

# Reporting Supplement

2017

# Introduction

Every year, Aegon publishes an integrated report (or annual Review), intended to provide a concise, accurate and balanced account of the company's performance.

Our Review is compiled in accordance with reporting standards issued by the Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC). This supplement is published alongside our Review, and provides further details of compliance with these standards. For more information on our financial performance, risk and capital management and corporate governance, please refer to our Annual Report and Form 20-F, both available on our website, [www.aegon.com](http://www.aegon.com).

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# Reporting against GRI standards

## Explanation of GRI standards

Aegon has been using the GRI's reporting standards since the company published its first corporate responsibility report in 2003. Our 2017 Review was prepared in accordance with the latest GRI standards, issued in 2016. These standards lend more weight to material issues – those issues that are most likely to impact the organization and its stakeholders.

The GRI standards are made up of universal and topic-specific standards.

Universal standards include:

- **GRI 101** (Foundation), which contains the GRI's reporting principles (see [page 4](#) below)
- **GRI 102** (General Disclosures), which cover organizational profile, strategy, ethics and integrity, stakeholder engagement and reporting practices (see [pages 6-8](#))
- **GRI 103** (Management Approach – see [page 9](#)).

In addition to the universal standards, there are also topic-specific standards.

Within these are three separate series:

- **Economic:** GRI 200 series
- **Environmental:** GRI 300 series
- **Social:** GRI 400 series.

Companies select indicators from these series on the basis of their business and chosen material issues (see [page 10](#)).

Organizations applying the GRI standards are said to be in accordance; they have a choice between core and comprehensive, depending on the extent of their reporting. For our 2017 report, we have chosen the comprehensive option.

For more information on GRI standards, please see [www.globalreporting.org](http://www.globalreporting.org)

## Compliance with GRI reporting principles

Please note that the information in this table refers to Aegon's 2017 Review (unless otherwise stated).

Principles for defining report content			
	Principle ∨	GRI definition ∨	Details of compliance ∨
1.1	Stakeholder inclusiveness	The reporting organization shall identify its stakeholders and explain how it has responded to their reasonable expectations and interests.	We have a clear definition for our stakeholders. This is included in our operating environment section ( <a href="#">page 13</a> ). We include stakeholders' views and opinions when defining our material issues ( <a href="#">page 14</a> ), and we set out what we believe are the risks and opportunities associated with these issues, as well as the management action taken in response ( <a href="#">pages 15-17</a> ).
1.2	Sustainability context	The report shall present the reporting organization's performance in the wider context of sustainability.	In this report, we explain the most significant financial and non-financial changes to our operating environment, and the steps we are taking to ensure we continue to create long-term value for our stakeholders ( <a href="#">pages 13-18</a> ).
1.3	Materiality	The report should cover aspects that: <ul style="list-style-type: none"> <li>• Reflect the organization's significant economic, environmental and social impacts; or</li> <li>• Substantively influence the assessments and decisions of stakeholders.</li> </ul>	We explain all material issues, including financial, economic, social and environmental. We also describe the effect of these issues on both our business and stakeholders ( <a href="#">pages 14-17</a> ). We explain our approach to materiality, the definitions we use to determine material issues and our own level of influence and control over these issues (also <a href="#">pages 14-17</a> ). We also include a statement on materiality from our Management Board ( <a href="#">page 9</a> ).
1.4	Completeness	The report shall include coverage of material topics and their boundaries, sufficient to reflect significant economic, environmental, and social impacts, and to enable stakeholders to assess the reporting organization's performance in the reporting period.	We provide a full explanation of all material issues, their impact, risks and opportunities and the steps taken by Aegon to respond to these material issues ( <a href="#">pages 14-17</a> ). Our report also includes details of our financial and non-financial performance, as well as key indicators used ( <a href="#">pages 38-42</a> ).

## Principles for defining report quality

	Principle ∨	GRI definition ∨	Details of compliance ∨
1.5	Accuracy	The reported information shall be sufficiently accurate and detailed for stakeholders to assess the reporting organization's performance.	Aegon's integrated report is prepared by the company's Sustainability and Communications teams. It is subject to verification and approval by the company's Disclosure Working and Disclosure Committees (with members from different departments, including Legal, Finance, Investor Relations, Treasury, Risk etc.), as well as Aegon's Management and Supervisory Boards (see <a href="#">page 38</a> ).
1.6	Balance	The reported information shall reflect positive and negative aspects of the reporting organization's performance to enable a reasoned assessment of overall performance.	We take a balanced approach to our integrated report. We take every step to ensure all adverse and negative aspects are fully described and explained. Information is included in the report on the basis of its importance and materiality (its capacity to affect Aegon's business, profitability or reputation).
1.7	Clarity	The reporting organization shall make information available in a manner that is understandable and accessible to stakeholders using that information.	We've tried to make this report as simple and accessible as possible. We've kept financial jargon to a minimum and included external sources of information where necessary. All metrics are explained, and wherever possible previous-year comparisons given.
1.8	Comparability	The reporting organization shall select, compile and report information consistently. The reported information shall be presented in a manner that enables stakeholders to analyze changes in the organization's performance over time, and that could support analysis relative to other organizations.	In our Review, we've provided performance data for the past three years (which allows meaningful comparison). This may be found in our Facts & Figures section ( <a href="#">pages 38-43</a> ). In the text, we've endeavored to include proper comparisons, explanations and analysis.
1.9	Reliability	The reporting organization shall gather, record, compile, analyze and report information and processes used in the preparation of the report in a way that they can be subject to examination, and that establishes the quality and materiality of the information.	This report includes a full explanation of our approach, the reporting guidelines used, and processes for verification ( <a href="#">pages 3 and 38</a> ). This Reporting Supplement also provides additional information.
1.10	Timeliness	The reporting organization shall report on a regular schedule so that information is available in time for stakeholders to make informed decisions.	Aegon's Review is published in March, alongside the company's Annual Report and in time for the annual General Meeting of Shareholders in May. Details of our reporting timetable are also included in the Review ( <a href="#">page 38</a> ).

## Compliance with GRI standard disclosures (ref: GRI 102)

Disclosure	Topic	Page reference <sup>1</sup> (or details of omission if applicable)
<b>Organizational profile</b>		
102-1	Name of the organization	<b>Page 4</b> (Aegon Today) <b>Page 6</b> (Our Businesses)
102-2	Activities, brands, products and services	<b>Page 4</b> (Aegon Today) <b>Page 6</b> (Our Businesses)
102-3	Location of headquarters	<b>Page 6</b> (Our Businesses)
102-4	Location of operations	<b>Page 4</b> (Aegon Today)
102-5	Ownership and legal form	<b>Page 8</b> (Our Governance)
102-6	Markets served	<b>Page 4</b> (Aegon Today) <b>Page 6</b> (Our Businesses)
102-7	Scale of the organization	<b>Page 4</b> (Aegon Today) <b>Page 6</b> (Our Businesses)
102-8	Information of employees and other workers	<b>Page 4</b> (Aegon Today) <b>Pages 29-30</b> (How we share value with our employees) <b>Page 39</b> (Human & intellectual data)
102-9	Supply chain	<b>Page 13</b> (Our operating environment) <b>Page 7</b> (Our value chain) <b>Page 26</b> (Suppliers) <b>Page 39</b> (Social & relationship data)
102-10	Significant changes to the organization and its supply chain	<b>Pages 13-18</b> (Our operating environment) <b>Page 26</b> (Suppliers)
102-11	Precautionary principle or approach	<b>Pages 8-9</b> (Our Governance) <b>Page 9</b> (Managing risk) <b>Page 31</b> (Responsible investment)
102-12	External initiatives	<b>Page 18</b> (Key events of 2017) <b>Page 21</b> (Repositioning our businesses)
102-13	Membership of associations	<b>Page 34</b> (Sustainable development agenda) <b>Page 19, this Reporting Supplement</b> (PSI)
<b>Strategy</b>		
102-14	Statement from senior decision-maker	<b>Pages 10-11</b> (Interview with our CEO) <b>Page 9</b> (Statement of Materiality)
102-15	Key impacts, risks, and opportunities	<b>Pages 13-18</b> (Our operating environment)

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated. Where there are several examples, we have included principal reference(s) only.

Disclosure	Topic	Page reference <sup>1</sup> (or details of omission if applicable)
<b>Ethics &amp; integrity</b>		
102-16	Values, principles, standards and norms of behavior	<b>Page 9</b> (Responsible decision-making) <b>Page 26</b> (Suppliers) <b>Page 30</b> (Employee welfare and development)
102-17	Mechanisms for advice and concerns about ethics	<b>Page 30</b> (How we share value with our employees – reference to Code of Conduct and Global Ethics Line)
<b>Governance</b>		
102-18	Governance structure	<b>Pages 8-9</b> (Our Governance)
102-19	Delegating authority	<b>Pages 8-9</b> (Our Governance)
102-20	Executive-led responsibility for economic, environmental and social topics	<b>Page 9</b> (Responsible decision-making)
102-21	Consulting stakeholders on economic, environmental and social topics	<b>Page 13</b> (Who are our stakeholders)
102-22	Composition of the highest governance body and its committees	<b>Pages 8-9</b> (Our Governance) <b>Page 18</b> (Key events of 2017) See Annual Report
102-23	Chair of highest governance body	<b>Page 18</b> (Key events of 2017) See Annual Report
102-24	Nominating and selecting the highest governance body	See Annual Report
102-25	Conflicts of interest	See Annual Report
102-26	Role of highest governance body in setting purpose, values and strategy	<b>Pages 8-9</b> (Our Governance) See Annual Report
102-27	Collective knowledge of highest governance body	See Annual Report
102-28	Evaluating highest governance body's performance	See Annual Report
102-29	Identifying and managing economic, environmental and social impacts	<b>Pages 13-18</b> (Our operating environment)
102-30	Effectiveness of risk management processes	<b>Page 9</b> (Managing risk) See Annual Report
102-31	Review of economic, environmental and social topics	<b>Pages 13-18</b> (Our operating environment – identification of material issues)
102-32	Highest governance body's role in sustainability reporting	<b>Page 38</b> (Notes on reporting principles, scope and process)
102-33	Communicating critical concerns	<b>Page 9</b> (Managing risk) See Annual Report
102-34	Nature and total number of critical concerns	<b>Page 9</b> (Managing risk) See Annual Report
102-35	Remuneration policies	<b>Page 30</b> (Salaries & incentives) See Annual Report

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated. Where there are several examples, we have included principal reference(s) only.

Disclosure	Topic	Page reference <sup>1</sup> (or details of omission if applicable)
102-36	Process for determining remuneration	<b>Page 30</b> (Salaries & incentives) See Annual Report
102-37	Stakeholders' involvement in remuneration	See Annual Report (metrics used to determine variable compensation)
102-38	Annual total compensation ratio	<b>Page 39</b> (Social & relationship data)
102-39	Percentage increase in annual total compensation ratio	<b>Page 39</b> (Social & relationship data)
<b>Stakeholder engagement</b>		
102-40	List of stakeholder groups	<b>Page 13</b> (Who are our stakeholders)
102-41	Collective bargaining agreements	See Annual Report (please note that approximately half of Aegon's employees are covered by collective labor agreements)
102-42	Identifying and selecting stakeholders	<b>Page 13</b> (Who are our stakeholders)
102-43	Approach to stakeholder engagement	<b>Page 13</b> (Who are our stakeholders)
102-44	Key topics and concerns raised	<b>Pages 13-18</b> (Our operating environment)
<b>Reporting practice</b>		
102-45	Entities included in the consolidated financial statements	<b>Page 41</b> (Consolidated Income Statement) <b>Page 42</b> (Consolidated Statement of Financial Position) See Annual Report
102-46	Defining report content and topic boundaries	<b>Page 38</b> (Notes on reporting principles, scope and process)
102-47	List of material topics	<b>Pages 13-14</b> (Our operating environment)
102-48	Restatements of information	Any restatements or corrections are included in the report where relevant
102-49	Changes in reporting	<b>Page 38</b> (Notes on reporting principles, scope and process)
102-50	Reporting period	<b>Page 38</b> (Notes on reporting principles, scope and process)
102-51	Date of most recent report	<b>Page 38</b> (Notes on reporting principles, scope and process)
102-52	Reporting cycle	<b>Page 38</b> (Notes on reporting principles, scope and process)
102-53	Contact point for questions regarding the report	<b>Page 44</b> (Contact details)
102-54	Claims of reporting in accordance with the GRI standards	<b>Page 3</b> (Table of Contents) <b>Page 38</b> (Notes on reporting principles, scope and process)
102-55	GRI content index	<b>Pages 39 and 40</b> (Data) See this Reporting Supplement
102-56	External assurance	<b>Page 38</b> (Notes on reporting principles, scope and process) Please note that, for its 2017 Review, Aegon decided not to seek external assurance to allow time for further improvements to be made to its reporting and internal data collection processes.

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated. Where there are several examples, we have included principal reference(s) only.



## Explanation of Aegon's management approach

Disclosure		Reference <sup>1</sup> (or details of omission, if applicable)
<b>103-1</b> Material issues:	<b>Explanation of the material topic and its boundary</b> Low interest rates New technologies and digital transformation Increased regulation in financial services /changing capital requirements for insurers Aging & changing demographics Economic and financial uncertainty	<b>Page 15</b> (Influence & control, risks and opportunities) <b>Page 15</b> (Influence & control, risks and opportunities) <b>Page 17</b> (Influence & control, risks and opportunities)  <b>Page 16</b> (Influence & control, risks and opportunities) <b>Page 17</b> (Influence & control, risks and opportunities)
<b>103-2</b> Material issues:	<b>The management approach and its components</b> Low interest rates New technologies and digital transformation Increased regulation in financial services /changing capital requirements for insurers Aging and changing demographics Economic and financial uncertainty	<b>Page 15</b> (Actions taken) <b>Page 15</b> (Actions taken) <b>Page 17</b> (Actions taken)  <b>Page 16</b> (Actions taken) <b>Page 17</b> (Actions taken)
<b>103-3</b> Material issues:	<b>Evaluation of the management approach</b> Low interest rates  New technologies and digital transformation  Increased regulation in financial services /changing capital requirements for insurers  Aging and changing demographics  Economic and financial uncertainty	<b>Pages 20-22</b> (Our strategy) <b>Pages 27-28</b> (How we share value with our investors)  <b>Pages 20-22</b> (Our strategy) <b>Pages 24-25</b> (How we share value with our customers) <b>Page 29</b> (New technologies, new skills)  <b>Page 9</b> (Managing risk) <b>Page 24</b> (How we share value with our customers) <b>Page 33</b> (Investing in local communities)  <b>Page 22</b> (Responsible Business) <b>Page 33</b> (Investing in local communities)  <b>Pages 20-22</b> (Our strategy) <b>Pages 27-28</b> (How we create value for investors)

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.

## Compliance with GRI topic-related disclosures

GRI standard and related topic-specific disclosures	Performance indicators (with page reference <sup>1</sup> )																																		
<b>GRI Standard 201: Economic performance</b>																																			
<b>Most relevant material issues:</b>																																			
<ul style="list-style-type: none"> <li>• Low interest rates</li> <li>• Economic &amp; financial uncertainty</li> <li>• Aging and changing demographics</li> </ul>																																			
<b>201-1</b>	<p>Direct economic value generated and distributed</p> <p><b>Value generated:</b></p> <p><b>Page 28</b> (Total income)</p> <p><b>Value distributed:</b></p> <p><b>Pages 7, 29, 30, 39</b> (Salaries and benefits – employees)  <b>Page 28</b> (Customer claims and benefits)  <b>Pages 7, 26</b> (Commissions paid to brokers and other financial intermediaries)  <b>Pages 7, 39</b> (Payments to suppliers of goods and services)  <b>Pages 26</b> (Payments to reinsurers)</p> <p>GRI also recommends a third indicator: <i>economic value retained</i> (this is effectively 'economic value generated' minus 'economic value distributed'). Aegon does not currently use this indicator for management purposes. The following is based on IFRS reporting and is for illustration purposes only (all figures 2017, in € million).</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>Economic value generated:</b></td> </tr> <tr> <td><b>Total income</b></td> <td style="text-align: right;"><b>57,910</b></td> </tr> <tr> <td>Share in profit (loss) of joint ventures and associates</td> <td style="text-align: right;">172</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>58,082</b></td> </tr> <tr> <td colspan="2"><b>Economic value distributed:</b></td> </tr> <tr> <td>Premiums paid to reinsurers</td> <td style="text-align: right;">3,431</td> </tr> <tr> <td>Salaries &amp; benefits</td> <td style="text-align: right;">2,234</td> </tr> <tr> <td>Commissions paid to brokers and other intermediaries</td> <td style="text-align: right;">2,661</td> </tr> <tr> <td>Operating costs</td> <td style="text-align: right;">1,030</td> </tr> <tr> <td>Customer claims &amp; benefits</td> <td style="text-align: right;">45,599</td> </tr> <tr> <td>Other items</td> <td style="text-align: right;">735</td> </tr> <tr> <td><b>Total charges</b></td> <td style="text-align: right;"><b>55,689</b></td> </tr> <tr> <td>Corporate income tax</td> <td style="text-align: right;">32</td> </tr> <tr> <td><b>Net income (loss)</b></td> <td style="text-align: right;"><b>2,361</b></td> </tr> <tr> <td>Payments to investors<sup>2</sup></td> <td style="text-align: right;">469</td> </tr> <tr> <td><b>Total economic value distributed</b></td> <td style="text-align: right;"><b>56,190</b></td> </tr> <tr> <td><b>Retained economic value</b></td> <td style="text-align: right;"><b>1,892</b></td> </tr> </table> <p>For more information, see page 41 of Aegon's 2017 Review (Consolidated Income Statement).</p>	<b>Economic value generated:</b>		<b>Total income</b>	<b>57,910</b>	Share in profit (loss) of joint ventures and associates	172	<b>Total</b>	<b>58,082</b>	<b>Economic value distributed:</b>		Premiums paid to reinsurers	3,431	Salaries & benefits	2,234	Commissions paid to brokers and other intermediaries	2,661	Operating costs	1,030	Customer claims & benefits	45,599	Other items	735	<b>Total charges</b>	<b>55,689</b>	Corporate income tax	32	<b>Net income (loss)</b>	<b>2,361</b>	Payments to investors <sup>2</sup>	469	<b>Total economic value distributed</b>	<b>56,190</b>	<b>Retained economic value</b>	<b>1,892</b>
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<sup>2</sup> Dividends and coupons only. Not including benefits from the company's recent share buy-back.

	GRI standard and related topic-specific disclosures	Performance indicators (with page reference <sup>1</sup> )
201-2	Financial implications and other risks and opportunities due to climate change	<b>Page 31</b> (Responding to Climate Change) See also: <b>Page 22</b> (Responsible Business) <b>Page 31</b> (Responsible Investment) <b>Pages 32, 40</b> (Total impact investments in renewable energy, including solar and wind power etc.)
201-3	Defined Benefit plan obligations and other retirement plans	<b>Page 42</b> (Consolidated Statement of Financial Position, see Defined benefit assets and liabilities) Aegon's 2017 Annual Report provides further details, including economic /financial assumptions used and breakdown of assets and liabilities by main country unit.
201-4	Financial assistance received from government	<b>Page 42</b> (Consolidated Statement of Financial Position, see Deferred taxes assets and liabilities). <b>Page 33</b> (Responsible tax) <b>Pages 32, 40</b> (Total impact investments – investments in affordable housing, solar and wind power in the US are made with the support of government tax credits).
<b>GRI standard 203: Indirect economic impacts</b>		
<b>Most relevant material issues:</b> <ul style="list-style-type: none"> <li>• Economic &amp; financial uncertainty</li> <li>• Low interest rates</li> <li>• Increased regulation in financial services</li> <li>• New technologies &amp; digital transformation</li> </ul>		
203-2	Significant indirect economic impacts	<b>Page 40</b> (Total revenue-generating investments) <b>Page 24</b> (Total assets under management on behalf of customers) <b>Pages 32, 40</b> (Total impact investments – in affordable housing, social and economic development, renewable energy, education, healthcare etc.) <b>Page 25</b> (Aegon Socially Responsible Investment funds – total assets under management)
203-1	Infrastructure investments and services supported	<b>Pages 32, 40</b> (Total impact investments - see investments in affordable housing, renewable energy and care homes for the elderly).

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.

# International Integrated Reporting Council

## Compliance with International Integrated Reporting Council (IIRC) framework

As well as the GRI, we also follow guidelines on integrated reporting issued by the IIRC<sup>1</sup>. The IIRC's reporting model is based on six capitals. Below, we've provided details of our reporting against each of these six capitals.

Capital	IIRC definition	Where do we report on this in our integrated report?
Financial	<p>The pool of funds that is:</p> <ul style="list-style-type: none"> <li>• Available to an organization for use in the production of goods or the provision of services</li> <li>• Obtained through financing, such as debt, equity or grants, or generated through operations or investments.</li> </ul>	<p>Our value chain (<b>page 7</b>)            Financial capital as input from shareholders and other investors.            See also:</p> <ul style="list-style-type: none"> <li>• Our strategy, Generating capital (<b>page 21</b>)</li> <li>• Sharing of financial value with our customers (<b>pages 24-25</b>), business partners (<b>page 26</b>) and investors (<b>pages 27-28</b>)</li> <li>• Relevant data: see <b>pages 7</b> (Our value chain) and <b>40</b> (Financial capital).</li> </ul>
Manufactured	<p>Manufactured physical objects (as distinct from natural physical objects) that are available to an organization for use in the production of goods or the provision of services, including buildings, equipment, infrastructure (such as roads, ports, bridges and waste and water treatment plants). Manufactured capital is often created by other organizations, but includes assets manufactured by the reporting organization for sale or, when they are retained, for its own use.</p>	<p>Aegon is an office-based company, providing financial products and services. In its business model, Aegon neither uses nor produces physical products. Aegon buys products such as stationery and office equipment, but these are not material to the company's business model, operations, profitability or performance. Aegon, on the other hand, invests in companies that use or produce manufactured capital. Consequently, Aegon's investments may have the effect of adding to, or depleting, capital in this area. For more details of the company's approach to investment, please see: How we share value with our investors (<b>pages 27-28</b>).</p>

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<sup>1</sup> For more information on the IIRC guidelines, see [www.integratedreporting.org](http://www.integratedreporting.org).


Capital	IIRC definition	Where do we report on this in our integrated report?
Natural	<p>All renewable and non-renewable environmental resources and processes that provide goods and services that support the past, current and future prosperity of an organization. It includes:</p> <ul style="list-style-type: none"> <li>• Air, water, land, minerals and forests</li> <li>• Biodiversity and eco-system health.</li> </ul>	<p>As a provider of financial products and services, Aegon uses very few natural resources or products in its business operations. However, Aegon does invest in companies that use and exploit natural resources. Consequently, Aegon's investments may have the effect of adding to, or depleting, capital in this area. For more details of Aegon's approach, see Responsible investment (<a href="#">page 31</a>) and Impact investments (also <a href="#">page 32</a>).</p>
Human	<p>People's competencies, capabilities and experience, and their motivations to innovate, including their:</p> <ul style="list-style-type: none"> <li>• Alignment with and support for an organization's governance framework, risk management approach, and ethical values</li> <li>• Ability to understand, develop and implement an organization's strategy</li> <li>• Loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate.</li> </ul>	<p>Our value chain (<a href="#">page 7</a>) Human capital as input from employees and business partners. See also:</p> <ul style="list-style-type: none"> <li>• Restructuring of US and UK businesses (<a href="#">page 22</a>)</li> <li>• Sharing of value with our employees (new technologies, new skills; employee engagement; employee welfare &amp; development; salaries &amp; incentives; <a href="#">pages 29-30</a>) and business partners (joint ventures; distribution; suppliers; <a href="#">page 26</a>)</li> <li>• Relevant data: see <a href="#">page 7</a> (Our value chain) and <a href="#">page 39</a> (Human &amp; intellectual capital).</li> </ul>
Intellectual	<p>Organizational, knowledge-based intangibles, including:</p> <ul style="list-style-type: none"> <li>• Intellectual property, such as patents, copyrights, software, rights and licenses</li> <li>• Organizational capital, such as tacit knowledge, systems, procedures and protocols.</li> </ul>	<p>Our value chain (<a href="#">page 7</a>) Intellectual capital as input from employees and business partners. See also:</p> <ul style="list-style-type: none"> <li>• Sharing of intellectual value with employees and business partners (<a href="#">pages 29-30</a> and <a href="#">26</a> respectively). For details see above.</li> <li>• Relevant data: see <a href="#">page 7</a> (Our value chain) and <a href="#">page 39</a> (Human &amp; intellectual capital).</li> </ul>
Social & relationship	<p>The institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social &amp; relationship capital includes:</p> <ul style="list-style-type: none"> <li>• Shared norms, and common values and behaviors</li> <li>• Key stakeholder relationships, and the trust and willingness to engage that an organization has developed and strives to build and protect with external stakeholders</li> <li>• Intangibles associated with the brand and reputation that an organization has developed</li> <li>• An organization's social license to operate.</li> </ul>	<p>Our value chain (<a href="#">page 7</a>) Social capital as input from 'society' stakeholders. See also:</p> <ul style="list-style-type: none"> <li>• Aging &amp; changing demographics (<a href="#">page 16</a>)</li> <li>• Increased regulation in financial services (<a href="#">page 17</a>)</li> <li>• Responsible business (<a href="#">page 22</a>)</li> <li>• Responsible investment (<a href="#">page 31</a>)</li> <li>• Impact investments (<a href="#">page 32</a>)</li> <li>• Responding to climate change (<a href="#">page 31</a>)</li> <li>• Responsible tax (<a href="#">page 33</a>)</li> <li>• Investing in local communities (<a href="#">page 33</a>)</li> <li>• Sustainable development agenda (<a href="#">page 34</a>)</li> <li>• Relevant data: see <a href="#">page 7</a> (Our value chain) and <a href="#">page 39</a> (Social &amp; relationship capital).</li> </ul>

# Reporting against UN frameworks

## UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) were adopted in September 2015. There are 17 goals in all, covering issues such as poverty, education, equality, climate change and health. Behind each of the goals is a series of more specific targets and indicators. In the table below, we've mapped Aegon projects and initiatives against these targets and indicators. Clearly, some SDGs, goals and targets are more relevant to us, as a finance company and investor, than others. This is a reflection, essentially, of two factors: the nature of our business (as a provider of insurance and other




financial services) and our sphere of influence (we have more influence in countries where we have business activities; these are mainly in developed countries, though we do have operations in a number of upper and lower middle-income countries). In the table, we have excluded four SDGs, which we don't believe are sufficiently material for our business: Zero Hunger (2), Reduced Inequalities (10), Life below Water (14) and Life on Land (15). For more information about the SDGs, see [www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment).

Number	Sustainable Development Goal	What does Aegon do to support this goal?	Corresponding SDG target ('most relevant')	Reference <sup>1</sup>
	<b>No poverty</b> End poverty in all its forms everywhere	We provide insurance, savings and pension products for those on low incomes, though this is mainly in our high-income markets. In addition, we offer micro-insurance products in Brazil and India <sup>2</sup> . Separately, we invest in micro-finance, which helps provide loans and savings accounts for those on low incomes.	By 2030, reduce number living in poverty by half (according to national definitions) (1.2).	<b>Page 25</b> (How we share value with our customers – references to products for those on low-income and micro-insurance in Brazil and Romania). <b>Page 32</b> (Impact investments – reference to current investments in international micro-finance).
			Implement appropriate social protection systems for all (1.3).	See references above.
		We invest in international development banks to support job creation and poverty relief in emerging economies.	Mobilize sufficient resources for developing countries to help end poverty (1.a).	<b>Page 32</b> (Impact investments – reference to current investments in international development banks).



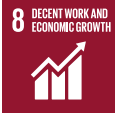

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.

<sup>2</sup> Please note that, in India, this is a regulatory requirement.

CONTINUED >



Number	Sustainable Development Goal	What does Aegon do to support this goal?	Corresponding SDG target ('most relevant')	Reference <sup>1</sup>
 <b>3</b> GOOD HEALTH AND WELL-BEING	<b>Good health and well-being</b> Ensure healthy lives and promote well-being for all at all ages	<p>In most of our markets, we provide supplemental health insurance. Again, most of our policyholders are in high-income countries, though we do offer health cover in some middle-income markets. Separately, we invest in care homes for the elderly.</p>	<p>Achieve universal health coverage, including financial risk protection and access to quality healthcare (3.8).</p>	<p><b>Page 25</b> (How we share value with our customers – reference to insurance coverage against consequences of serious illnesses such as cancer and diabetes).  <b>Page 32</b> (Impact investments – reference to current investments in care homes for the elderly in the US, UK and Netherlands).  <b>Page 34</b> (Sustainable Development Agenda – reference to Aegon measures that support UN Sustainable Development Goal relating to Good health and well-being).</p>
		<p>We finance cancer research in the Netherlands and provide insurance against serious long-term illnesses, such as diabetes and cancer. We also work with charities and NGOs on Alzheimer's, heart disease and cancer.</p>	<p>By 2030, reduce by one-third premature deaths from non-communicable diseases (3.4).</p>	<p><b>Page 33</b> (Investing in local communities – reference to support for research into illnesses, including cancer and Alzheimer's, and into healthy aging).</p>
		<p>In 2017, we announced that we will no longer invest in tobacco. Over the next several years, we'll be running off approximately €500 million in corporate bonds issued by tobacco companies.</p> <p>We also have a dedicated fund in the UK to invest in healthcare.</p>		<p><b>Page 31</b> (Responsible investment – reference to Aegon's divestment from tobacco).</p> <p><b>Page 16</b> (Our operating environment – reference to UK healthcare fund).</p>
 <b>4</b> QUALITY EDUCATION	<b>Quality education</b> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<p>We provide Breakfast Clubs for vulnerable schoolchildren in the UK.</p>	<p>By 2030, ensure that all girls and boys complete quality primary and secondary education (4.1).</p>	<p>See aegon.com (Fact Sheet on Aegon Europe), or Aegon Review 2016 (<b>page 5</b>).</p>
		<p>Most of our businesses worldwide offer support for financial literacy programs (in both high and middle-income countries).</p>	<p>By 2030, ensure that youth and substantial proportion of adults achieve literacy and numeracy (4.6).</p>	<p>See reference to financial literacy in Aegon Code of Conduct (available at aegon.com). Currently, 62% of our businesses have at least one active financial literacy program.</p>
		<p>We invest in the US Federal Family Education Loan Program, helping low and middle-class Americans get to university.</p>	<p>Ensure by 2030 access for men and women to affordable and quality technical, vocational and tertiary education, including university (4.3).</p>	<p><b>Page 32</b> (Impact investments – reference to US Federal Family Education Loan Program).</p>
 <b>5</b> GENDER EQUALITY	<b>Gender equality</b> Achieve gender equality and empower all women and girls	<p>In many countries, we offer products specifically designed for women (for example, cover against breast and cervical cancer).</p>	<p>Undertake reforms to give women equal rights to economic resources (including financial services) (5.a).</p>	<p><b>Page 25</b> (How we share value with our customers – reference to products to support sufferers of breast and cervical cancer).</p>
		<p>We're signatories, in the Netherlands, to the Talent to the Top Charter, promoting women in senior management. Internally, we have a Women's Network and a dedicated Diversity &amp; Inclusion team in the US.</p>	<p>Ensure women's full and effective participation and equal opportunities for leadership (5.5).</p>	<p><b>Page 30</b> (Employee welfare and development – reference to approach to diversity and Women's Network in US).</p> <p><b>Page 8</b> (Our Governance – reference to diversity target for Board-level appointments). For information on the Talent to the Top initiative, please see: <a href="https://www.talentnaardetop.nl">https://www.talentnaardetop.nl</a></p>

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.



Number	Sustainable Development Goal	What does Aegon do to support this goal?	Corresponding SDG target ('most relevant')	Reference <sup>1</sup>
	<b>Clean water and sanitation</b> Ensure availability and sustainable management of water and sanitation for all	As shareholders, we recently engaged with food processing companies Cargill and JBS USA to encourage them to adopt and implement water stewardship policies (as part of our broader approach on shareholder engagement).	By 2030, achieve universal and equitable access to safe and affordable drinking water for all (6.1).	<b>Page 31</b> (Responding to climate change).
	<b>Affordable and clean energy</b> Ensure access to affordable, reliable, sustainable and modern energy for all	We have significant green investments (including wind power and solar).	By 2030, increase substantially the share of renewable energy in the global energy mix (7.2).	<b>Page 32</b> (Impact investments – references to current investments in renewable energy, green bonds, solar tax credits and wind power).
	<b>Decent work and economic growth</b> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	As a finance company, we support economic growth through our investments and by protecting people, property and other assets.  Aegon has significant investments in new technologies (including fintech, through the company's Transamerica Ventures investment fund).  We provide employment for over 28,300 people worldwide and create jobs every year for new skills (in digital, analytics etc.).  Where relevant, we've incorporated minimum labor standards into our company policies (e.g. responsible investment, human rights and procurement).	Sustain per capita economic growth in accordance with national circumstances (8.1).  Achieve higher levels of economic productivity through diversification, technical upgrading and innovation (8.2).  Promote development-oriented policies that support productive activities (including decent job creation and access to financial services) (8.3).  Take measures to eradicate forced labor, end modern slavery and human trafficking (including worst forms of child labor) (8.7).	<b>Page 5</b> (Aegon today – breakdown of Aegon investments by asset class). <b>Page 7</b> (Our value chain – importance of investment in creation and distribution of value). <b>Page 25</b> (How we create value for customers – reference to Socially Responsible Investment funds) <b>Page 32</b> (Impact investments – reference to current investments which bring social or environmental benefits, as well as financial ones).  <b>Page 15</b> (New technologies & digital transformation – reference to investments in technologies, digitization and new business models). <b>Page 23</b> (How we share value – reference to activities of Transamerica Ventures investment fund).  <b>Page 22</b> (Our strategy – reference to restructuring of Aegon businesses in US and UK). <b>Page 29</b> (New technologies, new skills – reference to job creation and impact of new technologies).  <b>Page 9</b> (Responsible decision-making – reference to relevant company policies, standards and guidelines). See also aegon.com (for Aegon's Code of Conduct, Responsible Investment Policy, Global Health & Safety Statement, Sustainable Procurement Policy and Human Rights Policy).
	<b>Sustainable cities and communities</b> Make cities and human settlements inclusive, safe, resilient and sustainable	We have significant investments in social, affordable housing.	By 2030, ensure access for all to adequate, safe and affordable housing (11.1.1).	<b>Page 32</b> (Impact investments – reference to current investments in affordable housing).

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.



Number	Sustainable Development Goal	What does Aegon do to support this goal?	Corresponding SDG target ('most relevant')	Reference <sup>1</sup>
	<b>Responsible consumption and production</b> Ensure sustainable consumption and production patterns	<p>We have divested from coal mining companies (those that derive 30% or more of their revenues from coal).</p>	<p>By 2030, achieve the sustainable management and efficient use of natural resources (12.2).</p>	<p><b>Page 31</b> (Responsible investment – reference to investments in coal).</p>
		<p>Since 2016, our main business operations have been carbon neutral (through a combination of reductions in energy consumption, as well as purchase of both offsets and renewable energy).</p>		<p><b>Page 40</b> (footnote on carbon emissions and offsets).</p>
		<p>We've built climate change and consideration for the environment into our day-to-day investment decision-making.</p>		<p><b>Page 31</b> (Responsible investment – description of our approach to socially and environmentally responsible investing).            See also aegon.com (for Aegon's Responsible Investment Policy and Exclusion List).</p>
		<p>We offer our customers socially and environmentally responsible investment funds (in UK, Netherlands, Hungary and China).</p>		<p><b>Page 25</b> (How we share value with our customers – reference to socially responsible investment funds).</p>
		<p>We publish an annual integrated report and are members of the International Integrated Reporting Council (IIRC); we also engage regularly on sustainability policy and practice with the companies we invest in.</p>	<p>Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle (12.6).</p>	<p><b>Page 31</b> (Responsible investment – policy on engagement as a shareholder in other companies).  <b>Page 38</b> (Notes on reporting principles, scope and process – for approach to integrated reporting).</p>
		<p>We assess suppliers against sustainability criteria (in line with our Sustainable Procurement Policy).</p>	<p>Promote public procurement practices that are sustainable (12.7).</p>	<p><b>Page 26</b> (Suppliers – reference to supply chain management).            See also aegon.com (for Aegon's Sustainable Procurement Policy).</p>
	<b>Climate action</b> Take urgent action to combat climate change and its impacts	<p>Please see above notes on carbon neutrality, divestment from coal and investments in renewable energy.</p>		<p>See references above under Responsible Consumption and Production.</p>

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.

Number	Sustainable Development Goal	What does Aegon do to support this goal?	Corresponding SDG target ('most relevant')	Reference <sup>1</sup>
	<b>Peace, justice and strong institutions</b> Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<p>As part of our approach to responsible investment, we exclude investments in controversial weapons (including cluster bombs, anti-personnel mines etc.).</p> <p>Internally, we have a formal financial crime notification and reporting procedure; we've also included anti-money laundering and bribery measures in other company policies (including Code of Conduct, procurement etc.)</p>	<p>By 2030, significantly reduce illicit financial and arms flows (16.4).            Substantially reduce corruption and bribery in all their forms (16.5).</p>	<p><b>Page 31</b> (Responsible investment – description of Aegon's approach to investment and exclusions). See also aegon.com (for Aegon's Responsible Investment Policy and Exclusion List).</p> <p><b>Page 9</b> (Our Governance – reference to responsible decision-making). See also aegon.com (for Aegon's Code of Conduct and Global Financial Crime Notification, Investigation &amp; Reporting Procedures).</p>
	<b>Partnerships for the goals</b> Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	<p>Aegon is a signatory to the Principles for both Sustainable Insurance and Responsible Investment; our CEO is also a member of a consortium of Dutch companies to promote investment in the SDGs.</p>	<p>Encourage and promote effective public, public-private and civil society partnerships (17.17).</p>	<p><b>Page 34</b> (Sustainable development agenda – reference to Principles for both Sustainable Insurance and Responsible Investment).</p>

<sup>1</sup> All page numbers in this table refer to Aegon's 2017 Review, unless otherwise stated.

#### Note for reference only:

Income classification (source: World Bank): All countries in which Aegon has business operations are classified high income with the following exceptions:

- Upper middle-income: Brazil, China, Malaysia, Mexico, Romania, Thailand, Turkey.
- Lower middle-income: India, Indonesia, Philippines, Vietnam.

## Principles for Sustainable Insurance

As a signatory, we report each year on the actions we've taken to implement the PSI's four commitments:

Commitment	Progress 2017
<p>1. We will embed in our decision-making environmental, social and governance (ESG) issues relevant to the insurance business.</p>	<p>We have internal policies, procedures and frameworks covering a number of relevant areas, including: responsible investment, health &amp; safety, community investment, human rights, remuneration, sustainable procurement, product development and approval, and fraud and other financial wrong-doing. We also have a Code of Conduct which applies to all Aegon employees worldwide. Most of these policies and frameworks are available at <a href="http://www.aegon.com">www.aegon.com</a>. Policies are supported by training and development programs. Where relevant, policies are incorporated directly into Aegon's operational risk management framework (including tax, responsible investment and health &amp; safety etc.) Policies are also updated regularly.</p> <p>For more information, see Aegon's Review: <b>Page 9</b> (Responsible decision-making); <b>Page 9</b> (Managing risk); <b>Page 13</b> (Who are our stakeholders); <b>Page 22</b> (Responsible business); <b>Page 31</b> (Responsible investment); <b>Page 33</b> (Responsible tax).</p>
<p>2. We will work together with our clients and business partners to raise awareness of ESG issues, manage risk and develop solutions.</p>	<p>We engage regularly with customers, business partners and other stakeholders through polls and surveys, conferences, workshops, and face-to-face meetings. We use intelligence from our stakeholders to improve our products and services, and to ensure our business remains as accountable and relevant as possible. In some cases, we have departments dedicated to engagement (Investor Relations, Global Government &amp; Public Affairs, Procurement etc.). Engagement is also an integral part of our approach to responsible investment. We also engage through our membership of international organizations and initiatives (including the Global Coalition on Aging, Geneva Association, Principles on Responsible Investment etc.).</p> <p>For more information, see Aegon's Review: <b>Page 13</b> (Who are our stakeholders); <b>Page 21</b> (B3i blockchain initiative); <b>Page 26</b> (Joint ventures, distribution, suppliers); <b>Page 31</b> (Responsible investment); <b>Page 31</b> (Responding to climate change); <b>Pages 33 and 34</b> (Investing in local communities /Sustainable development agenda).</p>
<p>3. We will work together with governments, regulators and other key stakeholders to promote widespread action across society on ESG issues.</p>	<p>Aegon has a dedicated Global Government &amp; Public Affairs department, whose aim is to support regulators and lawmakers. We carry out or fund research into key ESG issues (including the impact of aging and the serious illnesses such as cancer and Alzheimer's), and we work with other stakeholders through multilateral organizations and agreements.</p> <p>For more information, see Aegon's Review: <b>Page 17</b> (Increased regulation in financial services), <b>Pages 33 and 34</b> (Investing in local communities /Sustainable development agenda).</p>
<p>4. We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.</p>	<p>Each year, we publish progress against the PSI principles. Our progress report is included as part of our Review, and is available online.</p>

# Reporting scope by country and business unit

Indicator	Country units											Business units	Holding	
	US	UK	Netherlands	Spain & Portugal	Slovakia	Poland	Hungary	Czech Republic	Romania	Turkey	China	Aegon Asset Management	Transamerica Life Bermuda	Aegon N.V. (The Hague)
<b>Human &amp; intellectual capital</b>														
Total number of employees	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Jobs created (new hires)	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Turnover (voluntary and involuntary)	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Absentee rate	●	●	●	●	●	●	●	●	●	●	●	●	●	●
% of women in workforce	●	●	●	●	●	●	●	●	●	●	●	●	●	●
% of women in senior management	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Employee engagement score	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Total employment costs (including salaries)	●	●	●	●	●	●	●	●	●	●	●	●	●	●
% of workforce eligible for variable compensation	●	●	●	●	●	●	●	●	●	●	●	●	●	●
<b>Social &amp; relationship capital</b>														
Net Promoter Score (performance)	●	●	●				●							
Total number of customer complaints	●	●	●	●	●	●	●	●	●	●	●		●	
Total claims, benefits and plan withdrawals	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Total donations to charities and other good causes (including cash and volunteering)	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Volunteering hours	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Amount spent on goods and services	●	●	●	●	●	●	●	●	●	●	●	●	●	●
<b>Financial capital</b>														
Total revenue-generating investments (including impact investments and investments held in ethical or socially-responsible investment, or SRI, funds)	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Total shareholder returns														●
Total corporate income tax paid	●	●	●	●	●	●	●	●	●	●	●	●	●	●
<b>Natural capital</b>														
Total CO <sub>2</sub> emissions (gross and net of carbon credits)	●	●	●									●		●
CO <sub>2</sub> emissions per employee	●	●	●									●		●

Please note that some indicators may also include data from Aegon Insights (currently in run-off) and Aegon joint ventures in India, Japan, Brazil and Mexico. This data is not material, however, and has therefore not been included in the table above.

# Contact us

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## **Colophon**

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This Reporting Supplement is part of Aegon's 2017 Review. For more details, please refer to [aegon.com](http://aegon.com).  
Alongside its Review, Aegon also publishes an Annual Report, which is the company's main regulatory document.  
The Annual Report provides full analysis of Aegon's financial performance, as well as its approach to risk and capital management, remuneration and corporate governance. Aegon's 2017 Annual Report is also available online.