Annual General Meeting

Company Participants

- Alex Wynaendts, Chief Executive Officer
- Ben Noteboom, Chairman of the Remuneration Committee of the Supervisory Board
- Bieke Debruyne, Company Secretary
- Gert-Jan Heuvelink, Auditor
- Lard Friese, Chief Executive Officer Designate
- Matthew Rider, Chief Financial Officer
- William L. Connelly, Chairman of Supervisory Board

Presentation

William L. Connelly {BIO 16636333 <GO>}

Ladies and gentlemen, on behalf of Aegon Executive Board and Supervisory Board, welcome to Aegon's 2020 Annual General Meeting of Shareholders. Just as was the case during the AGMs in previous years, this meeting will be chaired in English. However, simultaneous translation into Dutch is offered. In view of the COVID-19 outbreak, the national measures taken to combat the pandemic and accordance with legal measures recently adopted by the Dutch government, we unfortunately had to decide that this year's Annual General Meeting of Shareholders will be held without you our shareholders or any authorized person being physically present and that our Annual Meeting will only be accessible by electronic means. However, we have designed our meeting in such a way that the interest of all our shareholders around the globe will be safeguarded and facilitated. We find it important that our shareholders are able to participate in the meeting and exercise their shareholder rights.

Aegon, therefore, is offering our shareholders to follow the meeting remotely via legal via live webcast. Our shareholders have also been enabled to cast their votes prior to the meeting either by granting a proxy or by using the e-voting system. The voting results, which are therefore already available, will be shown following each agenda item. Prior to this meeting, our shareholders have been also been able to ask questions in writing concerning items on the agenda. The answers were published on Aegon's corporate website in advance of this meeting. When discussing an agenda item, we will address the submitted written questions and we will facilitate shareholders to ask follow-up questions in addition to questions they have asked beforehand. Just to prevent any misunderstanding, if you haven't submitted a question in advance, it will not be possible for you to ask questions during the meeting.

These are circumstances none of us have had to face before. We would like to thank our shareholders, customers, and business partners for their continued support. A special word of thanks and a huge compliment goes to all Aegon staff around the world for the commitment they have shown during 2019 and especially in these extraordinary months of 2020. It's only through them that the Company has been able to continue to support and service its million of customers and all other stakeholders. We now move to item -- to Agenda Item 1. In accordance with the current measures taken to prevent COVID-19 from spreading, we have chosen to limit the presence of the Management Board and Supervisory Board. The following members of the Supervisory Board will participate in this meeting either in person at Aegon's headquarters in the Hague or remotely via a live video stream.

Ben Noteboom and Ben van der Veer, Chairman of the Remuneration Committee and Chairman of the Audit Committee, respectively. Alex Wynaendts and Matt Rider, Members of the Executive Board, are participating either from Aegon's offices or via live stream as is Mr. Lard Friese, who's up for appointment as Member of the Executive Board of Aegon. We will reflect on the change in leadership at the end of this meeting. In conformity with the Dutch corporate governance code, one of the auditors who performed the audit in 2019 annual accounts. Mr. Gert-Jan Heuvelink, is remotely present. The minutes will be kept in English by the Secretary of this meeting, Bieke Debruyne, who is also present as is the notary, Ms. Joyce Leemrijse. Other members of the Management Board and Supervisory Board as well as the newly appointed members of the Supervisory Board are following the meeting via live webcast. A warm welcome to all of them.

On a practical note, in case we face technical issues due to which the live connection with my premises will be disrupted, Ben Noteboom has been authorized to in that case to take Chairmanship of this meeting. Then I establish the following. This meeting was convened in time and in accordance with the required formalities by placing the notice and agenda on Aegon's corporate website on April 3rd, 2020. On April 17, Aegon informed its shareholders about the decision that this meeting will only be accessible for shareholders by electronic means. As in previous years, we have been actively engaged in encouraging our shareholders to vote at our AGM. The attendance list of this meeting was drawn up and 60% of Aegon's issued share capital is represented in this meeting. The final minutes at the AGM of May 17, 2019 were made available as of November 14, 2019 at our offices in the Hague and on our corporate website.

The draft minutes of this meeting will be available for comments on the website for three months as of August 14, 2020. The final minutes will be available as of November 13, 2020. We'll now move to Agenda Item 2, the business -- 2019 Business Overview. Aegon's CEO, Alex Wynaendts, will now take -- give a presentation on the course of the business in 2019. Afterwards Matt Rider, Aegon's CFO, will present the financial results as part of the 2019 reports of the Board. After these two presentations, we will address the questions that have been submitted prior to this meeting and about these items.

Alex Wynaendts {BIO 1821092 <GO>}

Ladies and gentlemen, good morning and thank you all very much for joining us today in our online Annual General Meeting of Shareholders. We're going through unprecedented and for many of us very difficult times. Our sense of safety and security is put under severe pressure in many ways. As Bill mentioned, due to the COVID-19 pandemic, this meeting is being held without our shareholders physically present and I regret it very much that I'm not able to meet you in person during what's going to be my last

Shareholders Meeting as CEO of Aegon. However, from the outbreak of the coronavirus onwards; the health and safety of our employees, our customers, our business partners, and you our shareholders has been our primary responsibility. And that's why I would like to first discuss with you what has been the impact of COVID-19 and what our responses have been.

Within the management team, we are constantly reviewing the impact of the crisis on four areas in particular being our people, our customers, our operations, and also our financials. Now I'll go into more detail for each of these priorities. After which, I would like to share with you what we have achieved in 2019 and I will close with a brief reflection on my 12 years as CEO. We are living in testing times that have and undoubtedly for a long time will have a huge impact on our people, our customers, our shareholders, as well as the communities in which we operate. Our primary responsibility as an organization is safeguarding the health and safety of our employees and the financial security of our customers. Therefore, the Management Board of Aegon in close cooperation with our crisis management team has taken and will continue to take necessary measures to provide for the well-being of our colleagues and customers around the world.

Because we are active in Asia, Aegon was confronted with the coronavirus outbreak from day one and due to the experience in China and Hong Kong, we were able to act promptly and effectively when the outbreak spread to the rest of the world. Within a week almost all of our employees were working from home and this without major hiccups or interruptions in operations or interactions with our customers. In the following slides, I'll highlight more in depth the measures we've taken, but not before I've expressed my sincere thanks to our customers and business partners for the continued support. And most of all, I wish to express my thanks to our employees across the globe who have adapted so quickly to a new environment while at the same time ensuring that the service to our customers continued without interruption. At the same time we are convinced that our strong financial position will enable us to keep our long-term promise to customers, to help them secure their financial future.

So, what kind of measures have we taken to protect the well-being of our colleagues and to ensure continued operations. Firstly, we've taken all the necessary steps to prevent a further spreading of the virus. We started with travel restrictions and ended with nearly all of our almost 24,000 colleagues working from home thanks to our IT staff working 24/7 to make it all happen. Given that working from home has its own challenges for everyone and especially when there are also children around who unable to go to school, our next priority was to set up an HR framework for the global organization to help employees to stay healthy, fit, and committed while working from home. For all measures, global minimum standards were set which were locally implemented while complying with local rules and regulations. We will take a similar approach with employees returning to the office and we recognize that we'll not be able to apply social distancing guidelines in the same manner in every one of our offices.

Although in some of our markets colleagues are gradually returning to the office, one thing is for sure Aegon will not be a first mover. We don't want to put unnecessary pressure on public transport systems while there are industries where the need to return to office or production plants is much higher. As said, our IT stuff was able to ensure a stable environment for working from home in no time at all safeguarding our service to customers. Our business partners were also able to provide robust structures and systems in a short period of time to ensure continued services. Furthermore, we have accelerated the launch of a number of digital solutions especially for customer care colleagues. This ensured they could continue answering our customers' many questions. On this slide, you see a number of examples of measures taken throughout the organization to maintain high service levels towards customers and to provide financial relief if and when necessary.

We are very much aware that the current crisis can also hurt our customers' financial security. Again, measures often have a local angle which is inherent to our business. However, common denominators for all our businesses around the world include COVID-19 response programs that among others comprise of payment relief programs, frequently asked questions, tips and knowledge sharing on websites and on social media platforms. First, we made sure that there are no material pandemic exclusions in our products and services. We are also providing premium payment and fee flexibility on a case-by-case basis for insurance, pensions, and mortgages. In addition to providing information and guidance on financial topics to our customers, in some cases we've added other relevant solutions and advice such as in Spain and Portugal. And here in the Netherlands, we have launched Daily Health which provides 24 hours online medical advice for free.

As a large international company active in over 20 markets, we also have a responsibility towards the communities in which we operate. It was good to see how promptly our local businesses joined forces to provide support to the local communities and healthcare workers. These are the moments that matter in which we can help those who are most affected by helping to relieve customers' financial distress. We're also helping our communities by providing support to local organizations who are of the essence for many people. Let me just give you a few examples. Transamerica, our US business, provided financial support to purchase protective gear for frontline healthcare workers. And across Europe, our businesses donated medical supplies and food to the elderly as well as protective gear for healthcare workers. In the UK, the support went to food banks and support for vulnerable elderly people.

And our Dutch organization generously contributed to an industry-wide initiative to financially support frontline healthcare workers and their families. Health workers infected with the coronavirus who end up in the IC or become disabled can apply for financial support. Should the worker unfortunately pass away, their families receive the benefit. This initiative is aimed at supporting healthcare workers who don't have income insurance or financial safety net provided by their employer. Ladies and gentlemen, these testing times are far from over. For employees, working from home will at least partly be the new normal for a while. However, I'm convinced that in the coming months, they will continue to be in good spirits and provide the customers and communities with the support they need. I would now like to take a few moments to look back at the year that is behind us.

2019 was again a challenging year with continued low -- historically low interest rates, a revival of trade disputes especially between US and China, and an increasing economic uncertainty; which all impacted our customers. However, 2019 was also a special year for

Aegon in which we marked the Company's 175th anniversary. And what strikes me time and again is that throughout all of these years and despite many changes inside and outside organization, we have remained strongly committed to our purpose of helping people achieve a lifetime of financial security. 2019 was fully dedicated to executing on our strategy and we reached a number of important milestones by simplifying Aegon structure and by adopting an even more proactive approach to managing our portfolio of businesses. We further streamlined our US organization and we announced the creation of Aegon International, which brings together our businesses in Asia and Southern and Eastern Europe.

This new division is designed to accelerate growth and further leverage cross-border synergies by developing new business models and realizing operational efficiencies. After the coronavirus outbreak, economic uncertainty grew. We are seeing disruption to global financial markets as both stock markets and interest rates have declined significantly. In order to keep Aegon future ready and able to quickly adjust to changing circumstances, we never ceased transforming our organization, seeking further cost reductions and efficiency improvements while also making investments to become increasingly innovative, customer centric, and data driven. However, investing in the future includes more than investing in technology. It's also about taking responsibility towards society. As a major institutional investor and trusted with the management of almost EUR900 billion in customers' assets, we strive to deliver on our promise of a secure and healthy financial future while caring about the environment in which we all live.

We're proud to contribute to the United Nations Sustainable Development Goals and continue acting in the spirit of the Principles for Responsible Investment to which Aegon Asset Management is a signatory. For example, our updated responsible investment policy finalized in December 2019 expands the criteria for excluding companies with core related activities from our investments. And you can read more about our responsible investments in 2019 Responsible Investment Report, which was published today. In 2019 persistent low interest rates in our key markets negatively impacted underlying earnings. As a result, we achieved a return on equity of 9.5% just below our target of 10%. However, our normalized capital generation increased to EUR1.6 billion, an increase of 12% over 2018. Combined with the number of management actions we've taken, this enables us to maintain a strong capital position. And Matt will tell you more about our financials in a moment.

In 2019 we continued to execute on our strategy and we reached a number of important milestones by simplifying Aegon structure and adopting an even more proactive approach to managing our portfolio businesses. So, let me give you a few examples of the progress made. We accelerated release of capital from our mature businesses in the Netherlands by reinsuring a quarter of our longevity risk. In the UK, we completed the Cofunds integration thereby achieving the targeted expense savings and confirming our position as the largest player in the UK platform market. Under new leadership, Aegon Asset Management has been realigned as a fully global asset management organization and is set up for future growth. The business continued to grow in 2019 and recorded its eighth consecutive year of positive net inflows from third parties, an achievement that has not been realized by many other asset managers.

We're also reaching out to customers directly as we continue expanding our digital platforms. In this regard, I would like to point out an interesting development in China where insurance joint venture is partnering with a major e-commerce player to offer term life products on its platform. The first product launch in October 2019 led to the sale of 150,000 new term life policies in fourth quarter of 2019 indicating the strong potential of the e-commerce model. Before I give the floor to Matt, let me conclude. This is my last Annual General Meeting after 12 years as CEO of Aegon and I would like to say a few personal words. I look back with pride at what we have achieved together over the last 12 years. We have successfully managed Aegon through the financial crisis that started in 2008 and transformed the Company from a predominantly spread-based business to a Company where fee based business is the largest source of income.

And this has allowed us to strengthen our balance sheet and to maintain a strong liquidity position. We've also optimized our portfolio of businesses so that we can focus all our efforts on growing those businesses where we have built scale and where there's attractive growth potential. This transformation has taken place in an environment where interest rates have dropped to historical lows as well as with significant increased regulatory pressure including the introduction of Solvency II. And at the same time, we have implemented and are all living up to a clear purpose for Aegon being helping people secure a lifetime of financial security while balancing the interest of all our stakeholders being our customers, our employees, our shareholders, and also the communities in which we live.

I recognize that this transformation has also asked a lot from our investors with a time significant volatility in our results and a share price performance, which despite all our efforts has been disappointing and I wish that this would have been different. And finally, I would like to say that I greatly enjoyed my interactions with all of you even if at times you have been critical. We are going through testing times. However, if there is one takeaway for me from this crisis, it is the relevance of our purpose to help people achieve a lifetime of financial security. And I'm convinced that Aegon today is in a better shape than ever and is well positioned for future growth. And finally, I wish my successor, Lard Friese, a lot of success in the future.

William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. Before addressing your questions regarding Agenda Items 2, 3.1, and 3.2; we will first discuss the financial results as part of the 2019 reports of the Board presented by Matt Rider.

Matthew Rider {BIO 20002664 <GO>}

Thank you, Bill. I'd like to take this opportunity to briefly take you through our financial highlights of 2019. Next to that in light of the COVID-19 pandemic, I would like to update you on the key performance indicators for the first quarter and the management actions we are taking to protect the balance sheet. I will conclude with discussing the impact on our external targets. This slide shows the most Important financial indicators for 2019 across both IFRS and the Solvency II frameworks. For IFRS, we recorded underlying earnings before tax of around EUR2 billion, 5% below 2018. During 2019 we had higher earnings from the Netherlands, the UK, Asia, and Asset Management. This was offset however primarily by the effects of lower interest rates and investments to support business growth in the US. This in turn led to a return on equity of 9.5%, just shy of our annual 10% target.

Net income increased compared to 2018 mainly as a result of high one-time charges in 2018 and realized gains on investments in 2019. The latter were driven by capital optimization of the asset portfolio in the Netherlands. The Solvency II ratio remained above the target range supported by strong normalized capital generation and management actions including a major reinsurance transaction on longevity risk in the Netherlands. Holding excess cash has ended the year in the middle of the target range while the gross financial leverage ratio has improved to 28.5%. Normalized capital generation in 2019 was strong at EUR1.6 billion, an improvement of 12% compared to 2018. The strong performance was in part driven by positive underwriting experience variance in the Netherlands. Gross remittances came in at almost EUR1.4 billion, which was just below the guidance of EUR1.5 billion for 2019.

The reason was that the proceeds from selling our stake in our Japan joint ventures of EUR153 million were recorded in January 2020 instead of late 2019. For dividend in the annual accounts of 2019, we proposed a final dividend of EUR0.16 per share absent further deterioration of market circumstances and based on the assessments made at that time. Together with the interim dividend for 2019, this would have brought the total 2019 dividend to EUR0.31 per share. Just before convening this AGM, the European regulatory body EIOPA and DNB issued statements urging companies temporary postpone all dividend distributions in light of the COVID-19 crisis. We have therefore foregone the final 2019 dividend and the total 2019 dividend came to EUR0.15 per share. When concluding my presentation, I will come back to returning capital to our shareholders.

I now move to the first quarter of 2020. On May 12th, we have updated the markets on our financial performance in light of the COVID-19 pandemic. As you know, we have moved to semi-annual reporting from 2018 on, but we deemed it important to update our shareholders in the interim driven by the unprecedented impact of the pandemic. On this slide, you see the key performance indicators for the first quarter. Underlying earnings before tax were EUR366 million driven mainly by adverse mortality and impacts from lower interest rates in the Americas. Our other business units held up well during the first quarter. Net income was strong at nearly EUR1.3 billion. Our hedge programs were highly effective for the risks we target. The high net income was driven mainly by the positive impact of credit spreads widening on liability valuation in the Netherlands, an item we do not hedge. Note that such moves and credit spreads may reverse.

In the first quarter, normalized capital generation after holding and funding expenses amounted to EUR311 million. Capital generation suffered from seasonally adverse mortality results in the US, but benefited from lower new business strain due to lower sales also in the US. Holding excess cash was close to EUR1.4 billion and remains in our target range. We are maintaining more than adequate liquidity buffers. Let me now update you on our capital position. The Group Solvency II ratio increased to 208% during the first quarter and remains above the top end of our target range of 200%. This is a reflection of our effective hedging programs across the Group as there were significant adverse market movements caused by COVID-19. The increase to the Group's Solvency II ratio was primarily due to normalized capital generation and on balance the positive impact from market movements in the first quarter.

The significant negative overall impacts from lower equity markets and lower interest rates in the US were more than offset by the significant positive impact of credit spread widening on the Solvency II ratio of the Netherlands. This included notably the EIOPA volatility adjustment. We would like to also provide an estimate of the Group's solvency ratio per the end of April in light of the current market volatility. We estimate a Group solvency ratio of between 190% and 200%. The estimated decrease in March is mainly driven by the impact of lower credit spreads. This more than offsets a higher RBC ratio in the US resulting from credit spread tightening and higher equity markets. All our main units are above the bottom end of their respective target ranges notwithstanding the significant market movements of the first quarter triggered by the COVID-19 pandemic. The US RBC ratio came down to 376% driven mainly by falling interest rates and equity markets.

The Solvency II ratio for the Netherlands increased markedly to 249% per the end of March. This was driven by unhedged credit spreads again notably the EIOPA volatility adjustment. For the UK, the ratio moved up marginally to 160%. This is a reflection of the balance sheet light business model. We are taking several steps to protect the economic value of Aegon's balance sheet in the current crisis as outlined on this slide. As already mentioned, the hedge programs have performed well. At the end of the first quarter, we have rebalanced the macro equity hedge in the US to increase downside protection while controlling hedge costs. The macro equity hedge has now a changed emphasis from tail protection toward a more linear protection. It still has a target to protect the RBC ratio. In the case of a 25% downturn of the equity markets in the quarter, the change in the RBC ratio is limited to 25%.

The protection between an equity market downturn between 0% and 25% is now more linear. We are satisfied with our current asset allocation and have therefore not taken any major actions to shift the allocation in the recent weeks. However, we do capture the opportunities that the situation offers and focus on corporate bond new issuances to benefit from higher spreads. We focus reinvestments on higher rated credit and in industries less affected by the COVID-19 crisis. Furthermore, we are monitoring crisis affected asset classes very closely. In the underwriting and pricing area, we have repriced variable annuity products as of May 1st which leads to lower withdrawal rates and lower guarantees and therefore to better economics. This was followed by the first new variable annuity product launch on TCS bank's platform. This product features principal protection and customers benefit from upside potential, which makes this product well suited for current markets.

Furthermore, we have adjusted some specific underwriting requirements to further protect our balance sheet. For example, we currently restrict coverage for new policies for certain age groups, postpone coverages for customers with confirmed COVID-19 exposure in the US, and have adjusted underwriting criteria in travel and income protection in the Netherlands. Coverage that was in place prior to the COVID-19 outbreak will obviously be honored. Next to this, we have implemented several capital preservation measures. We are currently limiting project and discretionary spend as far as feasible to preserve our earnings and capital generation. At Transamerica we are planning for the merger of two of our largest US legal entities, TLIC and TPLIC, in the second half of the year. This will further streamline our legal entity structure and improve this efficiency of asset adequacy testing.

We will further observe how the current situation develops over time and we'll take further measures that we deem appropriate. Let me now conclude my presentation. The COVID-19 pandemic brings about unprecedented disruption to our customers, employees, and the communities in which we operate. In this challenging situation, our focus is on maintaining a solid capital position and a strong balance sheet. With the Group Solvency II ratio of 208% and the three main units above the bottom ends of their respective target zones, we have a good starting position. Holding excess cash of EUR1.4 billion and ample liquidity in the units provide us the financial flexibility and strength to maneuver through this crisis. That said, it is very unlikely that we will meet the annual return on equity target of more than 10% this year given that our first quarter return on equity was 7%. Nevertheless, our commitment to achieve the target once markets normalize is unchanged.

Given the global macroeconomic uncertainties, it is currently too early to tell what the impact of the COVID-19 pandemic will be on the other medium-term targets. Short-term normalized capital generation will be negatively impacted by adverse market movements and higher mortality rates, but will benefit from management actions and lower expected new business stream. We are committed to reviewing opportunities for returning capital to our shareholders as soon as appropriate and we will take a decision on the interim dividend in August. In the meantime, we will focus on securing the planned remittances to the Group. Let me close by saying that I am pleased that our resilience, experience, and business continuity plans have enabled us to operate at a very high level. This allows us to focus on taking the right management actions to position the Company strongly as we emerge from the COVID-19 crisis to ensure the best possible outcome for our shareholders and customers.

Questions And Answers

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. Ladies and gentlemen, as I mentioned in my opening words, we offered shareholders the opportunity to submit written questions concerning items on the agenda prior to this meeting. The answers were published on Aegon's corporate website in advance of this meeting. We will now address the submitted questions. In total we received over 50 questions, which have been or will be addressed in the presentations or will be answered separately. The answers to all questions were posted on Aegon's corporate website. Furthermore, we will facilitate shareholders to ask follow-up questions in addition to questions they asked beforehand. Just to prevent any misunderstanding if you haven't submitted questions in advance, it will not be possible for you to ask questions during the meeting. I would like to ask the shareholders who would like to ask follow-up questions to enter those now so we can address them immediately. If feasible, please enter your questions in English. However, follow-up questions can be asked in

Dutch and will be translated into English. In case your question is delayed due to technical issues, we will come back to it at Agenda Item 9, any other business.

Let me now start with the questions regarding Agenda Items 2, 3.1, and 3.2. The first question comes from Louise Kranenburg of MN who asked several questions on behalf of APG Asset Management. They recognize the challenges faced by companies in these times and appreciate Aegon's statement about providing financial relief measures for customers for instance in mortgage payment holidays. They feel it is of utmost importance for companies in the financial sector to help their customers where they can in order to prevent individuals from losing their home causing personal tragedy, but also causing destabilization of the economy as a whole. Alex, they ask us to elaborate on these types of measures to provide relief to customers. Do they go beyond mortgage payments? How do they make sure customers are aware of these possibilities? Alex?

A - Alex Wynaendts {BIO 1821092 <GO>}

Our response has been global as it consists of multiple local measures specific to the markets and geographies where we are present. So general theme we focus on, payment flexibility and financial release on a case-by-case basis; two, additional and often free of charge services; and finally, informing and coaching our customers. As a matter of fact, the customer feedback has been very positive across the board. As an example, Aegon in Netherlands has achieved record high net promoter scores in March and April 2020 and we've also witnessed similar dynamics in other geographies. We share information with customers via the regular channels such as websites, direct mail, and call centers. Bill, back to you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. We have received several questions regarding our share price performance from Mr. Chao and Mr. van der Graaf on our planned actions to improve the performance. Matt, can you reflect on these questions?

A - Matthew Rider {BIO 20002664 <GO>}

Sure, Bill. Let me begin by saying that we recognize that the Company's share price performance is disappointing despite management's best efforts to improve the financial performance of the Group. We have set ambitious targets for the period 2019 through 2021 in order to create long-term value for our shareholders on which we have shown good progress during the course of 2019. The uncertainty around how the COVID-19 pandemic will play out and the continued economic impact it will have will make it difficult to provide a full assessment of COVID-19 related impacts on our medium-term targets at this time. In the first quarter of 2020 Aegon maintained a strong balance sheet and liquidity position at the Group and in the main units in these extraordinary times. We are taking management actions to protect the economic value of the balance sheet and our capital position and are looking at opportunities to increase our cost efficiency. Our aim is to position the Company well as we emerge from the COVID-19 crisis to ensure the best possible outcome for all of our stakeholders.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. We also received a question from Mr. van der Graaf on Aegon's hedging programs. In his opinion, Aegon's hedging programs underperform and he wonders whether Aegon is considering conducting a review.

A - Matthew Rider {BIO 20002664 <GO>}

Yes. I'd like to note here that Aegon generally shows very strong hedge results for the risks it aims to hedge and I'd just say for example the hedge performance in the first quarter of 2020 as we have published in May 12th. Aegon continuously assesses actual hedge performance versus the ambition level and risk appetite and it takes appropriate actions as necessary. Bill, back to you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. Let's now reflect on the questions of VBDO represented by Mart van Kuijk. The first question is about climate risk analysis. VBDO would like to congratulate Aegon with enhancing the disclosures based on the recommendations from the TCFD. To manage the risks that stem from climate change, Aegon initiated the new responsible Business Investment Committee that is chaired by the CEO of Aegon Americas and that instructs the Climate Change Working Group. The initial climate change risk analysis only covered the Dutch general account and insurance assets and the Dutch mortgage portfolio while these in turn only cover one-third of the underlying earnings before tax over 2019. VBDO would like to know when Aegon expects to conduct climate risk analysis for the Americas and for other geographical locations where Aegon's assets under management and business activities could be negatively impacted by the consequences of climate change. Alex, would you be so kind to answer this question?

A - Alex Wynaendts {BIO 1821092 <GO>}

Sure, Bill. So, we started our disclosure effort at Aegon in Netherlands driven by the importance of the climate matters to our Dutch stakeholders. For Transamerica and other businesses with a substantial general account, we are benefiting from learnings derived from work at Aegon in the Netherlands yet lot of work still lies ahead for instance given some specific and smaller local asset classes and availability of information for local securities from local issuers. Back to you, Bill.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. The next topic VBDO would like to address is Aegon's responsible investment policy. VBDO would like to compliment Aegon on its updated responsible investment policy. The policy now mentions eight important labor right risk. However, VBDO notes that no strategy or progress to remedy these risks are disclosed. They ask Aegon if the Company can submit -- can commit to provide transparency and publish the human rights and labor condition risk assessment for its assets under management and its strategy to prevent, mitigate, and remedy these risk. Alex?

A - Alex Wynaendts {BIO 1821092 <GO>}

Our updated responsible investment policy draws heavily on international standards. To ensure that the companies in which we invest meet these standards, Aegon Asset Management conducts screening to identify risk and potential laggards in the portfolio which are then targeted for engagement. This includes both human rights and labor conditions. The objective of this engagement is to fully understand breaches or potential breaches, advocate for appropriate remediation measures to mitigate the risk in question going forward, and more generally to promote best practices. Aegon believes engagement is more effective than exclusion to improve sustainability performance and corporate behavior. However, if a company's progress falls short of expectations after prolonged and unsuccessful engagement efforts, exclusion may become a necessity to ensure our portfolio remains compliant with expected standards. Aegon believes in transparency with respect to all its responsible investment practices. For more information, please refer to our 2019 integrated Annual Report and our Responsible Investment Report which was published today.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. The third topic from VBDO is about the gender pay gap. VBDO is delighted to read that Aegon as one of the few Dutch listed companies has evaluated the gender pay gap for a large share of its employees in the Netherlands and the US. The results indicated no significant disparities between men and women. In order for stakeholders to scrutinize these results and to understand if parity is actually reached, VBDO ask companies to publish the results of the assessment in the Annual Report for the entire workforce and senior management. Is Aegon willing to do so next year? Alex?

A - Alex Wynaendts {BIO 1821092 <GO>}

So, addressing the agenda pay gap is an essential part of our inclusion and diversity commitment. We are closely watching and addressing via management targets both main drivers of it, equal pay and workforce composition. We regularly conduct equal pay analysis in our organization and so far we as a group have no reason to believe that equal pay is not adhered to in any of our businesses. We have provided well-founded evidence in our annual report. We also have included inclusion and diversity targets in the remuneration of our managers at all levels in multiple organization units and set the aspirational target of 30% females in senior management. That said, there are no global plans to publish gender pay information per se other than in the UK where there is a legislative requirement to do so. Bill?

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. Matt, the next questions are from you -- are for you from Errol Keyner from VEB. They are all related to Aegon's capital position and financial strength in light of the COVID-19 pandemic. Would you be so kind to answer those questions? Matt?

A - Matthew Rider {BIO 20002664 <GO>}

Sure. Bill. Let me begin with the first question and that is is Aegon planning on making tactical changes to limit sensitivity to future interest rate changes and if so, what actions are included? Our current hedge programs included -- including interest rate hedges are highly effective as demonstrated during the first quarter 2020 update published on May 12th, 2020. The remaining sensitivity of our capital position to interest rate changes can be seen in our published sensitivities that we update with each results presentation. The next question is to what extent is Aegon concerned about currency fluctuations regarding the euro dollar exchange rate. Is this a risk that considering Aegon's geographic distribution of activities deserves additional information and attention? Well, for Aegon, currency risk primarily is a translation risk. If you look at Note 4 of our 2019 annual accounts, it provides sensitivities for translation risk.

The main principle of Aegon's group currency policy is to neutralize the financial leverage impact for currency volatility. In this framework, the amount of debt including derivatives held in euro, US dollar, and pound sterling are proportional managed to the currency allocation of the equity invested in the relevant units. Within our operating units, the asset liability matching is managed in local currency and potential currency risk in the investment portfolio is generally hedged. The Third question from VEB is if Aegon can give any insight into what way the recession as predicted by IMF and the European Commission will affect its business model and can you give any insight per activity? We've indicated in the first quarter 2020 update published on last Tuesday that Aegon is positioned well with a solid capital position and a strong liquidity position. Let's recognize, however, that there are significant uncertainties about how the COVID-19 crisis will develop.

It is really too early to be precise on the impact if any on our business model. We're taking management actions to protect the economic value of the balance sheet and our capital position and are looking at opportunities to increase our cost efficiency. Our aim is to position the Company well as we emerge from the COVID-19 crisis to ensure the best possible outcome for all of our stakeholders. The following question refers to Aegon's business environment scan. In its scan, Aegon considers the impact of the pandemic to be high. Has Aegon performed any new stress test based on the pandemic? If so, what is the expected impact on the operational results, cash flows, liquidity, and solvency in a worst case scenario? What have been the guiding principles for developing this? Earnings and capital sensitivities to moderately adverse scenarios have been shared in our annual reports, solvency and financial condition reports, and results updates.

We do indeed perform regular stress tests to assess the resilience of our balance sheet under stressed circumstances. The results hereof are discussed with the Executive Board and the Supervisory Board. VEB is also asking if Aegon is expecting to depend on government support and if so, is the decision to seek government support in 2008 and the subsequent negative publicity a factor. Aegon has a solid solvency and capital position as highlighted most recently in the first quarter update 2020 that was published last Tuesday. Aegon has not used and does not plan to use temporary support offered by governments in light of the COVID-19 crisis. Furthermore, Aegon has not and does not plan to defer any social security or tax payments in the countries in which it operates.

And then finally, the last question from VEB in this respect, would Aegon consider issuing new shares? Under which circumstances would this be a possibility? Is Aegon of the opinion that issuing new shares can be done successfully considering the discount at which the stock is currently trading? Aegon's capital and liquidity positions are solid as highlighted most recently during the first quarter update. Therefore, there is no need to issue new shares based on the current capital position. Shareholders can make an assessment of potential threats to Aegon's capital position based on the sensitivities that we have provided. Bill, back to you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. VEB also submitted a number of questions regarding the annual financial statements for 2019. They start with the longevity reinsurance transaction in the Netherlands, Matt, can I ask you again to take these questions?

A - Matthew Rider {BIO 20002664 <GO>}

Sure, Bill. Their first question is to what extent was the reinsurance transaction with Canada Life necessary to bring capital buffers up to standard within Aegon in the Netherlands. For the life back books notably in the Netherlands and UK, our strategy is to focus on efficiency and accelerating capital generation wherever possible. The longevity reinsurance deal in the Netherlands is an example thereof. Our Solvency II capital position in the Netherlands is strong, it's 249% as of the end of March 2020. VEB also asks in what way the Supervisory Board was part of the decision to reinsure such a large part of the portfolio and whether regulators played a role.

We have indeed kept the Supervisory Board abreast of the process as is also written in the report of the Supervisory Board in the Annual Report. We've also involved our principal regulator the DNB in every step of the process even though the reinsurance contract required no formal approval. VEB's last question on this transaction is to what extent reinsured portfolios are easier to sell to a third party. I'll say the market for back books for life insurers in the Netherlands seems to attract mainly private equity. For private equity in our view, there is no meaningful impact as they are generally interested in the asset risks and not necessarily the insurance risks. That's it for the reinsurance question, Bill.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. The following question from the VEB refers to the ultimate forward rate or UFR. Dutch pension funds apply a UFR of 1.9% at the end of May. This rate is lower than prescribed for insurers. What would be the effect to Aegon Group solvency ratio if the UFR for insurers will be brought in line with those of the pension funds? Matt, back to you again.

A - Matthew Rider {BIO 20002664 <GO>}

Yes. It's important to note that the UFR is really an integral part of the Solvency II framework as set out by the European Commission. There is a process underway to review elements of Solvency II including the UFR. However, a drastic scenario like a 200 basis point lowering of the UFR is not on the table. We publish the sensitivity for a 15 basis point reduction of the UFR and update this with each results presentation most recently during our first quarter 2020 update that we published on May 12th.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. The next question from VEB regards the impact of low interest rates on Aegon's strategy. They ask us whether we consider to shift focus from growth to monetization of the existing portfolio, radical cost reduction, and quickly paying up freed up capital to shareholders. Also is Aegon considering putting a large portion of the life portfolio in runoff to free up capital or selling them? Alex, could you take these questions?

A - Alex Wynaendts {BIO 1821092 <GO>}

Thank you, Bill. So for the life back books, notably in the Netherlands and in UK, our strategy is to focus on efficiency and capital generation. We do so via continued expense savings and considering all options to accelerate capital generation. Examples are the longevity reinsurance deal in Netherlands as well as the administrating outsourcing agreement with Atos in UK, which reduces our expenses and makes it more variable. So in terms of running off portfolios, we announced in February 2020 that we would stop selling new individual life policies in Netherlands and we put this business into runoff because of the challenging competitive conditions in the market.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. Staying on the topic of strategy, VEB asks us if Aegon expects growth segments to be substantially more profitable than the current portfolio. Alex, would you again be so kind to answer this question?

A - Alex Wynaendts {BIO 1821092 <GO>}

Yes, certainly. So, the businesses where we focus most of our growth efforts are in our strategic categories, drive for growth and scale up for the future. These are in several examples of capital light businesses with innovative business models, which brings in new platforms, new technology, and business models into Aegon which other businesses leverage. These have the potential to achieve a high return on equity when they achieve sufficient scale. Back to you, Bill.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. The next question from VEB is for you, Matt. What other balance sheet measures can Aegon take to improve its buffers if needed and what would be the consequences of these measures?

A - Matthew Rider {BIO 20002664 <GO>}

Yes. As I indicated before, solvency and liquidity positions are actually quite strong. We're taking management actions to protect the economic value of the balance sheet and our capital position and are looking at opportunities to increase our cost efficiency. For examples of these management actions, please see Slide 7 of the presentation on our first quarter 2020 update that we published on May 12th. We will provide you with an update on the management actions to protect our capital positions and opportunities to increase our cost efficiency during our first half results release. Bill?

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. Alex, can I ask you to take the questions VEB asked regarding the Vivat portfolio. They have several questions on not acquiring parts of Vivat and the impact on Aegon in the Netherlands. VEB would like to know what the impact is of our expense savings ambitions targets and the solvency position of Aegon the Netherlands.

A - Alex Wynaendts {BIO 1821092 <GO>}

Bill, can we shorten in this one. There is no impact as our strategic plans were and are based upon our current business and hence did not include the potential acquisition of parts of Vivat.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. A number of questions have been asked by VEB on customer satisfaction. Would you be so kind to answer these as well?

A - Alex Wynaendts {BIO 1821092 <GO>}

So, let me begin by noting that we give an explanation for the decline in relative NPS in our 2019 annual accounts, in 2019 Aegon was executing a number of challenging and critical agreements with external parties regarding administration services for its businesses in the US and in UK. We always try to improve the quality of our customer interactions by ensuring service level agreements with our partners and through continued focus on execution, we were able to achieve an improvement in our customer loyalty score on an absolute basis. However, we have seen our relative position deteriorate. To underscore the importance of satisfied customers, relational NPS is retained as a management target for 2020 with the target set at the 2019 result plus 3 points. In light of the above, we believe this target is very ambitious and underlines our commitment to continue to improve our customer experience. With regard to the question about relative versus absolute NPS, I would like to share the following. Relative NPS can be influenced by a number of factors that is not under management's control. Furthermore, our measurement of absolute NPS covers the majority of our customers in all relevant geographies in which we operate. The relative NPS is only measured for main business units. Bill, back to you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. This concludes the submitted questions regarding Agenda Items 2, 3.1, and 3.2. We do have a number of follow-up questions. I will start with a question again from Mr. Keyner, VEB. Aegon states that stress test results of moderately adverse scenarios have been shared. However, stress test results of stretch circumstances are discussed with the Boards. Why aren't they shared with investors especially since they are even more relevant? Investors need to be better informed on the resilience of Aegon especially now that COVID-19 crisis unfolds. Matt, could you please answer this one?

A - Matthew Rider {BIO 20002664 <GO>}

Sure, Bill. Important to first recognize that there is a lot of uncertainty on how the COVID-19 crisis will ultimately unfold. The IFRS requirement is to disclose reasonable and relevant shocks and the sensitivities that we regularly provide to the market are very much in line with industry practice.

Given the current situation, we've actually improved our disclosure to the market so we've provided some additional sensitivities. So for example, the potential impact of credit migration on the US credit investment portfolio and also the impact of additional death claims due to a pandemic for example based on the Asian flu in 1957 and the Spanish flu in 1919.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. We also have a follow-up question from Mart van Kuijk of VBDO. The question is thanks again for the opportunity to ask follow-up questions. VBDO greatly appreciates Aegon's efforts. Can Aegon commit to providing additional transparency on labor right risk and measures related to its investments in its Responsible Investment Report in 2020? Alex, could you please take this one?

A - Alex Wynaendts {BIO 1821092 <GO>}

Yes, Bill. We can certainly commit to disclosing case studies of our engagements related to labor rights as and when those engagements have either been concluded or reached sufficient progress in a Responsible Investment Report in 2020.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Alex. I'm just checking If we have any follow-up questions. I have a follow-up question from Keyner of VEB regarding the UFR. Aegon seems reluctant to provide transparency to investors regarding the impact of a 200 basis point lowering of the UFR. Does Aegon deny that there are strong rational reasons for such a lowering? While any lowering of the UFR may be gradual, does Aegon deny that thanks to an artificially high UFR, its balance sheet paints a better picture than economically warranted? Matt, could you answer this one please?

A - Matthew Rider {BIO 20002664 <GO>}

Yes. There are really quite divergent views on what the long-term outlook for interest rates are. EIOPA is taking these into account during its Solvency II review that it's currently undergoing. A lowering of the UFR by 200 basis points, however, is just simply not on the table. In our capital management and remittance decisions that we take at Aegon, we take the benefit of the UFR into account in line with guidance that we receive from the DNB and this is really to protect the capital ratio if interest rates do not increase over time.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. I'm just checking If we have any further questions. I will read out a comment by Mr. Keyner from the VEB. VEB is very concerned about the drastic drop in relative NPS especially since Aegon has been performing worse than competition in this important indicator of relative customer satisfaction. Aegon tries justifying replacing relative NPS by relational NPS. Aegon indicates that relative NPS can be influenced by a number of factors outside management's control. VEB believes this is a weak justification since no company fully controls its customers and competition. More importantly, Aegon should recognize that it has failed making enough progress in customer satisfaction and the gap to competition has even become larger. Recognition of a fundamental problem is a prerequisite before being able to improve. Alex, would you like to comment on this comment please?

A - Alex Wynaendts {BIO 1821092 <GO>}

Yes, I will. We certainly recognize that it is disappointing to see that we have lost a little bit our position relative to our competitors for all the reasons that I mentioned before that I will not repeat. It is a very high priority of Aegon and of this management team to ensure that we provide the best possible service to our customers. We acknowledge therefore also VEB's concern how -- about the importance of improving the customer experience and we're working very hard on improving customer experience. But I like to stress here that we did not replace the relative NPS by the absolute. It's about ensuring that we provide the right customer level of support to all our customers and try to be the best in each of the markets in which we operate.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you. I believe that this covers all of the follow-up questions. We now move to Agenda Item 3.2, the Annual Accounts 2019 and the report of our independent auditor. We already discussed the financials of 2019 and related questions. I will now pass the word to Gert-Jan Heuvelink from PwC, the independent auditor, to make a few comments. Please note that Aegon has released PwC from the obligation to observe confidentiality and to allow them to comment on the audit and the auditors report on financial statements of Aegon NV. Gert-Jan?

A - Gert-Jan Heuvelink

Dear shareholders. I'm pleased to provide you with some insights into our audit of Aegon's 2019 financial statements. We issued an unqualified audit opinion on these financial statements dated March 18, 2020. First, I would like to provide you with certain details of our audit. The materiality determines the scope and depth of our audit work. We have set our materiality level at EUR83 million, which is an increase compared to the materiality level of EUR78 million used in our 2018 audit. Consistent with last year, it has been calculated as 5% of the three-year average of income before tax. We also take potential misstatements into account that in our judgment are material for qualitative reasons. We agreed with the Supervisory Board that we would report to them misstatements identified during our audit above EUR4 million. We established our scope based on the way Aegon is organized.

We performed audit work on all regional units where Aegon has operations which included the Americas, the Netherlands, the United Kingdom, Southern and Eastern Europe Asset management and Holdings. In the Americas, the Netherlands, and the United Kingdom; we performed full scope audits due to their relative size while in the other relevant units, we performed audit procedures of specific account balances. Our coverage amounted to 93% for revenues, 96% for total assets, and 93% for profit before tax. As the Group auditor, we issued instructions to the component audit teams in our audit scope. These Instructions included our risk analysis, materiality, scope of the work, and other relevant topics. We had individual calls with each of the in scope component audit teams during year and upon the conclusion of their work.

In addition, we developed an oversight strategy for each component based on its significance to the Group audit and it's particular risk characteristics, which included procedures such as the regular discussions with component auditors to challenge and review significant audit matters and judgment within the audit files including review of selected working papers. We analyzed and discussed the extensive reports received from the component auditors and performed site visits. We ensured that the audit teams both at Group and at component levels had the appropriate skills and competencies which are needed for the audit of a complex financial conglomerate such as Aegon. Given the importance of information technology for our audit, we've paid specific attention to the IT dependencies, IT general controls, and application controls; which are relevant to Aegon system of internal control over financial reporting.

I would like to say a few words in respect of our focus in our audit of the financial statements on the risk of fraud and non-compliance with laws and regulation. As part of our process of identifying fraud risk, we evaluated fraud risk factors related to financial reporting fraud, misappropriation of assets, and bribery and corruption. Supported by our forensic specialists, we evaluated the fraud risk factors to consider whether those factors indicated the risk of material misstatement due to fraud. We also addressed the risk of management over right of internal controls including evaluating whether there was evidence of bias by management that may represent a risk of material misstatement due to fraud. We evaluated the design and the implementation of internal controls that mitigate fraud risk and where appropriate, we tested the operating effectiveness of those controls.

We also tested high risk manual journal entries, evaluated key estimates and judgment for bias by management, and incorporated elements of unpredictability in the selection of audit procedures that were performed this year. In respect of our focus on the risk of non-compliance with laws and regulation, our approach was based on the distinction in laws and regulation as described in the auditing standards. We obtained sufficient audit evidence regarding compliance with the provision of the laws and regulation looking for direct effect on the determination of material amounts and disclosures in the financial statements. We also focused on those laws and regulations where compliance may be fundamental to the operating aspect of the business, to Aegon's ability to continue its business, or to avoid material penalties. For this category, we performed specific procedures to identify any non-compliance that may have a material effect on the financial statements.

Next I would like to address key audit matters, which are the most important matters we have identified in our audit plan and in our audit work during the year. We identified three key audit matters in 2019, which I will describe in a moment in more detail. Last year we also reported a fourth key audit matter in respect of Aegon's outsourcing strategy given its significant impact for 2018. As this matter does not affect 2019 in a similar manner, we did not report this as a key audit matter in 2019. Our key audit matters have been selected because they contain a significant level of management judgment and as a result are more susceptible to material misstatements. The first key audit matter concerns the valuation of certain assets and liabilities arising from insurance contracts. These assets and liabilities involve the use of complex valuation models and significant judgment in respect of the valuation.

We used our own actuaries to assist us in auditing these balances. Our audit focus on the validation of change in and application of complex valuation models and the judgments applied in the assumptions that are in process. We assessed whether the methods, data, and assumptions used by Aegon to determine these assets and liabilities were appropriate. The second key audit matter concerns the valuation of certain level 3 investments. This matter is related to investments that are illiquid and/or have significant unobservable inputs and it requires significant judgment from Aegon management in determining their valuation. We use our own valuation specialist to assist us in auditing the calculations and assessing the judgments made and assumption used by Aegon. Regarding both key audit matters, we challenged the main assumptions adopted in Aegon's valuation processes in the context of specific product features and of both Aegon's own experience and industry experience.

We also assessed the quality of the assumptions that are in process based on analysis of actual versus expected developments of prior year's assumptions. Based on the procedure we performed, we found that the assumptions set by management was supported by available audit evidence and were within a range we consider acceptable based on Aegon's and insurance -- and industry experience. The third and final key audit matter concerns uncertainties in policyholder claims and litigations. The insurance industry continues to face consumer activism and regulatory scrutiny of product design and selling practices. Aegon has accounted claims and litigations in this respect. We assessed Aegon's position on these matters and the underlying facts and circumstances by obtaining lawyers' letters to the extent considered necessary for our audit and by assessing the needs to record a liability and the required disclosures. I also would like to say something about our subsequent event procedures and more specifically the COVID-19 outbreak.

The consequences of the COVID-19 outbreak are considered to be non-adjusting post-balance sheet events for 2019 financial statements. We have evaluated whether the related subsequent events disclosure in the consolidated financial statements is adequate and in accordance with IFRS. We found this disclosure to be appropriate in this context. Finally, I have a few remarks on the other information included in the Annual Report. Based on our knowledge and understanding obtained during our audit, we have concluded that this information is consistent with the financial statements, does not contain material misstatements, and contains all information as required by Part 9 of Book 2 of the Dutch Civil code. The scope of these procedures was substantially less than the scope of procedures performed in our audit of financial statements. We have not been requested to provide any additional assurance on the non-financial information in any other report.

Thank you very much for your attention.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Gert-Jan. We have received various questions about the going concern assumptions as mentioned in the Annual Report. I will ask Matt to answer this from Aegon's perspective before handing over to Gert-Jan for the PwC perspective. Matt, can you indicate why Aegon uses reasonable assumption based on the current state of affairs when discussing the going concern assumption? Why is Aegon so careful and has this been discussed by the Executive Board and Supervisory Board with the external auditor? Matt?

A - Matthew Rider {BIO 20002664 <GO>}

Thanks, Bill. Management has no concerns over the going concern of the Company considering the components that were assessed and disclosed in the 2019 Annual Report. Reasonable assumption in this regard refers to the period assessed for which it is expected to be able to continue its normal course of business. For these types of assessments, generally a period of just over a year is considered. This doesn't mean, however, that the Company would not be able to continue its normal course of business for a longer period of time. The wording reasonable assumption is adopted as the stronger form of absolute assurance does not exist in this context,

The use of based on the current state of affairs is pointing to the moment in time that the assessment was made by management and should not be interpreted as a disclaimer on the conclusion that's been reached. I can confirm that the going concern has been discussed extensively also by the Executive Board and the Supervisory Board and with the external auditor. In light of the COVID-19 pandemic, extensive discussions took place as the depth and the length of the crisis is unknown. Measures were taken by management to assess the possible impact of the COVID-19 outbreak, which is causing significant disruption to society impacting Aegon, its employees, suppliers, and customers worldwide.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. Gert-Jan, would you like to add something?

A - Gert-Jan Heuvelink

At PwC, we confirm that the going concern assumption specifically against the background of the COVID-19 outbreak has been discussed with both the Executive Board and the Supervisory Board. As in all our audits, we assess the going concern assumption as applied by Aegon. In our assessment, we consider risk towards going concern for a period that at least covers a period of 12 months after the date of our audit opinion.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Gert-Jan. Matt. The last submitted question on this topic is for you. Can you give qualitative feedback on the consequences of not wielding the going concern assumption on the level of shareholders' equity as was reported year-end 2019?

A - Matthew Rider {BIO 20002664 <GO>}

Sure Bill. Not assuming a going concern assumption would mean assets and liabilities can no longer be valued under the current IFRS accounting principles, but that evaluation at fair value or exit value should be adopted. Per asset class or liability class, a detailed exercise should be performed and this could lead to a higher or lower valuation depending on the asset or liability class. The difference between the current valuation and the valuation at fair value or exit value would affect shareholders' equity by the equal and opposite amount.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt and Gert-Jan. I will now check if there are any follow-up questions. I do not see any. Therefore, thank you for these questions. We will now move on to Agenda Item 3.3, The Remuneration Report 2019. The Chairman of the Remuneration Committee of the Supervisory Board, Ben Noteboom, will present the 2019 Remuneration Report. Ben?

A - Ben Noteboom {BIO 3821638 <GO>}

Thank you, Bill. Good morning, ladies and gentlemen. The 2019 Remuneration Report was prepared by the Remuneration Committee of the Supervisory Board and was published in the 2019 integrated annual report on March 18. The report was restructured in order to further increase its transparency and to comply with the latest rules, regulations, and guidance on the standardized presentation of the Remuneration Report including the shareholder rights directive and related Dutch Implementation Act. From this year onwards, we will ask our shareholder for an advisory vote on this report at every AGM. Before I invite you to vote, I will first share the main items that were disclosed in the 2019 report and then give shareholders who submitted questions for this agenda item the opportunity for follow-up questions. These main items are the 2019 remuneration of the Supervisory Board, the 2019 remuneration of Executive Board, and the 2020 remuneration of the Executive Board.

Next slide. Thank you. Starting with the Supervisory Board. In 2019 its members were subject to the policy which was approved in the AGM last year. As you will recall, this policy made the risk committee base fee equal to the audit committee fees. All attendance fees are now equal and we made changes to the travel fees. Next slide please. Based on this policy and the actual attendance and travel during 2019, the SB members were paid the fees as presented here. The fee increase for Mr. Connelly in 2019 was the result of one, being the Chairman of the Supervisory Board during the full calendar year where he was appointed in May of 2018; attending more committee meetings in combination with higher committee attendance fees; and receiving a continental travel fee which was not offered before 2019. Most other supervisory members received more attendance fees in 2019 mainly because of a combination of attending more committee meetings and the higher attendance fees for 2019.

Then we move on to the Executive Board. Next slide, please. Moving on to the Executive Board. There were no changes to the remuneration policy, which apply to 2019. As disclosed in the AGM last year, we did agree to a new pension arrangement for Mr. Wynaendts following his reappointment. From June 2019 onwards, he received 40% of his fixed compensation as main pension arrangement which is equal to the arrangement which means the Rider received since his appointment in 2017. In response to a question that was asked by ISS, we shared more background on this pension arrangement on our AGM website before this meeting. In summary, Aegon realizes that a 40% pension contribution is at the high end of the market. However, variable compensation at Aegon is significantly below the median for European insurance peer group as well as for the Dutch AEXP Group.

In view of the legal limitations of variable compensation, Aegon therefore offers a higher than average pension contribution to ensure the overall compensation package is still competitive. Now we move to the next slide. According with the remuneration policy, Mr.

Wynaendts and Rider received the following amounts in 2019. Their fixed compensation was increased for June 2019 with 2.5%, which was equal to the collective salary indexation for our employees in the Netherlands. The variable compensation award was based on results that were achieved on a mix of Aegon Group and personal performance indicators. I will discuss these results in the following slides. Next slide, please. The Aegon performance results was scored on a performance scale which was used to fund the 2019 bonus pools within Aegon. This scale has 50% for the minimal level, 100% for a target level, and 150% for the maximum level.

The 2019 Aegon performance results on this performance scale was 79%. Converted to the performance scale that applied to the variable compensation of Mr. Wynaendts and Mr. Rider with 80% for the target level, the 2019 Aegon performance result was 67%. Next slide. The variable compensation from Mr. Wynaendts in 2019 was determined by this Aegon result of 67% and the various results on his personal performance indicators. His overall result was 79%, which equals EUR1.048 million in variable compensation for 2019. And the next slide. Similarly, the combination of the Aegon Group and Mr. Rider's personal performance was 79%. This resulted in the allocation of EUR743,000 in variable compensation in 2019. Then we move to the next slide. In the final item of the Remuneration Report, we look ahead to the 2020 performance year. Our Executive Board members are eligible for the remuneration amounts which are presented in this table.

For illustration purposes, we presented the amount on an annualized basis. In practice, the compensation will be prorated for both Mr. Wynaendts and Mr. Friese assuming Mr. Friese will be appointed later in this meeting. Also please note that we offered Mr. Friese a separate sign-on arrangement of EUR1.25 million in March 2020 when we hired him as CEO designate. In response to a question received from Eumedion, we shared more details on this arrangement on our AGM website before this meeting. The sign-on amount for Mr. Friese is split in almost half cash and the other half in Aegon shares. Half of the sign-on payment has been paid this year. The payout of the remaining half has been deferred to future years with approximately 20% in 2021, 15% in 2022, 10% in 2023, and the last 5% in 2024. Bill, back to you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. Before moving on to the submitted questions, I would like to ask Bieke Debruyne, Aegon's Company Secretary, the microphone to share with you a statement of VEB regarding their voting on remuneration. Bieke?

A - Bieke Debruyne

Sure. The VEB is very unhappy with the EUR1.25 million sign-on bonus for the new CEO without any attached operational or financial targets. The VEB believes that a socially responsible remuneration policy should rule out such practices. If a sign-on bonus cannot be avoided, then they should at the very least be conditional and therefore dependent on achieving challenging targets according to the VEB. The VEB will vote against items 3.3 and 5.1, the 2019 Remuneration Report and the Remuneration Policy 2020, respectively. The VEB repeats its standpoint as voice in previous AGMs that any variable pay should only be discussed when economic value has increased over a longer period in time. The

VEB has no objection if variable pay based on economic value created is only granted if Aegon also performs well on non-financial results.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. VEB is asking if Mr. Friese is open to adjusting earlier arrangements and make the sign-on arrangement conditional based on challenging targets. Ben, would you be pleased so be -- please be so kind as to respond?

A - Ben Noteboom {BIO 3821638 <GO>}

Yes, sure. By the way, a small comment on the VEB statement. By law we cannot make variable pay 100% dependent on economic KPIs. So, that will be against the law if we will actually have a policy like that. The sign-on arrangement then from Mr. Friese. The sign-on arrangement is not considered to be variable compensation and can therefore by definition not contain performance criteria. The sign-on arrangement is offered for a combination of reasons including the market value of the candidate, making the transfer to Aegon as a direct competitor more attractive, and compensation for loss of income during the transfer period. The sign-on arrangement is split and again, as I mentioned, almost half cash and half shares.

Half of the sign-on payment is paid upfront and the other half if deferred as I explained before. The sign-on arrangement is in line with both the current and the proposed executive remuneration policy. Mr. Friese and the Supervisory Board see no reason to change the sign-on agreement made. When appointed -- I should say if appointed on May 15, Mr. Friese with start with very challenging performance indicators for his 2020 variable compensation. For the 70% Group performance targets, targets were set before the COVID-19 crisis. The 30% personal performance targets will contain a strong focus on managing the Company through the COVID crisis. Bill, that concludes the answer. Thank you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. The VEB has submitted one more question on the remuneration report. This question regards the share price performance, which they consider to be mediocre to poor as opposed to the variable compensation granted. Ben, would you please be so kind as to explain the substantial difference between achieving a performance target and Aegon's total shareholders return or TSR?

A - Gert-Jan Heuvelink

Yes, sure. Aegon is focused on creating value for a number of stakeholders and not on TSR only. Aegon aims to create long-term value for the societies and communities in which the Company operates, their shareholders, customers, and business partners. Note that the variable pay awarded is in line with the current Executive Board remuneration policy that was approved by shareholders in 2011, which includes part financial and part non-financial performance again, which we are legally obliged to. In addition, note that the Dutch Financial Supervisory Act and the Solvency II legal framework do not allow variable compensation to be based on only financial performance. At least 50% needs to be based on non-financial performance. Finally, please note that we propose to include relative TSR as part of the financial indicators for 2020. So, I hope that it will be recognized that we did listen to the suggestions as far as we could. Thank you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. Louise Kranenburg of MN also on behalf of APG Asset Management states that they have asked Aegon previously for more disclosure especially on the performance targets. She asks if Aegon would consider at least exposed full disclosure in the next remuneration report of the performance indicators, their weightings, the target set. Ben, could you take this question?

A - Ben Noteboom {BIO 3821638 <GO>}

Aegon will continue to disclose the performance indicators, their rates and relative results, compared to their target levels. For 2020 Aegon will also disclose the absolute target levels of the multi-year performance indicators, some relative TSR and a normalized capital generation, and will consider disclosing other absolute target levels after reviewing their commercial sensitivity.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. The next question is also from Mrs. Kranenburg. You disclosed that the performance indicator relative NPS reached a maximum in the remuneration scheme namely 150% over target being a 10% of CEOs, CFOs non-financial one-year performance. Is this ambitious enough in light of this year's drop in relative NPS? Ben?

A - Ben Noteboom {BIO 3821638 <GO>}

Yes, that's an excellent question of course. When setting out targets, we look at the average course over the past years and look at next year's plans to construct a target. This target is then challenged internally and by the Supervisory Board to ensure the targets are challenging enough. In 2019 Aegon was executing a number of challenging and critical agreements with external parties regarding administration services for its businesses in the US and in the UK. By ensuring service level agreements with our partners and through continuous focus and execution, we were able to achieve an improvement in our customer loyalty score on an absolute base. The 2020 target was set at 2019 results plus 3. In light of the above, we believe this target is very ambitious and underlines our commitment to continue our service to our customers.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. I will now check if there is any follow-up questions and indeed there are. There is a follow-up question from Mr. Keyner at the VEB. Aegon -- the question is Aegon states that there are more stakeholders than shareholders only therefore TSR is only part of the factors to drive variable pay. The question being which other stakeholders has been satisfied with Aegon's performance in the last decade? Ben, could you take this one, please?

A - Ben Noteboom {BIO 3821638 <GO>}

Yes, sure. I think in our strategy you will see that we have specified indeed exactly all the targets we have to actually meet their needs. Those are, next to shareholders obviously an important category; customers, employees, and society in general. And again management performed well against the set of KPIs and created value for these stakeholders. Where we shared a disappointment obviously on the results on the share price.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. I'm checking, there are no follow-up questions on this item. Ladies and gentlemen, prior to this Annual General Meeting, our shareholders have been enabled to cast their votes prior to the meeting either by granting a proxy or by using the e-voting system. Agenda Item 3.3 is subject to an advisory vote. If you have voted for, you've been advised and favor the remuneration for 2019. If you have voted against, you have advised against the report. We will now show the results for the advisory vote for Agenda Item 3.3, the remuneration report for 2019.

A - Bieke Debruyne

With respect to this agenda item; 83.79% has voted in favor of the resolution, 16.21% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. I establish the meeting has advised in favor of the Remuneration Report 2019. We now move on to Item 3.4, the proposal to adopt the Annual Accounts 2019. Questions regarding the Annual Report 2019 were addressed previously. Therefore, we will now show the voting results for Agenda Item 3.4, the adoption of the Annual Accounts 2019.

A - Bieke Debruyne

With respect to this agenda item; 99.89% has voted in favor of the resolution, 0.11% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke, I established that the meeting has adopted the annual accounts 2019. We now move to Agenda Item 3.5, the dividend. As Matt also touched upon in his presentation, in the Annual Report 2019 published on March 18, 2020 Aegon announced its proposal for a final dividend of EUR0.16 per common share and EUR0.004 per common share B absent a further deterioration of the market circumstances and based on the assessment made at that time. On April 2nd, 2020 statements were made by the European Insurance and Occupational Pensions Authority, EIOPA and DNB, Aegon's principal regulator urging insurers to temporary postpone all dividend distributions. In order to comply with this call, Aegon decided to forgo the 2019 final dividend.

Taking into account the interim dividend paid in September 2019, this results in a total dividend for the financial year 2019 of EUR0.15 per common share and EUR0.00375 per common share B. Aegon is well aware that dividends are a relevant source of income for shareholders. Therefore, we will review opportunities for returning capital to our shareholders as soon as appropriate. The company will take a decision on the 2020 interim dividend in August 2020 in line with our dividend policy taking the circumstances and outlook at that time into consideration. On the topic of dividend, Mr. van der Graaf asked the question if Aegon is planning to do a catch up on the foregone 2019 dividend. Is Aegon for instance planning to do a share buyback in a few months' time for the same amount or do another form of catching up at a later stage? I will pass this question to Matt.

A - Matthew Rider {BIO 20002664 <GO>}

Thanks, Bill. As Bill had indicated, we decided to comply with EIOPA's and the DNB's call to postpone paying dividends to shareholders. Many other European insurance companies have done the same including all insurance companies in the Netherlands. Unfortunately, different regulators interpret EIOPA's call in this respect differently. We engaged actively with our principal regulator, the DNB, before making the decision to comply with this. Aegon will review opportunities for returning capital to its shareholders as soon as it is appropriate. We will take a decision on the 2020 interim dividend in August 2020 in line with our dividend policy taking circumstances and outlook at that time into consideration. It is too early to say to what extent we will make any other distributions in the second half of 2020. Finally, let me emphasize that our decision to forgo the 2019 final dividend is irrespective of our capital position which has remained solid as indicated also in our market update on May 12th despite the challenges that the COVID-19 crisis brings.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. I will now check if there's any follow-up questions and there are none. Therefore we will now move to Agenda Item 4, the release from liability. We will start with Agenda Item 4.1. We proposed that the Executive Board Members be released from liability for their duties to the extent the exercise of such duties is reflected in the Annual Report 2019 or has otherwise been disclosed to shareholders prior to the adoption of the Annual Accounts 2019. We have not received questions regarding Agenda Item 4.1. We will now show the voting results of Agenda Item 4.1.

A - Bieke Debruyne

With respect to this agenda item; 96.61% has voted in favor of the resolution, 3.39% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. I establish that the meeting has granted this release from liability for the members of the Executive Board. We'll now move to Agenda Item 4.2. We propose that the Supervisory Board members be released from liability for their duties to the extent the exercise of such duties is reflected in the Annual Report 2019 or has otherwise been disclosed to shareholders prior to the adoption of the Annual Report 2019. We have not received questions regarding Agenda Item 4.2. We'll now show the voting results of Agenda Item 4.2.

A - Bieke Debruyne

With respect to this agenda item; 96.6% has voted in favor of the resolution, 3.4% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. I establish that the meeting has granted this release from liability for the members of the Supervisory Board. We'll now move on to Agenda Item 5 on the adoption of the Remuneration Policy for both the members of the Executive Board and the members of the Supervisory Board. The Chairman of the Remuneration Committee of the Supervisory Board, Ben Noteboom, will discuss with you the proposals as described in Agenda Item 5.1 for the Executive Board and Item 5.2 for the Supervisory Board, Afterwards, we will address the questions for both agenda items. Ben?

A - Ben Noteboom {BIO 3821638 <GO>}

Thank you, Bill. Let me first discuss with you Agenda item 5.1, the proposed adoption of the remuneration policy for members of the Executive Board. The Supervisory Board proposes to make several changes to the EB remuneration policy in order to comply with the Dutch Act, which implements the European shareholder rights directive and to incorporate shareholder feedback on the previous Executive Board's remuneration policy of 2011. All proposed changes are intended to further align the executive, the long-term interest of Aegon, and its shareholders. Before I invite you to vote, I will first share the main changes that we propose to the EB remuneration policy. Next slide, please. Thank you. The portion of the variable compensation award that will be paid in Aegon NV shares will be increased from 50% to 66.67% while the cash portion will be decreased accordingly to 33.33%.

Next slide, please. We propose to simplify the payout of variable compensation by changing from tranche-vesting to three-year cliff-vesting with an additional holding period of two years. By this change, we will increase the average retention period of the shares from 4.2 years to 5 years. Next slide, please. Thank you. At least 20% of the performance indicators will be measured over a retrospective three-year performance period. Since 2011, indicators are measured on a one-year performance period only in response to regulatory changes at that time. By reintroducing three-year performance indicators, the executives' compensation can be further aligned with Aegon's long-term commitments to its shareholders and its stakeholders. As you can see in the illustration, we continue with one variable compensation award per year which is now based on a mix of three-year and one-year performance. After allocation of this one variable compensation award, the payout is split into 33% upfront cash and 67% deferred shares.

These shares vest after three years and are then subject to an additional holding period of two years. Next slide, please. The variable compensation award will be based on performance indicators from pre-defined categories. These categories are mandatory to ensure that all stakeholders' interests are represented such as our shareholders, other stakeholders, and ESG. To give you a practical example, these are performance indicators we already agreed for 2020 within these mandatory categories. The main changes compared to last year are the reintroduction of relative total share return, replacing net deposits with fees and premium based revenues as sales indicator, a more clear grouping of the ESG related personal performance indicators. In summary, the new EB remuneration policy including the proposed changes I just presented in the previous slides will contain the compensation and benefits as presented in this table.

Moving on to the proposed adoption of the remuneration policy for members of the Supervisory Board. The SB also proposes to make two minor changes to the SB remuneration policy in order to comply with the new Dutch Act, which implements the European shareholder rights directive. We propose to increase the policy's transparency by clarifying how the policy contributes to Aegon's strategy, long-term interests, and sustainability; and how it takes into account Aegon's identity, purpose, values, and stakeholder environment. We also propose to add the option to annually index the Supervisory Board fees based on economic developments in the Netherlands without requiring additional shareholder approval. Please note that any other charge -- change to these fees for example exceeding the indexation level or changing the scope over fee continues to require shareholder's approval. Back to you, Bill.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. Let us begin with the questions of VEB regarding the proposed remuneration policy for the Executive Board. In the first question, VEB asks whether the share price performance is cause for the Supervisory Board to be more strict in assessing management in the future. Ben, could you answer this one, please?

A - Ben Noteboom {BIO 3821638 <GO>}

In the new proposed remuneration policy, the Supervisory Board proposes a shift in how variable compensation is calculated and paid. This is aimed to further align the long-term interest of the Executive Board members with Aegon shareholders. Firstly, by reintroducing multi-year performance indicators. Secondly, by increasing the portion of variable compensation which is paid in deferred shares from 50% to 66.67%. These changes were based on constructive feedback from shareholders on our current EB remuneration policy and the increased flexibility the Solvency II legal framework provides. Bill?

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. The second question from VEB Is about the net promoter score. Why is the relational NPS used as a target within the short-term incentives rather than instead of the relative NPS? Ben, another one for you.

A - Ben Noteboom {BIO 3821638 <GO>}

Yes, it has been covered I think earlier, but I'll answer it of course. First of all, relative NPS can be influenced by a number of factors that is not under management's control. Furthermore, our comprehensive relational NPS program and that I think is the most important covers the majority of our customers in all relevant geographies in which we operate. The relative NPS is only measured for our main business units and because of the above, we prefer relational NPS. Bill?

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. Mrs. Kranenburg of MN also on behalf of APG Asset Management has submitted three questions on this topic. Let me begin with the first one. Among other criteria, Mrs. Kranenburg believes that paying for performance is a crucial aspect of a well-balanced remuneration policy. Aegon has indicated the higher fixed income also including pension contributions is to be made up for the relative lower variable pay. She asks if we can reflect on the broader philosophy of our pay framework. To what extent does Aegon want its framework to be variable for performance? Ben, this is for you.

A - Ben Noteboom {BIO 3821638 <GO>}

Aegon has four remuneration principles, which state that our remuneration should be employee oriented, performance related, fairness driven, and risk prudent. Performance related means firstly, establish a clear link between pay and performance by aligning objectives and target setting with performance evaluation and remuneration. Secondly, reflecting individual as well as collective performance in line with Aegon's long-term interests. And thirdly, announcing the transparency and simplicity of Aegon Group remuneration consistent with the principle of pay for performance. And finally, avoiding any pay for non-performance. Our proposed Board remuneration policy is in line with the principles. It results in 36% of the total compensation package being variable in case of targeted performance. This is based on the proposed target for variable compensation of 80% and the pension contribution of 40% of the fixed compensation level excluding the value of other benefits for this illustration. I think that covers that question I hope, Bill.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. The second question of Mrs. Kranenburg refers to the fact that the Supervisory Board is entitled to grant shares as part of the fixed compensation. In conversation with Aegon, she expressed a wish to learn more about the conditions to introduce the share-based fixed payments, holding requirements, and the relation to the total fixed compensation. Aegon expressed not having the intention to start using this option. Her question is how shareholders should judge this remuneration policy including unused options. Has Aegon considered to remove unused options and should Aegon feel this or other measures are required in the future asking shareholders to vote on the remuneration policy? Specifically for the monthly fixed allowance for the Executive Board, will you remove this option after the departure of Mr. Wynaendts?

A - Ben Noteboom {BIO 3821638 <GO>}

Yes. That's a fair question. Aegon has decided to include some conversation options in this proposal options in order for the Supervisory Board to have some degree of flexibility during the four-year policy term. This is also common in general communication policies for employees. If the introduction of such an option is considered in the next four years, Aegon will always take the total compensation level into consideration. The introduction could have a neutral effect or increase in the total compensation level. In case of the latter, the increase must be justified and stay in line with the internal and external references as defined in the proposed policy. Examples for such an increase are offering an executive a temporary fixed allowance for additional interim responsibilities or a permanent fixed allowance for expatriate arrangements in line with internal policies and market practice. We believe it is reasonable to keep those -- these options open and therefore we will not remove the possibility for a fixed allowance after the departure of Mr. Wynaendts.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Ben. I will now check if there's any follow-up questions. There are none regarding this point. We will now show the voting results of Agenda Item 5.1. Please note that the adoption of the remuneration policy for the Executive Board requires a majority of at least 75% of the shares present or represented at the meeting.

A - Bieke Debruyne

With respect to this agenda item; 83.57% has voted in favor of the resolution, 16.43% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. I establish that the meeting has adopted the remuneration policy for members of the Executive Board. We'll now show the voting results of Agenda Item 5.2. Please note that the adoption of the remuneration policy for the Supervisory Board requires at least 75% of the shares presented or represented at the meeting. Bieke?

A - Bieke Debruyne

With respect to this agenda item; 98.98% has voted in favor of the resolution, 1.02% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. I establish the meeting has adopted the remuneration policy for the members of the Supervisory Board. We'll now move on to Agenda Item 6, composition of the Supervisory Board. At the closure of this meeting, the term of Ben van der Veer as member of the Aegon Supervisory Board will end. In accordance with the Dutch Corporate Governance Code, Ben is not eligible for reappointment. Bob Dineen stepped down from the Supervisory Board as of October 11, 2019. We therefore like to propose the appointment of two new Supervisory Board members; Mr. Thomas Wellauer and Mrs. Caroline Ramsey. Mr. Wellauer and Mrs. Ramsey are following this meeting through the live webcast.

We propose Thomas Wellauer to be appointed as a member of the Supervisory Board for a term of four years as of May 15, 2020 so until the end of the AGM to be held in 2024. We propose to appoint Thomas Wellauer in view of his knowledge and experience in the reinsurance and insurance industry. His global working experience and substantial expertise in the fields of strategy, restructuring, operations, and human resources including compensation matched the desired expertise within the Supervisory Board. Information regarding Thomas Wellauer is available in the agenda in the explanatory notes Page 5 and in Annex 1 on Page 10. We will now show a short video in which Thomas Wellauer will introduce himself.

(video presentation).

We have not received questions regarding Agenda Item 6.1. We'll now show the voting results of Agenda Item 6.1.

A - Bieke Debruyne

With respect to this agenda item; 98.25% has voted in favor of the resolution, 1.75% against.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Bieke. I establish that the meeting has appointed Mr. Thomas Wellauer as member of the Supervisory Board. On behalf of the other members of the Supervisory Board, congratulations. Thomas, we look forward to working with you and having you on board. We'll now move on to Agenda Item 6.2, the appointment of Mrs. Caroline Ramsey as a member of the Supervisory Board. We propose Caroline Ramsey to be appointed as member of the Supervisory Board for a term of four years as of May 15, 2020 so until the end of the AGM to be held in 2024. We propose to appoint Caroline Ramsey in view of her extensive experience in finance and audit at large insurance companies. Her thorough Solvency II knowledge and board experience matched the desired expertise within the Supervisory Board. Information regarding Caroline Ramsey is available in the agenda in the explanatory notes on Page 5 and in Annex 2 on Page 11. We will now show a short video in which Caroline Ramsey will introduce herself.

(video presentation)

We'll now show the voting results of Agenda Item 6.2. Bieke?

A - Bieke Debruyne

With respect to this agenda item; 98.07% has voted in favor of the resolution, 1.93% against. Thank you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you. I establish that the meeting has appointed Mrs. Caroline Ramsey as a member of the Supervisory Board. Also on behalf of the other members of the Supervisory Board, I would like to congratulate and welcome Caroline. We look forward to working with you and having you on board. We'll now move on to Agenda Item 7. We will address the composition of the Executive Board. After the closure of this meeting, Alex Wynaendts will step down as CEO and Chairman of the Executive Board, Aegon NV. We propose Lard Friese to be appointed as a Member of the Executive Board for a term of four years as of May 15, 2020 so until the end of the AGM to be held in 2024. If you appoint Lard as a Member of the Executive Board, it is the intention of the Supervisory Board to appoint Lard as Chief Executive Officer as per the conclusion of this meeting.

Lard Friese has an extensive experience in the areas of insurance, investment management, customer centricity, and business transformation. He is proposed for appointment for his outstanding leadership and in-depth knowledge of the financial service industry. His knowledge and experience matched the desired expertise. We have full confidence that with Lard Friese as a Member of the Executive Board, Aegon NV is well-positioned to continue to help people achieve a lifetime of financial security. Information regarding Lard is available in the agenda in the explanatory notes on Page 6 and on Annex 3A on Page 12. The information on the most important items of his Board agreement is available on Annex 3B Page 13.

Regarding the appointment of Mr. Friese, VEB has asked a few questions. I'll respond to these questions. The first question is for which strategic pillars is Mr. Friese continued to make a notable difference -- is expecting to make a notable difference during his term CEO?

Mr. Friese will take over as CEO pending your approval. His first priority will be to navigate Aegon through the COVID-19 crisis together with his management team. As indicated in the first quarter 2020 update on May 12, management is taking actions to protect the economic value of the balance sheet and the Company's position -- and the Company's capital position and is looking at opportunities to increase the Company's cost efficiency. Mr. Friese and his team will continue working out on their plans to improve Aegon's long-term performance. As is customary in a CEO transition, management will update the market on their plans once they have been finalized.

VEB is also asking if Mr. Friese succeeds in his mission, how does he expect Aegon's balance sheet to look in five years and what steps does Mr. Friese intend consider to be necessary in order to reshape Aegon into an economic success whereby profitability is defined as total return for shareholders that exceeds the cost of capital? Mr. Friese and his team will continue plans in due course -- to develop plans in due course. It is too early to comment on these questions.

I will now check if there is any follow-up questions. There are none. We will now show the voting results of Agenda Item 7.1. With respect to this agenda item; 99.81% has voted in favor of the resolution, 0.19% against. Thank you, Bieke. That's certainly a very high approval rating. I establish that the meeting has appointed Mr. Lard Friese as a Member of the Executive Board. Also on behalf of the other members of the Supervisory Board and the Management Board of Aegon, I like to -- I would like to congratulate and welcome Lard. Lard will say a few words on his appointment at the end of this meeting when we reflect on the change in leadership. We'll now move on to Agenda Item 8. We will now address the cancellation, issuance, and acquisition of shares. Let me begin to briefly cover all four points on Item 8. First, we propose that you approve the proposal to cancel common shares and common shares B as described on Page 6 of the agenda of this meeting. This regards shares which have been repurchased by the Company in connection with the share buyback program that follow the 2019 interim dividends distribution. Secondly, we propose that you approve the proposal to authorize the Executive Board to issue common shares with or without preemptive rights, which is described on Page 6 of the agenda. This resolution will replace the authorizations granted to the Board in 2019. Thirdly, it is proposed that shareholders authorize the Executive Board to issue common shares in connection with rights issues. The proposal is described on Page 7 of the agenda. These authorizations are limited to 25% of the issued capital and may only be used to safeguard or conserve the capital position of the Company. The rights issue will be conducted in line with market practice affording eligible existing shareholders the right to subscribe for the new shares in proportion to their shareholding to prevent dilution. Finally, we propose that the shareholders adopt the resolutions to authorize the Executive Board to acquire shares in the Company. This proposal is described on Page 7 of the agenda. Upon adoption, this resolution were replace the authorizations granted in 2019. We have not received questions regarding the four agenda items and we will now show the voting results.

A - Bieke Debruyne

99.69% has voted in favor of this resolution, 0.31% against.

A - William L. Connelly {BIO 16636333 <GO>}

I establish that the meeting has approved the proposal to cancel common shares and common shares B. We will now show the voting results of Agenda Item 8.2.

A - Bieke Debruyne

With respect to this agenda item; 96.64% has voted in favor of the resolution, 3.36% against.

A - William L. Connelly {BIO 16636333 <GO>}

I establish the meeting has decided to grant us authorization as of today for a period of 18 months. We'll now show the voting results for Agenda Item 8.3.

A - Bieke Debruyne

With respect to this agenda item; 98.55% has voted in favor of the resolution, 1.45% against. Thank you.

A - William L. Connelly {BIO 16636333 <GO>}

I establish that the meeting has decided to grant the Executive Board the authorization to issue common shares in connection with rights -- with the rights issue. We'll now show the voting results of Agenda Item 8.4.

A - Bieke Debruyne

And with respect to this agenda item; 97.86% has voted in favor of the resolution, 2.14% against. Thank you.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you. I establish that the meeting has resolved to grant this authorization as of today for a period of 18 months. We will now move to Agenda Item 9. Before we conclude -- we come to concluding, this is any other business. Before we come to conclusion the meeting, I will ask the moderator if there are any other questions that have been submitted during the meeting. I will now check. We do indeed have some questions, which I'll address. Follow-up question from Mr. van der Graaf. Aegon is pleased with the results achieved and its capital position. I wonder why the market sees it differently.

Another thing that strikes me is that rating agencies see things differently. In fact S&P downgraded Aegon's credit rating in February. Yesterday Fitch downgraded Aegon's outlook. How is that possible? Can you explain that? Matt, could you address this one, please?

A - Matthew Rider {BIO 20002664 <GO>}

Yes, Bill. We've already recognized that the transformation of the Company in recent years has asked a lot from our investors at times where there has been a lot of volatility -- significant volatility on our results and our share price performance, which despite all of our efforts has clearly been disappointing. Fitch yesterday affirmed our current ratings. Our current ratings of A and higher continue to reflect our financial strength. The change in outlook follows Fitch's recent decision to revise the outlook for the entire life insurance sector to negative due to the COVID-19 crisis.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Matt. We also have a statement from Mr. Errol Keyner from the VEB. I will read out the statement made. VEB has been very concerned about Aegon's performance in the last decade and has raised many critical questions in all AGMs. While Mr. Wynaendts by being the CEO was the obvious target of a lot of criticism, VEB recognizes this he was dealt with a bad hat. Not only did Aegon have to deal with the credit crisis and low interest rate environment, but equally important the real impact of a CEO at a company like Aegon often shows when his successor has taken over. VEB thanks Mr. Wynaendts for his endurance and wishes him well. Moreover, VEB hopes the strategies initiated years ago will indeed pay off and that Mr. Friese will lead the Company into more prosperous times. Obviously VEB wishes Mr. Friese all the best and some luck.

Thank you, Mr. Keyner for these words. I'm sure they're very much appreciated by both Alex and Lard.

Then I would like to congratulate -- I have no further questions so I would like now to congratulate Caroline Ramsey and Thomas Wellauer on their appointment to the Supervisory Board.

What's more, on behalf of everyone on the Board, I would like to express our thanks to Bob Dineen who stepped down from the Supervisory Board in October last year. Also on behalf of the Supervisory Board and Management Board, I would like to express our sincere thanks and appreciation to Ben van der Veer who is retiring from this Board after 12 years of service, Ben, thank you very much for all you have done for Aegon over the last 12 years and for your many contributions as a Board member, both as Chairman of the Audit Committee and Member of the Nominations and Governance Committee. You've been part of the Board during an important and transformative time in the Company's history and we'll greatly benefit from your -- we've all greatly benefited from your knowledge, experience, and support and wish to thank you all -- wish to wish you the best for all the future. And Ben, on a personal note, I wish to thank you for all the confidence and the advice and help that you certainly provided me since I joined the Board and on a personal basis, I would like to thank you for that as well.

I would also like to congratulate Lard Friese on his appointment as a Member of Aegon's Executive Board. Before I give the floor to his introductory remarks, I would like to take this opportunity to say a few words to Alex since this is his last shareholder meeting with you as Aegon's CEO. Alex, you made the role of CEO truly your own and have carried it out with passion and a purpose for 12 years. You started in the middle of a global financial crisis in 2008, you leave in the midst of an unprecedented global health crisis; but in meeting challenges like these, you have shown yourself to be an outstanding leader committed to a business driven by the purpose to help people achieve a lifetime of financial security. Initially you were focused on steering the Company through the global financial crisis and establishing a solid and healthy financial position. Your next goal was to create a sustainable business model on which to build for the next decades.

Today, we continue to execute on your strategy with ongoing change and transition, but with the focus on growth. But what is clear of course is COVID-19 does not affect us -- does affect us and much remains uncertain. What is clear is that we're well positioned for the years to come. You traveled many times around the globe beating the drum for Aegon, supporting businesses in new markets and new businesses with rich histories. And these existing businesses will always remember your contribution that you've made. You did that on your own in a special way by building trusted relationships with many Aegon and Transamerica colleagues and business partners. It is embodied in your style, building relationships, sharing ideas, thinking together, and working as a team.

As a result, no one at Aegon feels that they operate in isolation not even today when so many work from home We are also now a business, which voices an increasingly voice heard in the public debate. Today, Aegon takes seriously its responsibility to a wider society including our approach to sustainably and -- including our approach to sustainability and the social environmental and economic impact of our operations. Looking back, Alex, you can be proud of what you have achieved in 12 years and many will be inspired and will continue to be inspired by your example and leadership. Today, Aegon is a customer focused organization committed to its purpose of helping people achieve a lifetime of financial security. That is a testament to your leadership and drive. Thank you, Alex.

Lard, may I now invite you to say a few words following your appointment.

A - Lard Friese {BIO 17008174 <GO>}

Yes. Thank you very much, Bill, for giving me the opportunity to say a few words. First and foremost, it feels good to be back at Aegon. I was fortunate to spend 10 years at Aegon early in my career and I consider it a privilege to have the opportunity to return now to lead the Company going forward. I would like to express my gratitude to you Bill, Alex, and the Management Board for welcoming me to Aegon and for giving me the opportunity to familiarize myself with Aegon's management team, its operations, and business partners. I've conducted most of my induction program working from home due to the COVID-19 pandemic, And although virtual meetings have their limitations, thanks to Aegon's technology infrastructure and support, I was able to complete my induction in a good way.

Coming on board during a pandemic crisis has meant that I have not been able to meet face to face with as many people as I would have liked. Obviously I will do so as soon as circumstances allow. But I must say that I've been impressed with how quickly Aegon has responded to the current environment to ensure that we keep all of our colleagues save and with our ability to continue to support our customers and business partners in these difficult times. I'm excited to get started and work with Aegon's management team to improve performance and develop plans to further shape Aegon's future. I thank you, our stockholders, for your continued support for the Company and I look forward to our collaboration.

A - William L. Connelly {BIO 16636333 <GO>}

Thank you, Lard. And on behalf of the Supervisory Board, welcome. We look forward to working with you. We are excited about the opportunities that Aegon has. We have full confidence of Aegon's ability of navigating through the current crisis and we look forward to continuing to develop the policies and the mission statements that Aegon has always strived for. Lard, thank you again for the introduction. Ladies and gentlemen, this concludes Aegon's 2020 Annual General Meeting of Shareholders. Unfortunately we will not have the opportunity to socialize after this meeting. However, I would like to thank you very much for your continued support. Thank you for following the live webcast and for your active participation prior and during this meeting. With expressing the hope that the 2021 Annual General Meeting of Aegon can take place under much better circumstances, I now close this meeting. Thank you.