader contributions to our communities.

We've set ourselves three objectives – and for each of these objectives we've set clear goals and priorities

Trusted products & services

- Company-wide principles for market conduct
- Common benchmarks for pricing & product development
- Roll out Net Promoter Score across organization

Responsible approach to investment

- Company-wide policy on responsible investment
- Explore expansion of 'impact investments'

Building better communities

- Expand advocacy program linked to aging and retirement
- Build corporate citizenship programs
- Explore more strategic approach to 'inclusive insurance'

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Developing and introducing technology driven distribution channels

Platform initiatives

AEGON Retirement Choices (UK)
digital platforms to support IFA transition to RDR

AEGON Workplace Savings (UK)
digital platforms allow employees to transition from workplace savings to retirement solutions on one system.

knab (NL)
digital advisory platform with a direct connection between clients and financial advisors

Application initiatives

Online life insurance sales (India)
to be introduced in Spain and Turkey

Internet based non-life insurance (NL)
focus on women

LifeSales App (US)
readily available presentations and quotes for distributors and agents

Figlo (Turkey)
financial planning tool for tied agents leveraged from NL

Local initiatives are being leveraged into other markets

Strong focus on responsible investing

- Objectives: improved risk management & performance **and** contribution to society
- Launched a global responsible investment policy in 2011 which includes series of minimum standards amongst which environment, human rights and good governance
- Responsible Investment Committee formed
- New RI policy built around active engagement; in 2012 engaged with 204 companies
- Exclusions used as ultimate remedy. Current exclusions for controversial weapons manufacturers and states violating human rights
- UN PRI signatory since February 2011

Aegon Retirement Readiness Survey: key findings and recommendations

- Lack of retirement readiness is an emerging global crisis for governments, employers and individuals
  - *Retirement systems vary by country - achieve readiness through a balance among governments, employers, and individuals is the same. Government benefits require reforms to remain sustainable. Employers: from pension providers to enablers. Personal responsibility is now paramount.*
- Most expect future generations to be worse-off in retirement than current retirees
  - *Governments and employers de-risked pension offerings and transferred risks to individuals – leading to greater financial reliance and "squeeze" on families. Governments and employers plans should include resources to help individuals take personal responsibility so they can de-risk their own personal retirement.*
- Delaying retirement offers an obvious solution, but obstacles remain
  - *Policy makers and employers can help by: longer working careers, options for phased retirement, offering benefits (e.g., life insurance, disability, long-term care) which can financially protect them if they are unable to work. Employees should have a backup plan if forced into retirement sooner than expected.*
- Widespread retirement illiteracy worsens readiness
  - *Educating individuals critical for success. Retirement readiness : more than saving and investing, setting goals about lifestyle, income needs, and family support, as well as charting a clear path for achieving them. Employers can play a greater role: offering 'retirement preparation services' to their employees.*
- Wary about retirement-related risks, individuals seek solutions
  - *Providing financial and protection products can help individuals de-risk their retirement with certain guarantees and help avoid investment losses, long-term care expenses, or erosion due to inflation.*

To be credible, we are building a strong foundation

- Clear goals, targets and key performance indicators
- Incorporate KPIs into internal processes and incentives
- Active stakeholder engagement, including stakeholder panels

- Comply with non-financial reporting standards issued by GRI and IIRC
- Inclusion in FTSE4Good, DJSI and other indices
- Membership of key international agreements, including PRI and Principles for Sustainable Insurance

- Reduction of consumption of energy and other raw materials
- Development of company-wide sustainability standards for suppliers
- Align human rights policy with new Ruggie principles

Be transparent & accountable

Meet recognized international standards

Be a good and responsible 'steward' of company resources

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Setting KPI's for our strategic objectives

- % of sales from direct channel
  - 19% in 2012 vs 17% in 2011
- % of earnings from fees
  - 33% in 2012 vs 30% in 2011

- Ratio of costs to assets
  - 1.1% in 2012 vs 1.1% in 2011
- Ratio of costs to earnings
  - 62% in 2012 vs 66% in 2011

- Net Promotor Score coverage
  - 74% in 2012 vs 55% in 2011
- Net Promotor Score performance
  - Metric to be developed

- Employee engagement
  - 67 in 2012 vs 63 in 2011
- Employee enablement
  - 67 in 2012 vs 64 in 2011

Aegon’s sustainability performance

- Member of DJSI World, DJSI Europe and FTSE4Good indices
- Sustainalytics ranked Aegon 11th out of 86 companies in the financial sector, with a score of 68 vs the sector average of 55
- Ranked C Prime by Oekom
- Aegon is included Vigeo’s Advanced Sustainable Performance Index
- Ranked 29th in the Dutch Transparency Benchmark in 2012, and 6th among Dutch financial services companies

Aegon supports Integrated Reporting

- Published second integrated review (2012)
- Participant in International Integrated Reporting Council (www.theiirc.org) pilot program
- AEGON believes integrated reporting is an important tool to improving stakeholder understanding and engagement

In summary

- We are an organization in transformation, well placed to deal with changing market environment
- We have a clear vision – aiming to be the leader in all our chosen markets
- We have a clear road map to get us there – our four strategic objectives

- **Sustainability is core to that vision and to that road map**

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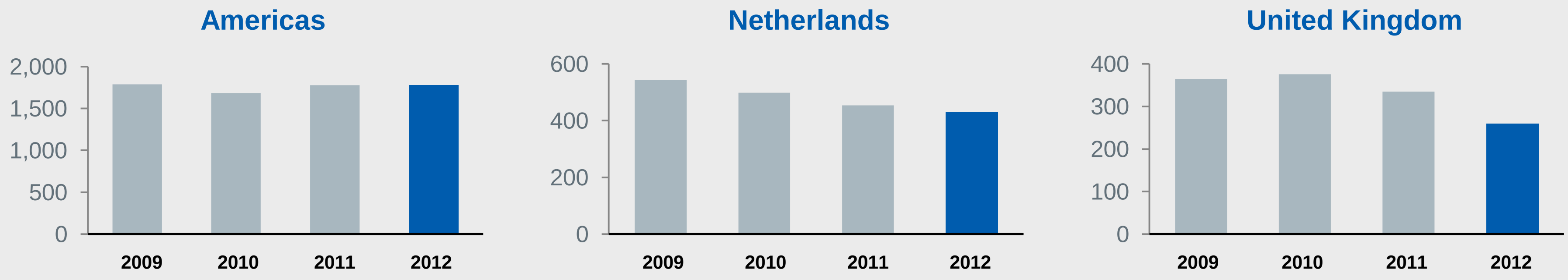
Appendix

Strong track record in reducing costs

- Reducing costs is a key priority
- Further cost reductions to be implemented
  - US: grow faster than the industry while keeping operating expenses flat by leveraging technology
  - NL: significant cost reductions successfully implemented to mitigate margin pressure
  - UK: new operating model and finalization of customer redress program allow for major cost efficiencies

Adjusted operating expenses[1]

(in local currency million)



1) Operating expenses excluding restructuring charges and holding cost allocation

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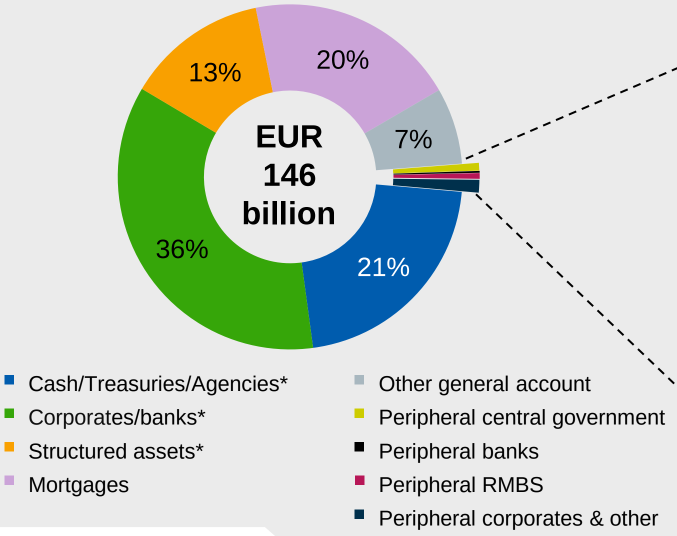
Limited exposure in general account to peripheral European countries

- Total exposure to peripheral European sovereigns only 0.7% of general account
- Corporate debt mainly related to defensive sectors, for example utilities
- Exit of Unnim and CAM will reduce peripheral exposure by ~EUR 920 million, mainly Spain

General account assets

(at fair value March 31, 2013)



Peripheral European countries

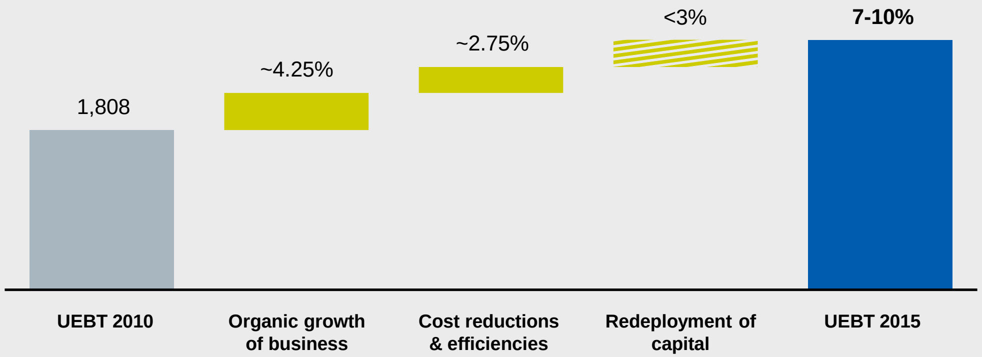
(EUR million, at fair value March 31, 2013)

	Central government	Banks	RMBS	Corporates & other	Total
Greece	-	-	3	25	28
Ireland	20	-	72	354	446
Italy	45	88	36	591	759
Portugal	2	9	30	53	94
Spain	986	154	634	717	2,491
Total	**1,053**	**251**	**773**	**1,741**	**3,818**
% GA	0.7%	0.2%	0.5%	1.2%	2.6%

** Excluding exposure to peripheral European countries*

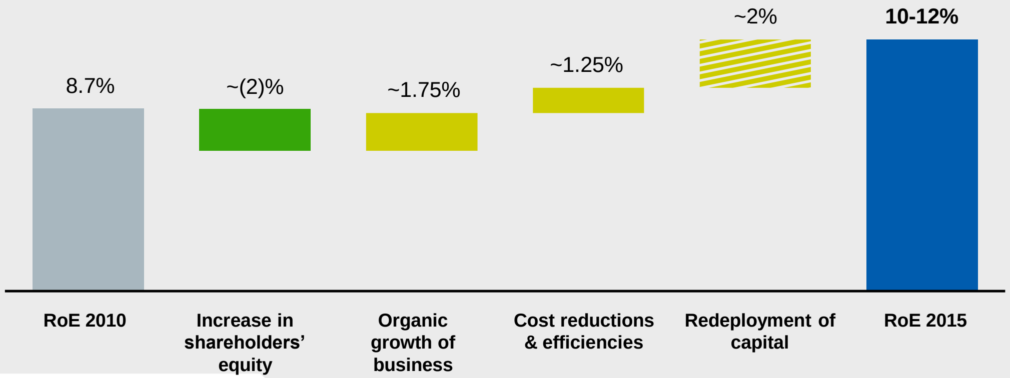
Sensitivity of targets to interest rates and equity markets

Grow underlying earnings before tax by 7% to 10%



Sensitivities*	Assumed in targets	Movement	Impact on organic growth of business
Interest rates	4.75%	↓ ↑ 50 bps	-0.75% / +0.75%
Equity market	9%	↓ ↑ 200 bps	-1.00% / +1.00%

Achieve a return on equity of 10% to 12% by 2015



Sensitivities*	Assumed in targets	Movement	Impact on organic growth of business
Interest rates	4.75%	↓ ↑ 50 bps	-0.25% / +0.25%
Equity market	9%	↓ ↑ 200 bps	-0.50% / +0.50%

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Main economic assumptions

Main US economic assumptions

- 10-year US Treasury assumption of 4.75%
- Credit spreads are assumed to grade down over two years to 110 bps
- Bond funds are assumed to return 4% for 5 years and 6% thereafter
- Money market rates are assumed to remain flat at 0.1% for two years followed by a 3-year grading to 3%
- Annual gross equity market returns of 9% (price appreciation + dividends)

Assumptions	NL	UK
10-year interest rate	4.5%	5.6%
3-month interest rate	2.5%	4.5%
Annual gross equity market return (Q3 2012 base) (price appreciation + dividends)	9%	9%

EUR/USD rate of 1.35
EUR/GBP rate of 0.82

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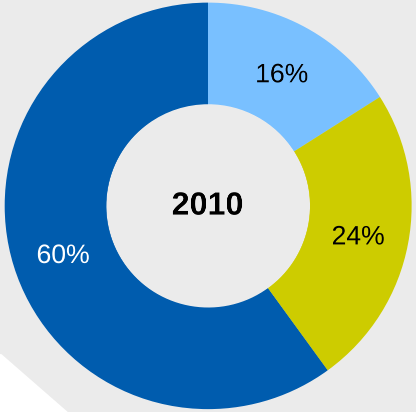
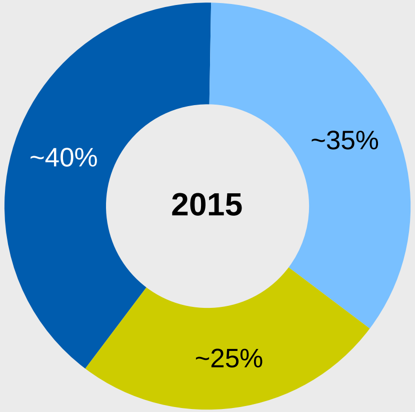
Increase fee business to 30% to 35% of underlying earnings by 2015

- Growth in fee income driven by
  - 30% growth of fee-based earnings in the Americas, mainly variable annuities and pensions
  - More than double fee-based earnings growth in the United Kingdom as a result of cost reductions
  - 50% fee-based earnings growth in New Markets, mainly asset management and VA Europe
- Relative weight of spread income further reduced

Clear shift from spread income toward fee-based earnings



Fees
Technical
Spread income



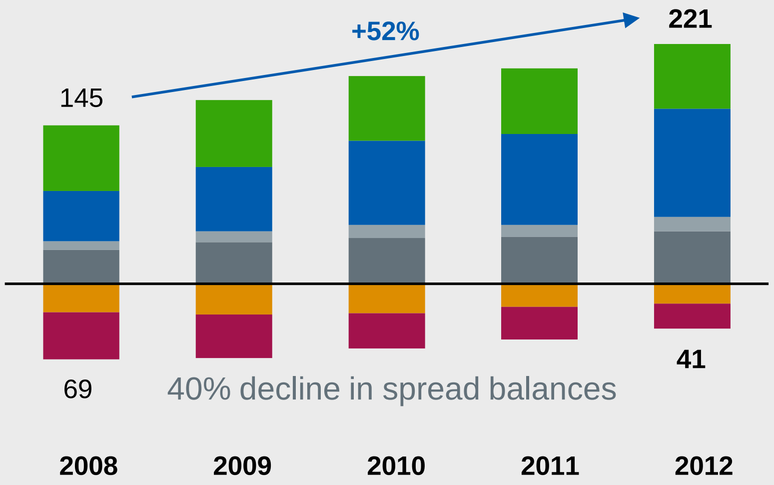
Successfully growing our fee-based businesses in the US

- Continuing shift from spread to fee-based products
- Growth via diversified distribution, differentiated service and product innovation
- Diverse business model designed for sustainable growth supported by demographics
- Scalability driven by volume and efficiency

Strong growth in chosen markets…
(% growth in balances by line of business)

Variable annuities	+55%
Retail mutual funds	+64%
Pensions	>100%
Stable value solutions	stable
Fixed annuities	(31)%
Run-off businesses	(47)%

…52% increase in US fee-based balances since 2008
(USD billion)



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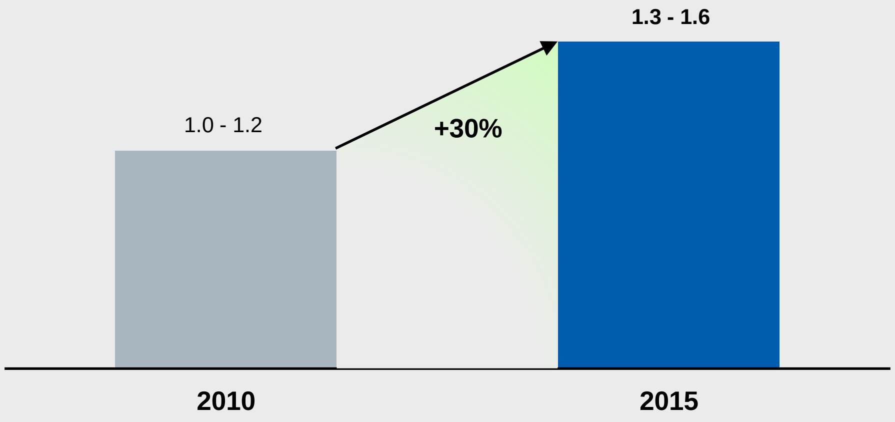
Increase operational free cash flow by 30% by 2015

- Increase normalized level of annual operational free cash flow of EUR 1.0-1.2 billion by 30% to EUR 1.3-1.6 billion in 2015
- Increase is result of
  - Higher operational cash flows in Americas, UK and CEE
  - Relatively stable new business strain as a result of shift in business mix and reduction in commissions in UK and NL

Normalized operational free cash flow

(EUR billion)



Continued strong operational free cash flows

- Operational free cash flows of EUR 560 million excluding market impacts
- Earnings on in-force and release of required surplus strong due to one-time items amounting to EUR 233 million
  - Additional unclaimed property accrual in the Americas more than offset by lower cash flow testing reserves
  - Modelling refinements and methodology changes in the Netherlands partially offset by the impact of IAS 19

Operational free cash flow development

(EUR million)

EUR million	Q1 12	Q4 12	Q1 13
Earnings on in-force	1,100	529	526
Return on free surplus	19	24	17
Release of required surplus	(8)	317	270
New business strain	(306)	(340)	(261)
Operational free cash flow	805	530	553
Market impacts	400	(89)	(7)
Operational free cash flow excluding market impacts	405	619	560

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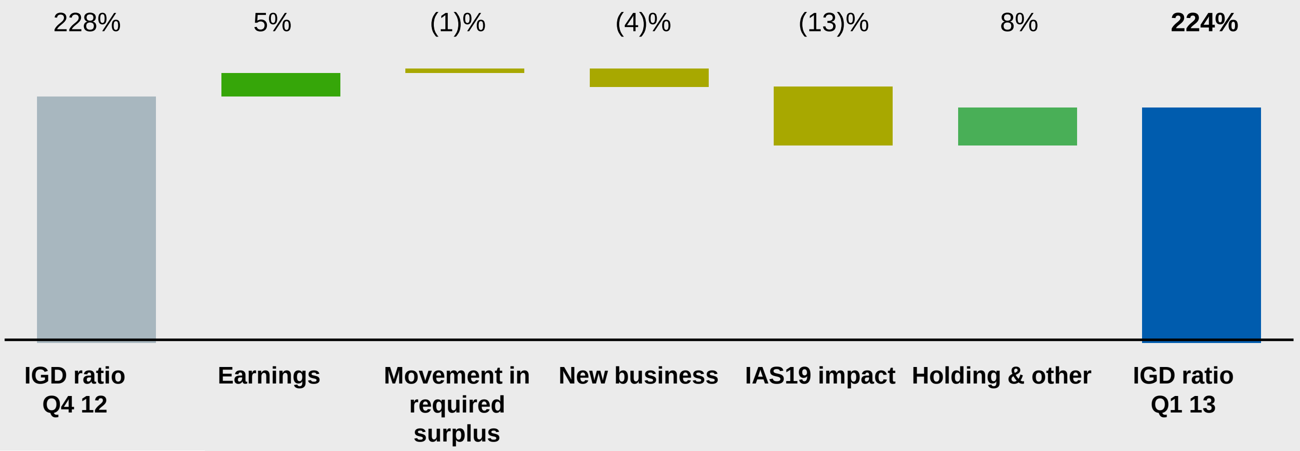
Group and local capital positions remain strong

- Strong IGD ratio of 224% despite negative IAS 19 impact of 13%
- US RBC ratio of ~485%; NL IGD ratio of ~265%; UK Pillar 1 ratio of ~120%
- Holding excess capital decreased to EUR 1.8 billion driven by expenses and interest payments
- Capital base ratio of 76.3%

Insurance Group Directive (IGD) solvency ratio development



Rating Outlook

	AEGON N.V.	AEGON USA	AEGON The Netherlands	AEGON UK
Standard& Poor's	**A-** Outlook: Stable	**AA-** Outlook: Stable	**AA-** Outlook: Stable	**A+** Outlook: Negative
Moody's	**A3** Outlook: Stable	**A1** Outlook: Stable	NR	NR
Fitch	**A** Outlook: Negative	**AA-** Outlook: Negative	NR	NR

NR – *not rated*

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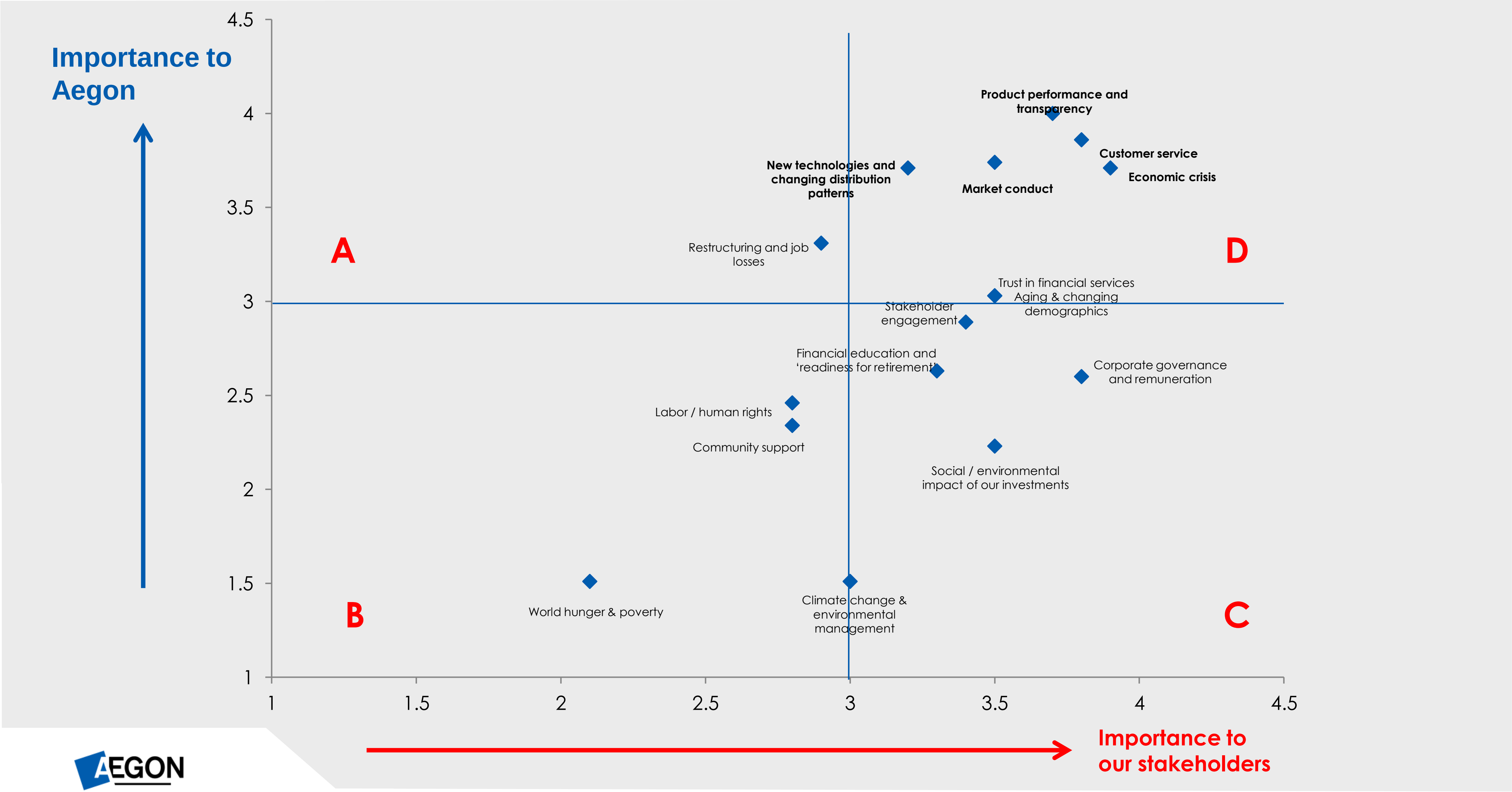
Materiality matrix 2012



How to interpret the materiality matrix

- This materiality matrix is based on internal assessments and interviews conducted as part of Aegon's 2012 stakeholder survey
- The importance of each issue is assessed using a scale of 1-4 (4 being the most important, 1 the least)
- The vertical axis shows the importance of each issue to Aegon, and the horizontal axis its importance to the company's stakeholders

  - Quadrant A shows issues that are relatively more important to Aegon than its stakeholders
  - Quadrant B shows issues of relatively minor importance to both Aegon and its stakeholders
  - Quadrant C shows issues that are relatively more important to the company's stakeholders
  - Quadrant D shows issues of importance to both Aegon and its stakeholders and may be considered the "most material"

Risk Governance

For questions please contact Investor Relations
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Disclaimer

Cautionary note regarding non-IFRS measures
This document includes the non-IFRS financial measures: underlying earnings before tax, income tax, income before tax and market consistent value of new business. These non-IFRS 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, to the most comparable IFRS measure is provided in note 3 "Segment information" of Aegon's condensed consolidated interim financial statements. Market consistent value of new business is not based on IFRS, which are used to report Aegon's primary financial statements and should not be viewed as a substitute for IFRS financial measures. Aegon may define and calculate market consistent value of new business differently than other companies. Aegon believes that its non-IFRS measures, together with the IFRS information, provide meaningful 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 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, 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 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 private sector securities and the resulting decline in the value of sovereign exposure that Aegon holds;
- Changes in the performance of Aegon's investment portfolio and decline in ratings of Aegon's counterparties;
- Consequences of a potential (partial) break-up of the euro;
- The frequency and severity of insured loss events;
- Changes affecting mortality, morbidity, persistence and other factors that may impact the profitability of Aegon's insurance products;
- Reinsurers to whom Aegon has ceded significant underwriting risks may fail to meet their obligations;
- 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;
- Changes in laws and regulations, particularly those affecting Aegon's operations, ability to hire and retain key personnel, the products Aegon sells, and the attractiveness of certain products to its consumers;
- Regulatory changes relating to the insurance industry in the jurisdictions in which Aegon operates;
- Changes in customer behavior and public opinion in general related to, among other things, the type of products also Aegon sells, including legal, regulatory or commercial necessity to meet changing customer expectations;
- Acts of God, acts of terrorism, acts of war and pandemics;
- Changes in the policies of central banks and/or governments;
- 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 premium writings, 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;
- Litigation or regulatory action that could require Aegon to pay significant damages or change the way Aegon does business;
- As Aegon's operations support complex transactions and are highly dependent on the proper functioning of information technology, a computer system failure or security breach may disrupt Aegon's business, damage its reputation and adversely affect its results of operations, financial condition and cash flows;
- Customer responsiveness to both new products and distribution channels;
- Competitive, legal, regulatory, or tax changes that affect profitability, the distribution cost of or demand for Aegon's products;
- Changes in accounting regulations and policies may affect Aegon's reported results and shareholders' equity;
- 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;
- Catastrophic events, either manmade or by nature, could result in material losses and significantly interrupt Aegon's business; and
- Aegon's failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving initiatives.

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.