REGISTRATION DOCUMENT

as filed with the Netherlands Authority for the Financial Markets on 13 November 2017

Aegon N.V.

(registered at The Hague, The Netherlands)

and

Aegon Funding Company LLC.

(registered at Wilmington, Delaware)

REGISTRATION DOCUMENT PURSUANT TO ARTICLES 4, 7 AND 9 OF COMMISSION REGULATION (EC) NO 809/2004 (THE "EU PROSPECTUS REGULATION") FOR AEGON N.V. AND AEGON FUNDING COMPANY LLC.

FORWARD-LOOKING STATEMENTS

The statements contained in this Registration Document that are not historical facts are forward-looking statements. The following are words that identify such forward-looking statements: aim, believe, estimate, target, intend, may, expect, anticipate, predict, project, counting on, plan, continue, want, forecast, goal, should, would, is confident, will, and similar expressions as they relate to Aegon. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Aegon undertakes no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which merely reflect company expectations at the time of writing. Actual results may differ materially from expectations conveyed in forward-looking statements due to changes caused by various risks and uncertainties.

Presentation of certain information

Aegon N.V. is referred to in this Registration Document as “Aegon,” “we”, “us” or “the Company” and Aegon N.V. together with its member companies are together referred to as the “Aegon Group”. For such purposes, “member companies” means, in relation to Aegon N.V., those companies that are required to be consolidated in accordance with legislative requirements of the Netherlands relating to consolidating accounts. References to “Vereniging Aegon” are to Vereniging Aegon and Aegon Funding Company LLC. is referred to in this Registration Document as “AFC”. Unless otherwise stated, information regarding Aegon N.V. equally applies to AFC.

In this Registration Document, references to the “NYSE” are to the New York Stock Exchange and references to the “SEC” are to the Securities and Exchange Commission. Aegon uses “EUR” and “euro” when referring to the lawful currency of the member states of the European Monetary Union; “USD,” and “US dollar” when referring to the lawful currency of the United States of America; “GBP”, “UK pound” and “pound sterling” when referring to the lawful currency of the United Kingdom.

TABLE OF CONTENTS

1. Risk factors Aegon N.V. and Aegon Funding Company LLC.

Aegon Funding Company LLC. (AFC) is an indirect wholly owned subsidiary of Aegon N.V. If AFC issues any debt securities, Aegon N.V. will fully and unconditionally guarantee the due and punctual payment of the principal of, any premium and any interest on those debt securities, when and as these payments become due and payable, whether at maturity, upon redemption or declaration of acceleration, or otherwise. All risk factors regarding Aegon N.V. equally apply to AFC.

Aegon faces a number of risks, some of which may arise from internal factors, such as inadequate compliance systems and operational change management. Others, may arise from external factors, such as developments in financial markets, the business and/or political environment, economic trends, politics and regulations. These risks, whether internal or external, may affect the Company's operations, its earnings, the value of its investments, the sale of certain products and services, or its ability to fulfill its obligations in respect of securities issued or guaranteed by it. The market price of Aegon securities could decline due to any of the risks described in this section and investors could lose (part of) their investments. Additional risks of which Aegon is not presently aware could also affect its operations and share price. The business of a multinational insurance company such as Aegon is inherently exposed to risks that may only become apparent with the benefit of hindsight. The next two sections provide a description of the risks relating to Aegon's businesses and Aegon's securities, including its common shares, of which Aegon is aware and that it considers material. The order in which the risk factors are presented is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences. The risk factors discussed below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties Aegon and its subsidiaries might face at any time.

I - Risks relating to Aegon's businesses

The following covers key risk factors that may affect Aegon's businesses and operations, as well as other risk factors that are particularly relevant to Aegon in periods of significant economic uncertainty.

With regard to certain of the risks described below Aegon provides sensitivities of its Solvency II ratios. Reference is made to Section 16.3 titled "Solvency II sensitivities" on page 35 of this Registration Document

Risks related to the global financial markets and general economic conditions

Disruptions in the global financial markets and general economic conditions may affect, and could have materially adverse effects on Aegon's businesses, results of operations, cash flows and financial condition.

Aegon's results of operations and financial condition may be materially affected from time to time by general economic conditions, such as levels of employment, consumer lending or inflation in the countries in which Aegon operates. Global financial markets have experienced extreme and unprecedented volatility and disruption over the last decade.

Such conditions may result in reduced demand for Aegon's products as well as impairments and reductions in the value of the assets in Aegon's general account, separate account, and company pension schemes, among other assets. Aegon may also experience a higher incidence of claims and unexpected policyholder behavior such as unfavorable changes in lapse rates. Aegon's policyholders may choose to defer or stop paying insurance premiums, which may impact Aegon's businesses, results of operations, cash flows and financial condition, and Aegon cannot predict definitively whether or when such actions may occur.

Governmental action in the United States, the Netherlands, the United Kingdom, the European Union and elsewhere to address any of the above may impact Aegon's businesses. Aegon cannot predict the effect that these or other government actions as well as actions by the ECB or the Federal Reserve may have on the financial markets or on Aegon's businesses, results of operations, cash flows and financial condition. The Federal Reserve raised the Federal Funds Rate in December 2015, December 2016, March 2017, and June 2017 and has announced its intention to continue to raise rates over time.

Credit risk

Defaults in Aegon's debt securities, private placements and mortgage loan portfolios held in Aegon's general account, or the failure of certain counterparties, may adversely affect Aegon's profitability and shareholders' equity.

Credit risk is the risk of loss resulting from the default by, or failure to meet contractual obligations of issuers and counterparties. For general account products, Aegon typically bears the risk for investment performance equalling the return of principal and interest. Aegon is exposed to credit risk on its general account fixed-income portfolio (debt securities, mortgages and private placements), over-the-counter (OTC) derivatives and reinsurance contracts. In addition, financial institutions acting as a counterparty on derivatives may not fulfil their obligations. Default by issuers and counterparties on their financial obligations may be due to, among other things, bankruptcy, lack of liquidity, market downturns or operational failures, and the collateral or security they provide may prove inadequate to cover their obligations at the time of the default.

Additionally, Aegon is indirectly exposed to credit risk on the investment portfolios underlying separate account liabilities. Changes to credit risk can result in separate account losses, which increase the probability of future loss events. In the United States and the Netherlands separate account products can include guarantees which protect policyholders against some or all of the downside risks in their separate account portfolio. Reduced separate account values also decrease fee income and may accelerate deferred policy acquisition (DPAC) amortization. Reconsideration of assumptions might also affect the DPAC amortization schedule. These factors may have a material adverse effect on Aegon's results of operations and financial position.

Aegon's investment portfolio contains, among other investments, Dutch government bonds, US Treasury, agency and state bonds, as well as other government issued securities. Especially in a weak economic environment Aegon may incur significant investment impairments due to defaults and overall declines in the capital markets. Further excessive defaults or other reductions in the value of these securities and loans may have a materially adverse effect on Aegon's businesses, results of operations, cash flows and financial condition.

Equity market risk

A decline in equity markets may adversely affect Aegon's profitability and shareholders' equity, sales of savings and investment products, and the amount of assets under management.

Aegon and its customers run the risk that the market value of its equity investments declines. Exposure to equity markets exists in both assets and liabilities. Asset exposure exists through direct equity investment where Aegon bears all or most of the volatility in returns and investment performance risk. Equity market exposure is also present in policyholders' accounts for insurance and investment contracts (such as variable annuities, unit-linked products and mutual funds) where funds are invested in equities. Although most of the risk remains with the policyholder, guarantees within certain products may transfer some or all of this risk to Aegon. Lower investment returns also reduce the asset management fee that Aegon earns on the asset balance in these products and prolonged investment under-performance may cause existing customers to withdraw funds and potential customers not to grant investment mandates. Hedging of exposures may change those effects significantly and equity hedges are used extensively to manage the equity market risk of variable annuity investment guarantees. Hedging programs are in place that are designed to manage the risks within the limits as defined as part of the financial risk management policies within Aegon group's risk strategy. The actual impact of the hedging programs is dependent on the real time market movements of equity markets.

Some of Aegon's insurance and investment contract businesses have minimum return or accumulation guarantees, which require Aegon to establish reserves to fund these future guaranteed benefits when equity market returns do not meet or exceed these guarantee levels. Aegon's reported results under International Financial Reporting Standards (IFRS-EU), as adopted by the European Union, are also at risk if returns are not sufficient to allow amortization of DPAC, which may impact the reported net income as well as shareholders' equity. Volatile or poor market conditions may also significantly reduce the demand for some of Aegon's savings and investment products, which may lead to lower sales and net income. Deteriorating general economic conditions may again result in significant decreases in the value of Aegon's equity investments.

Interest rate risk

Interest rate volatility or sustained low interest rate levels may adversely affect Aegon's profitability and shareholders' equity.

Aegon is exposed to interest rate risk as both its assets and liabilities are sensitive to movements in long and short term interest rates as well as to changes in the volatility of interest rates. In periods of rapidly increasing interest rates, policy loans, surrenders and withdrawals may and usually do increase. Premiums in flexible premium policies may decrease as policyholders seek investments with higher perceived returns. This activity may result in cash payments by Aegon requiring the sale of invested assets at a time when the prices of those assets are affected adversely by the increase in market interest rates. This may result in realized investment losses. These cash payments to policyholders also result in a decrease in total invested assets and net income. Early withdrawals may also require accelerated amortization of DPAC, which in turn reduces net income. Hedging against interest rate movements may change these effects significantly. Hedging programs are in place that are designed to manage the risks within the limits defined as part of the financial risk management policies within Aegon group's risk strategy. The actual impact of the hedging programs is dependent on the effectiveness of the design of those programs as well as real time movements of financial markets. If hedging programs are not effective, Aegon's results of operation, cash flow and financial position could be materially and adversely affected.

During periods of sustained low interest rates, as experienced in recent years, Aegon may not be able to preserve margins due to of minimum interest rate guarantees and minimum guaranteed crediting rates provided in policies. Also, investment earnings may be lower because the interest earnings on new fixed-income investments are likely to have declined with the market interest rates. A prolonged low interest rate environment may also result in a lengthening of maturities of the policyholder liabilities from initial estimates, primarily due to lower policy lapses.

In-force life insurance and annuity policies may be relatively more attractive to consumers due to built-in minimum interest rate guarantees, resulting in increased premium payments on products with flexible premium features and a higher percentage of insurance policies remaining in force year-to-year. The majority of assets backing the insurance liabilities are invested in fixed-income securities.

Aegon manages its investments and derivative portfolio, considering a variety of factors, including the relationship between the expected duration of its assets and liabilities. However, if interest rates remain at current levels or decline further, the yield earned upon reinvesting interest payments from current investments, or from their sale or maturation, may decline.

Reinvestment at lower yields may reduce the spread between interest earned on investments and interest credited to some of Aegon's products and accordingly net income may decline. In addition, borrowers may prepay or redeem fixed maturity investments or mortgage loans in Aegon's investment portfolio in order to borrow at lower rates. Aegon can lower crediting rates on certain products to offset the decrease in spread. However, its ability to lower these rates may be limited by contractually guaranteed minimum rates or competition.

In general, if interest rates rise, there will be unrealized losses on assets carried at fair value that will be recorded in other comprehensive income (available-for-sale investments) or as negative income (investments at fair value through profit or loss) under IFRS-EU. This is inconsistent with the IFRS-EU accounting on much of Aegon's liabilities, where corresponding economic gains from higher interest rates do not affect shareholders' equity or income in the shorter term. Over time, the short-term reduction in shareholder equity and income due to rising interest rates would be offset in later years, all else being equal.

Base interest rates set by central banks and government treasuries remain at or near the historically low or even negative levels, despite increases in market rates in the US later in 2016. Depending on economic developments going forward, interest rates at the shorter end of the curve may remain at low or even negative levels for a prolonged period. In such an environment, an anchored expectation of low inflation or deflation could also further push down the longer end of the interest rate curve which could have significant implications for Aegon's operations and financial results.

The profitability of Aegon's spread-based businesses depends in large part upon the ability to manage interest rate risk, credit spread risk and other risks inherent in the investment portfolio. Aegon may not be able to successfully manage interest rate risk, credit spread risk and other risks in the investment portfolio or the potential negative impact of those risks.

The sensitivity of Aegon's net income and shareholders' equity to a change in interest rates is provided in the notes to the consolidated statements, note 4 Financial risks, section "Interest rate risk" of Aegon's Annual Report 2016.

Currency exchange rate risk

Fluctuations in currency exchange rates may affect Aegon's reported results of operations.

As an international group, Aegon is subject to foreign currency translation risk. Foreign currency exposure also exists when policies are denominated in currencies other than Aegon's functional currency. Currency risk in the investment portfolios backing insurance and investment liabilities are managed using asset liability matching principles. Assets allocated to equity are kept in local currencies to the extent shareholders' equity is required to satisfy regulatory and Aegon's self-imposed capital requirements. Therefore, currency exchange rate fluctuations may affect the level of Aegon's consolidated shareholders' equity as a result of translation of the equity of Aegon's subsidiaries into euro, Aegon's reporting currency. Aegon holds the remainder of its capital base (capital securities, subordinated and senior debt) in various currencies in amounts that are targeted to correspond to the book value of Aegon's business units. This balancing is intended to mitigate currency translation impacts on equity and leverage ratios. Aegon may also hedge the expected dividends from its principal business units that maintain their equity in currencies other than the euro.

To the extent these expected dividends are not hedged or actual dividends vary from expected, Aegon's net income and shareholders' equity may fluctuate. As Aegon has significant business segments in the Americas and in the United Kingdom, the principal sources of exposure from currency fluctuations are from the differences between the US dollar and the euro and between the UK pound and the euro. Aegon may experience significant changes in net income and shareholders' equity because of these fluctuations.

The sensitivity of Aegon's net income and shareholders' equity to foreign exchange translation risk is provided in the notes to the financial statements, note 4 Financial risks, section "Currency exchange risks" of Aegon's Annual Report 2016.

Liquidity risk

Illiquidity of certain investment assets may prevent Aegon from selling investments at fair prices in a timely manner.

Aegon must maintain sufficient liquidity to meet short term cash demand under normal circumstances, as well as in crisis situations. Liquidity risk is inherent in much of Aegon's businesses. Each asset purchased and liability sold has unique liquidity characteristics. Some liabilities can be surrendered, while some assets, such as privately placed loans, mortgage loans, real estate and limited partnership interests, are to some degree illiquid. Aegon continued to maintain its reserves of cash and liquid assets in 2016. In depressed markets, Aegon may be unable to sell or buy significant volumes of assets at quoted prices.

Any security Aegon issues in significant volume may be issued at higher financing costs if funding conditions are impaired, as they have been from time to time in recent years. The requirement to issue securities can be driven by a variety of factors, for instance Aegon may need liquidity for operating expenses, debt servicing and the maintenance of capital levels of insurance subsidiaries. Although Aegon manages its liquidity position for extreme events, including greatly reduced liquidity in capital markets, if these conditions were to persist for an extended period of time, Aegon may need to sell assets substantially below prices at which they are currently recorded to meet its insurance obligations.

Aegon makes use of (syndicated) credit facilities to support repayment of amounts outstanding under Aegon's commercial paper programs and to serve as additional sources of liquidity. An inability to access these credit facilities, for example due to non-compliance with conditions for borrowing or the default of a facility provider under stressed market circumstances, could have an adverse effect on Aegon's ability to meet liquidity needs and to comply with contractual and other requirements.

Many of Aegon's derivatives transactions require Aegon to pledge collateral against declines in the fair value of these contracts. Volatile financial markets may significantly increase requirements to pledge collateral and adversely affect our liquidity position. Further, a downgrade of Aegon's credit ratings may also result in additional collateral requirements and affect our liquidity, or even enable counterparties to terminate such derivative transactions.

Underwriting risk

Underwriting risk relates to the products sold by Aegon insurance entities. The underwriting process requires, among others, the setting of assumptions. Aegon's reported results of operations and financial condition may be affected by differences between actual claims experience and underwriting and reserve assumptions both due to incurred gains/ losses and from potential changes in best estimate assumptions that are used to value insurance liabilities.

There is a risk that the pricing of our products turns out to be inadequate if the assumptions used for pricing do not materialize. Aegon's earnings depend significantly upon the extent to which actual claims experience is consistent with the assumptions used in setting the prices for Aegon's products and establishing the technical provisions for insurance liabilities. If actual claims experience is less favorable than the underlying assumptions used in establishing such liabilities, Aegon's income would be reduced. Furthermore, if less favorable claims experience became sustained, Aegon may be required to change its best estimate assumptions with respect to future experience, potentially increasing liabilities, which may reduce Aegon's income. In addition, certain acquisition costs related to the sale of new policies and the purchase of policies already in force have been recorded as assets on the balance sheet and are being amortized into income over time. If the assumptions relating to the future profitability of these policies (such as future claims, investment income and expenses) are not realized, the amortization of these costs may be accelerated and may require write-offs should there be an expectation of unrecoverability. This may have a materially adverse effect on Aegon's results of operations and financial condition.

Sources of underwriting risk include policyholder behavior (such as lapses or surrender of policies), policy claims (such as mortality and morbidity) and expenses. For some product lines, Aegon is at risk if policy lapses increase, as sometimes Aegon is unable to fully recover up-front sales expenses despite the presence of commission recoveries or surrender charges and fees. In addition, some policies have embedded options which at times are more valuable to the client if they stay (lower lapses) or leave (higher lapses), which may result in losses to Aegon's businesses. Aegon sells certain types of policies that are at risk if mortality or morbidity increases, such as term life insurance and accident insurance. Aegon also sells certain other types of policies, such as annuity products, that are at risk if mortality decreases (longevity risk). For example, certain current annuity products, as well as products sold in previous years, have seen their profitability deteriorate as longevity assumptions have been revised upward. If the trend toward increased longevity persists, Aegon's annuity products may continue to experience adverse effects due to longer expected benefit payment periods. Aegon is also at risk if expenses are higher than assumed.

The sensitivity of Aegon's net income and shareholders' equity to changes in various underwriting risks is provided in the notes to the consolidated financial statements, note 36 Insurance contracts of Aegon's Annual Report 2016.

Other risks

Valuation of Aegon's investments, allowances and impairments is subjective, and discrepant valuations may adversely affect Aegon's results of operations and financial condition.

The valuation of many of Aegon's financial instruments is based on methodologies, estimations and assumptions that are subject to different interpretations and may result in changes to investment valuations that may have a materially adverse effect on Aegon's results of operations and financial condition. In addition, the determination of the amount of allowances and impairments taken on certain investments and other assets is subjective and based on assumptions, estimations and judgments that may not reflect or correspond to our actual experience any of which may materially impact Aegon's results of operations or financial position.

Among other things, changes in assumptions, estimation or judgments or in actual experience may require Aegon to accelerate the amortization of DPAC and value of business acquired, establish a valuation allowance against deferred income tax assets, or to recognize impairment of other assets, any of which may materially adversely affect Aegon's results and financial condition.

Certain of our products have guarantees that may adversely affect our results, financial condition or liquidity.

Certain products, particularly our variable annuity products, include death benefit guarantees, guarantees of minimum surrender values or income streams for stated periods or for life, which may be in excess of account values. These guarantees are designed, among other things, to protect policyholders against downturns in equity markets and interest rates. As a result, a drop in equity markets, an increase in equity volatility, or lower interest rates could result in an increase in the valuation of Aegon's liabilities associated with these products. An increase in these liabilities may decrease our net income. Aegon uses a variety of hedging and risk management strategies to mitigate these risks. However, these strategies may not be fully effective and hedging instruments may not fully offset the costs of guarantees or may otherwise be insufficient in relation to our obligations. Estimates and assumptions Aegon makes in connection with hedging activities may fail to fully reflect or correspond to the actual (longer term) exposure in respect of guarantees. Further, unexpected policyholder behavior may cause our hedging to be less effective. The above factors could have a material adverse effect on our results of operations, financial condition or liquidity.

Aegon may be unable to manage Aegon's risks successfully through derivatives.

Aegon is exposed to changes in the fair value of Aegon's investments, the impact of interest rate, equity markets and credit spread changes, currency fluctuations and changes in mortality and longevity. Aegon uses common financial derivative instruments, such as swaps, options, futures and forward contracts to hedge some of the exposures related to both investments backing insurance products and company borrowings. This is a more pronounced risk to Aegon in view of the stresses suffered by financial institutions and the volatility of interest rate, credit and equity markets. Aegon may not be able to manage the risks associated with these activities successfully through the use of derivatives. In addition, a counterparty may fail to honor the terms of its derivatives contracts with Aegon. Aegon's inability to manage risks successfully through derivatives, a counterparty's failure to honor Aegon's obligations or the systemic risk that failure is transmitted from counterparty to counterparty may each have a material adverse effect on Aegon's businesses, results of operations and financial condition.

Aegon's ability to manage risks through derivatives may be negatively affected by the Dodd-Frank Act and legislative initiatives of the European Commission (EMIR and MIFIR), which provide for regulation of OTC derivatives markets. These regulations include mandatory trading of certain types of OTC derivative transactions on regulated trading venues and mandatory clearing of certain types of transactions through a central clearing organization. These regulations may limit Aegon's ability to customize derivative transactions for its needs. Aegon may experience additional collateral requirements and costs associated with derivative transactions through these or other regulatory or taxation changes.

Inaccuracies in econometric, financial or actuarial models, or differing interpretations of underlying methodologies, assumptions and estimates, could have a significant adverse effect on Aegon's business, results of operations and financial condition.

Aegon uses econometric, financial and actuarial models to measure and manage multiple types of risk, to price products and to establish and assess key valuations and report financial results. All these functions are critical to Aegon's operations. If these models, their underlying methodologies, assumptions and estimates, or their implementation and monitoring prove to be inaccurate, this could have a significant adverse effect on Aegon's business, financial condition and results.

Many of Aegon's business units offer investment products that utilize quantitative models, algorithms or calculations that could experience errors or prove to be incorrect, incomplete or unsuccessful resulting in losses for such clients invested in those products and possible regulatory actions and/or litigation against Aegon and/or its affiliates.

Certain of Aegon's business units may utilize quantitative models, algorithms or calculations (whether proprietary or supplied by third parties) ("Models") or information or data supplied by third parties ("Data") for the management of, or to assist in the management of, investment products offered to clients. Examples of such investment products include, mutual funds, separately managed accounts, and other types of advisory accounts. Models and Data are used to construct sets of transactions and investments, to provide risk management insights, and may be used to assist in hedging the investments. If Models and Data prove to be incorrect or incomplete, any decisions made, in whole or part, in reliance thereon expose the investment product to additional risks. For example, by utilizing Models or Data, certain investments may be bought at prices that are priced too high, certain other investments may be sold at prices that are too low, or favorable opportunities may be missed altogether. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful. The applicable investment product bears the risk that Models or Data used will not be successful and the product may not achieve its investment objective. Models can be predictive in nature. The use of predictive Models has inherent risks. For example, such Models may incorrectly forecast future behavior, leading to potential losses on a cash flow and/or a mark-to-market basis. In addition, in unforeseen or certain low-probability scenarios (often involving a market disruption of some kind), such Models may produce unexpected results, which can result in losses for an investment product. Furthermore, the success of relying on or otherwise using Models depends on a number of factors, including the validity, accuracy and completeness of the Model's development, implementation and maintenance, the Model's assumptions, factors, algorithms and methodologies, and the accuracy and reliability of the supplied historical or other Data. Models rely on, among other things, correct and complete Data inputs. If incorrect Data is entered into even a well-founded Model, the resulting information will be incorrect. However, even if Data is input correctly, Model prices may differ substantially from market prices, especially for securities with complex characteristics. Investments selected with the use of Models may perform differently than expected as a result of the design of the Model, inputs into the Model or other factors. There can be no assurance that the use of Models will result in effective investment decisions for an investment product. Additionally, if investment products offered by Aegon's affiliates experience Model errors or use erroneous Data, this could result in regulatory actions and/or litigation brought against Aegon and/or its affiliates.

Aegon may be required to increase its statutory reserves and/or hold higher amounts of statutory capital, which may decrease Aegon's returns on its products.

There may be increased regulatory requirements, resulting in more stringent supervision of insurers at the group or statutory company level by regulatory authorities in the jurisdictions in which Aegon's subsidiaries are domiciled and operate. Aegon cannot predict specific proposals that might be adopted, or what impact, if any, such proposals or, if enacted, such laws, may have on its businesses, results of operations, or financial condition. The European Union (which has already adopted Solvency II), the National Association of Insurance Commissioners' (NAIC) in the US or US state regulators may adopt revisions to applicable risk based capital formulas, local regulators in other jurisdictions in which Aegon's subsidiaries operate may increase their capital requirements, or rating agencies may incorporate higher capital thresholds into their quantitative analyses, thus requiring additional capital for Aegon's insurance subsidiaries.

An important example of increased regulatory requirements for insurers originates from the European Commission's Solvency II Directive, which became effective on January 1, 2016, and which imposes, among other things, substantially greater quantitative and qualitative capital requirements on some of Aegon's businesses and at the Group level, as well as supervisory and disclosure requirements, and may impact the structure, business strategies, and profitability of Aegon's insurance subsidiaries and of the Group. Some of Aegon's competitors, who are headquartered outside the European economic area may not be subject to Solvency II requirements and may thereby be better able to compete against Aegon, particularly in the United States and Asia. In particular, the manner in which Aegon's United States and Asia insurance businesses are taken into account in the Solvency II group solvency calculation, may have a significant impact on the group's capital position. In that context, the opinion published by EIOPA on January 27, 2016 regarding the application of a combination of accounting methods for the group solvency calculation has offered important additional guidance to Aegon that may help to determine its group solvency position under Solvency II. As is generally the case with respect to the interpretation of regulatory requirements, in the future this guidance, or the manner in which this guidance is applied,may change, which may have, depending on the nature of the change, a significant effect on the outcome of the group solvency calculation. As an illustration, in August 2017 adjustments in the calculation for the US led to an increase in the Group Solvency Ratio. Until June 30, 2017, Aegon used 250% of the local Company Action Level (CAL) RBC as the SCR equivalent. Aegon received approval from DNB to apply, as of July 1, 2017, a revised methodology that includes lowering the conversion factor from 250% to 150% RBC, and reducing the contribution to own funds by 100% of the local Company Action Level RBC requirement to reflect transferability restrictions. This methodology is subject to annual review and the change enhances comparability with European peers.

In the United States, the National Association of Insurance Commissioners (NAIC) has taken an initiative to better align the Risk-Based Capital charges with the appropriate risk for invested assets. This may lead to higher risk charges for such assets.

Furthermore, the NAIC Model Regulation entitled 'Valuation of Life Insurance Policies,' commonly known as Regulation XXX, requires insurers in the United States to establish additional statutory reserves for term life insurance policies with long-term premium guarantees. In addition, Actuarial Guideline XXXVIII, commonly known as AG38, intended to clarify the regulation on valuation of life insurance policies, requires insurers to establish additional statutory reserves for certain universal life insurance policies with secondary guarantees. Virtually all of Aegon's newly issued term and universal life insurance products in the United States are affected by Regulation XXX and AG38, respectively.

Subsequently, the NAIC adopted regulations to monitor and provide transparency for insurer-affiliated captive reinsurers. Captive reinsurance structures have been used to manage 'economically redundant' reserves for term and secondary guarantee universal life policies. It is anticipated that after the enactment of US principle-based reserves, effective January 1, 2017 for new business, new captive reinsurance structures may not be required for these term and secondary guarantee universal life products. The new reserves requirements for US life insurance products are intended by regulators to represent a more economically supported view of the resources required to honor the promises to policyholders. For existing business held in a captive, Aegon may continue to be subject to the risks of adverse publicity and changes in regulations related to captive reinsurance.

In addition, the NAIC is reviewing the use of captives for variable annuity business and is considering actuarial and accounting changes for variable annuities. Aegon utilizes variable annuity captives to align its hedging strategy with capital requirements for a closed block of variable annuities. The NAIC also continues to consider changes to corporate governance and insurers' use of captives.

Aegon utilizes affiliated captive insurance companies to manage risks of various insurance policies, including universal life with secondary guarantees, level term life insurance and variable annuity policies. Through these structures, Aegon finances certain required regulatory reserves at a lower cost. To the extent that state insurance departments restrict Aegon's use of captives and regulatory reserve requirements remain unchanged, this could increase costs, limit the ability to write these products in the future or lead to increased prices to consumers on those products. The NAIC continues to consider changes to corporate governance and insurers' use of captives. Due to the uncertainty of the proposals it is not possible to provide an estimate of the effects at this time.

As a further example, Aegon and the Aegon Group may be impacted by further changes to the capital adequacy requirements it is subject to as a result of the development of the Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame), which is a set of international regulatory standards focusing on the effective group-wide supervision of internationally active insurance groups, and particular requirements or standards that may be imposed on global systemically important insurers (G-SIIs) in the future. As of November 3, 2015 Aegon is classified as a G-SII. This qualification is reviewed by the Financial Stability Board yearly. If Aegon remains a G-SII, it may be required as per January 2019, to maintain additional capital in the form of Higher Loss Absorbing Capacity (HLA), in addition to a Basic Capital Requirement (BCR), which is currently under development at international level by the International Association of Insurance Supervisors (IAIS). Only after the calibration of the BCR and HLA has been completed, it will be certain whether or not these requirements will result in more binding capital constraints than existing requirements, including Solvency II. In this respect, the development of ComFrame as well as the requirements or standards applicable to G-SIIs could lead to enhanced capital requirements applicable to internationally active insurance groups and/or G-SIIs that may require us to constrain our ability to pay dividends, repurchase own shares or engage in other transactions that affect capital and/or could adversely affect the ability to compete with other insurers that are not subject to those capital requirements. Furthermore, such requirements may constrain Aegon's ability to provide guarantees, may increase the cost to Aegon of offering certain products, which could require Aegon to raise prices on those products, reduce the amount of risk Aegon takes on or stop offering certain products. Furthermore, Aegon may consider structural and other business alternatives in light of its G-SII designation, of which the impact on shareholders cannot be predicted.

Regulatory restrictions and failure to comply with regulations may impact Aegon's ability to do business, its financial position or financial results.

Aegon may not be able to comply fully with, or obtain appropriate exemptions from, the wide variety of laws and regulations applicable to insurance companies, holding companies, groups of insurance companies and/or other financial undertakings and/or financial conglomerates. Failure to comply with or to obtain appropriate exemptions under any applicable laws may result in restrictions on Aegon's ability to do business in one or more of the jurisdictions in which Aegon operates and may result in fines and other sanctions, which may have a materially adverse effect on Aegon's businesses, financial position or results of operations.

Some countries impose restrictions on particular underwriting criteria, such as gender, or use of genetic test results, for determination of premiums and benefits of insurance products. To date, Aegon has not observed negative financial or business impact due to these restrictions. However, future restrictions could adversely impact Aegon's operations or financial results. Further developments in underwriting, such as automation and use of additional data, may also be affected by future regulatory developments regarding privacy and use of personal data.

A downgrade in Aegon's ratings may increase policy surrenders and withdrawals, adversely affect relationships with distributors, and negatively affect Aegon's results.

Claims-paying ability and financial strength ratings are factors in establishing the competitive position of insurers. A rating downgrade (or a change in outlook indicating the potential for such a downgrade) of Aegon or any of its rated insurance subsidiaries may, among other things, materially increase the number of policy surrenders and withdrawals by policyholders of cash values from their policies. These withdrawals may require the sale of invested assets, including illiquid assets, at a price that may result in realized investment losses. These cash payments to policyholders would result in a decrease in total invested assets and a decrease in net income. Among other things, early withdrawals may also cause Aegon to accelerate amortization of deferred policy acquisition costs (DPAC), reducing net income.

Aegon has experienced downgrades and negative changes to its outlook in the recent past, and may experience rating and outlook changes in the future. For example, in April 2016 Moody's placed Aegon N.V.'s holding company rating on negative outlook and in August 2016, Fitch downgraded Aegon N.V.'s holding company and operating company ratings (Aegon Bank N.V. was affirmed) and changed the outlook from negative to stable. In February 2017, S&P Global affirmed Aegon N.V.'s holding company and operating company ratings, while revising the outlook from stable to negative. A downgrade or potential downgrade, including changes in outlook, may result in higher funding costs and/or affect the availability of funding in the capital markets. In addition, a downgrade may adversely affect relationships with broker-dealers, banks, agents, wholesalers and other distributors of Aegon's products and services, which may negatively impact new sales and adversely affect Aegon's ability to compete. A downgrade of Aegon's credit ratings may also further affect our liquidity position through increased collateral requirements for our hedging and derivative transactions, and may affect our ability to obtain reinsurance contracts at reasonable prices or at all. This would have a materially adverse effect on Aegon's businesses, results of operations and financial condition.

Aegon cannot predict what actions rating agencies may take, or what actions Aegon may take in response to the actions of rating agencies. As with other companies in the financial services industry, Aegon's ratings may be downgraded at any time and without notice by any rating agency.

Changes in government regulations in the countries in which Aegon operates may affect profitability.

Aegon's regulated businesses, such as insurance, banking and asset management, are subject to comprehensive regulation and supervision, specific to these businesses. The primary purpose of such regulation is to protect clients of these operating companies, (e.g. policyholders), not holders of Aegon capital securities. Changes in existing laws and regulations may affect the way in which Aegon conducts its businesses, profitability of its businesses and the products offered. Additionally, the laws or regulations adopted or amended from time to time may be more restrictive or may result in higher costs than currently the case, such as with regard to the calculation of capital needs, treatment of own funds, rules or guidance with respect to the modelling of insurance, investment and other risks.

For example, in July 2010, the US Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which provides for comprehensive changes to the regulation of financial services in the United States by granting existing and newly-created government agencies and bodies (for example the Federal Reserve Board, Commodity Futures Trading Commission, Securities and Exchange Commission and the newly-created Financial Stability Oversight Council) authority to promulgate new financial regulations applicable to bank and non-bank financial institutions. The regulatory changes include or may include capital standards and prudential standards for non-bank companies deemed to be systemically important financial institutions (SIFIs) that are more stringent than the standards applicable to non-SIFIs. Aegon has not been designated a SIFI in the United States. In addition, US State financial services regulators may develop capital, accounting and solvency regulatory standards for internationally active insurance groups (IAIGs). The current US administration announced plans to review aspects of the Dodd-Frank Act. This review may result in changes in laws and regulations that may impact US or global operations.

In November 2010, the G20 endorsed a policy framework to address the systemic and moral hazard risks associated with SIFIs, and initially in particular global SIFIs (G-SIFIs). On July 18, 2013, the International Association of Insurance Supervisors (IAIS) published a methodology for identifying global systemically important insurers (G-SIIs), and a set of policy measures that will apply to them. The IAIS has published a revised assessment methodology in June 2016. This revised methodology was employed by the IAIS in the 2016 designation update. The policy measures include recovery and resolution planning requirements, liquidity and systemic risk management planning and enhanced group-wide supervision, including direct powers over holding companies and higher loss absorbency requirements (HLA). The HLA builds on the IAIS Basic Capital Requirements (BCR) and addresses additional capital requirements for G-SIIs reflecting their systemic importance in the international financial system. Additionally, certain aspects of the HLA relate to requirements applicable to other regulated financial sectors for which capital rules already exist. HLA requirements will need to be met by the highest quality capital. In November 2013, the FSB identified an initial list of 9 G-SIIs to which the policy measures above should apply. The group of G-SIIs is updated annually and published by the FSB each November based on new data. Aegon was added to this list in November 2015 and reconfirmed in November 2016 and as a consequence has also become subject to the policy measures described above. The HLA requirements will apply to Aegon, assuming it will continue to be a G-SII when HLA requirements are finalized, which is planned for January 2019. The development of the BCR is the first step and the development of the HLA is the second step in the IAIS project to develop group-wide global capital standards. The third step is the development of a risk based group-wide global Insurance Capital Standard (ICS), due to be completed by 2019 and to be applied to IAIGs. The development of the ICS will be informed by the work on the BCR. When finalized, the ICS will replace the BCR as foundation of the HLA. The IAIS indicates that, because of the interlinkage between the BCR and HLA, the calibration may be modified depending on the HLA requirements. The IAIS currently expects that the HLA will initially be based on the BCR, but will be later based on the ICS. The exact timing of the transition from BCR to ICS will depend on the adoption of the ICS by the IAIS and time needed to develop and implement the framework in the relevant jurisdictions. The internationally developed BCR and HLA currently are calculated using different (criteria and) methodologies than EU Solvency II capital requirements. Only after the calibration of the BCR and HLA has been completed will Aegon be able to determine whether or not these requirements will result in more binding capital constraints than existing requirements, including Solvency II. . At this stage no assurance can be given with respect to the final wording of the BCR and HLA, its implementation into regional and/or local legislation (such as the implementation into EU legislation and legislation of EU member states, as the case may be).

An important effect of the Dodd-Frank Act on Aegon USA is the derivatives reform aspect, which aims to increase transparency of derivatives use and reduce systemic risk. Aegon USA entities are considered to fall into Category 2 under the regulations and are therefore required to clear derivative transactions. In addition, Aegon USA has reporting, initial margin and variation margin obligations under the Dodd-Frank Act and associated regulations. However, Aegon cannot predict how the regulations (and any potential amendments thereto) will further affect financial markets generally or Aegon's business, financial condition or results of operations. The new US administration recently announced a review of the Dodd-Frank Act that may result in changes to the regulations.

In the United States, the Patient Protection and Affordable Care Act (PPACA) was enacted in 2011 and upheld, with the exception of the Medicaid expansion mandate, by the US Supreme Court in 2012. PPACA significantly changed the regulation of health insurance in the United States, including in certain respects the regulation of supplemental health insurance products. The current US Presidential administration and US Congress are considering reform of the PPACA which will likely result in changes in laws or regulations that may impact US health insurance industry. The extent to which employers or individuals may discontinue their purchase of supplemental health insurance products as a result of these changes may significantly impact Aegon USA's supplemental health insurance products business. The extent of the expected changes or impact on Aegon USA's supplemental health insurance business cannot be determined at this time.

Solvency II has become effective in EU member states as per January 1, 2016. Due to the fact that the Solvency II framework is new, the interpretation of various elements of the Solvency II framework is not yet fully clear or may change as a result of the way insurers as well as supervisory authorities interpret the new rules. This may also affect the way Aegon implements the Solvency II framework, including Aegon's financial position under Solvency II. Pursuant to Solvency II, Aegon is required to calculate a solvency ratio (own funds divided by the required solvency, the latter referred to as the Group SCR), for the Aegon Group at the level of Aegon which should be at least equal to 100%. Under Solvency I, EU supervisors usually required insurance and reinsurance undertakings to maintain a substantial percentage of own funds above the statutory minimum requirements. Under Solvency II, Aegon expects that DNB will leave the decision as to whether to hold a buffer of own funds in excess of the Group SCR or the SCR as the case may be to the Aegon Group, and to the insurance and reinsurance undertakings in the Aegon Group. As the prudential supervisor, DNB will nonetheless monitor Aegon's capital management policies. Aegon applies its own capital management policies that determine the Company's risk tolerances on the basis of self-imposed criteria. These policies may result in Aegon, at its own election, but supervised by DNB, maintaining a buffer of own funds in addition to those required in according to Solvency II requirements. Pursuant to these self-imposed criteria, Aegon currently aims to hold a buffer in excess of the 100% minimum Group Solvency Ratio of 50 to 100%, in accordance with Aegon's Group Capital Management Policy. The calculation of the Group Solvency Ratio in accordance with Solvency II is further described in the section "Regulation and Supervision" of Aegon's Annual Report 2016.

In the Netherlands the Dutch Central Bank provided new guidance with regard to assumptions underlying Aegon's factor for the loss absorbing capacity of deferred taxes (LAC-DT). Reduction of this factor would impact the Group Solvency II ratio. At June 30, 2017, the factor of LAC-DT taken into account in the Group Solvency II ratio is 75%. The Solvency II sensitivity for a 25-percentage points change in the factor is given on page 36. The treatment of LAC-DT under the Solvency II framework is also one of the elements of the Solvency II review currently being conducted by the European Commission. The outcomes of this review and potential changes to the relevant regulations or their application by national supervisory authorities may have an impact on the determination of the LAC-DT that may be taken into accout by Aegon going forward.

The United States Department of Labor (DOL) issued a 'Conflict of Interest' or 'Fiduciary' rule in April 2016 (the 'DOL Rule') that substantially broadens the definition of 'fiduciary' with respect to retirement savings and investment plans and products ('qualified assets'). The final rule would, with limited exemptions and carve-outs, make agents and brokers who provide recommendations on qualified assets, subject to a best interest/fiduciary standard.

If fully implemented as promulgated in April 2016, the DOL Rule could have a material adverse impact from a prospective sales perspective both as to Aegon America's retirement plan and annuity businesses, and could create other challenges to the operating model of these businesses. On February 3, 2017, the US President called for a review of the DOL Rule that may result in changes to the regulations. On June 9, 2017, the DOL Rule became effective with additional requirements applicable as of January 1, 2018. The final results of the review and the impact to Aegon America's retirement plan and annuity business are not currently anticipated to be known until late in 2017.

Changes in pension and employee benefit regulation, social security regulation, financial services regulation, taxation and the regulation of securities products and transactions may adversely affect Aegon's ability to sell new policies or claims exposure on existing policies. For example, in Hungary, the mandatory pension business has been nationalized and therefore Aegon in Hungary has liquidated its mandatory pension business. Similarly, in December 2013, the Polish parliament approved legislation to overhaul the existing state pension system, which was a reason for Aegon to write down its intangible assets.

Other initiatives, such as by the International Association of Insurance Supervisors, may create regulations that would increase capital needs and other requirements that would not be applicable to all carriers and create an uneven competitive playing field.

In general, changes in laws and regulations may materially increase Aegon's direct and indirect compliance costs and other ongoing business expenses and have a materially adverse effect on Aegon's businesses, results of operations or financial condition.

The possible abandonment of the euro currency by one or more members of the European Monetary Union may affect Aegon's results of operations in the future.

It is possible that the euro may be abandoned as a currency in the future by countries that have already adopted its use. This may lead to the re-introduction of individual currencies in one or more European Monetary Union member states, or in more extreme circumstances, the dissolution of the European Monetary Union. It is not possible to predict the effect on the European and global economies of a potential dissolution of the European Monetary Union or the exit of one or more European Union member states from the European Monetary Union. Any such event may have a materially adverse effect on Aegon's future financial condition and results of operations.

The United Kingdom (UK) leaving the European Union ('Brexit'), potentially followed by more countries, may affect Aegon's results and financial condition.

On June 23, 2016 the United Kingdom voted in a national referendum to withdraw from the European Union. The implications of such a 'Brexit' remain unclear, with respect to the European integration process, the relationship between the UK and the European Union, and the impact on economies and businesses. Aegon could be adversely impacted by related market developments such as increased exchange rate movements of the GBP versus the Euro and higher financial market volatility in general due to increased uncertainty, any of which could reduce the value or results of Aegon's operations in the United

Kingdom. Aegon could also be adversely impacted should a ‘Brexit’ result in the UK moving away from agreed and implemented EU legislation like, but not limited to, Solvency II regulations.

More countries could potentially follow the UK in leaving the European Union. This could also result in the mentioned possible abandonment of the euro currency by one or more countries. The topic could be raised in elections and referenda. Any uncertainty, volatility or negative impacts created by these political events could have a material adverse effect on Aegon’s results of operations, cash flows or financial position.

Risks related to the Dutch Intervention Act

In June 2012, the Dutch Intervention Act (Wet bijzondere maatregelen financiële ondernemingen) came into force in the Netherlands, with retroactive effect from 20 January 2012. The Dutch Intervention Act grants far-reaching new powers to the Dutch Central Bank (De Nederlandsche Bank N.V., “DNB”) and the Dutch Minister of Finance to intervene in situations where an institution, including a financial group such as Aegon, faces financial difficulties or where there is a serious and immediate risk to the stability of the Dutch financial system caused by an institution in difficulty. The Dutch Intervention Act has been amended in respect of, inter alia, banks as a result of the entry into force of the EU Directive on the recovery and resolution of credit institutions and investments firms, which was approved by the European Parliament on 15 April 2014 and of which the final text was published in the Official Journal of the European Union on 12 June 2014 (the “Bank Recovery and Resolution Directive”). The Bank Recovery and Resolution Directive also contains provisions that apply to mixed financial holding companies such as Aegon N.V., including the right of bail-in of creditors. Under the Dutch Intervention Act, substantial powers have been granted to DNB and the Dutch Minister of Finance enabling them to deal with ailing Dutch insurance companies as well as holding companies of insurance companies and financial conglomerates prior to insolvency. The measures allow them to commence proceedings which may lead to (a) the transfer of all or part of the business of an ailing insurance company to a private sector purchaser, (b) the transfer of all or part of the business of an ailing insurance company to a ‘bridge entity’, (c) the transfer of the shares in an ailing insurance company to a private sector purchaser or a ‘bridge entity’, (d) immediate interventions by the Dutch Minister of Finance concerning an ailing insurance company, and (e) public ownership (nationalisation) of (i) all or part of the business of an ailing insurance company or (ii) all or part of the shares or other securities issued by an ailing insurance company or its holding company. The Dutch Intervention Act also contains measures that limit the ability of counterparties to invoke contractual rights (such as contractual rights to terminate or to invoke a right of set-off or to require security to be posted) if the right to exercise such rights is triggered by intervention of DNB or the Dutch Minister of Finance based on the Dutch Intervention Act or by a circumstance which is the consequence of such intervention. There is a risk that the exercise of powers, or any perceived exercise of powers, by DNB or the Dutch Minister of Finance under the Dutch Intervention Act could have a material adverse effect on the performance by the failing institution, including Aegon, of its obligations (of payment or otherwise) under contracts of any form, including the expropriation, write-off, write-down or conversion of securities such as shares and debt obligations issued by the failing institution. Furthermore, the terms of contracts, including debt obligations may be varied (e.g. the variation of maturity of a debt instrument). The Dutch Intervention Act and the Bank Recovery and Resolution Directive aim to ensure that financial public support will only be used as a last resort after having assessed and exploited, to the maximum extent practicable, the resolution tools, including the bail-in tool. The Dutch Ministry of Finance is expected to publish a proposal of law at the end of 2017 on recovery and resolution of insurers, and potentially other entities belonging to insurance groups, based in the Netherlands. If and when formally adopted, this act will replace and complement the provisions of the Dutch Intervention Act. The risks related to this new act are comparable to the risks related to the Dutch Intervention Act described immediately above.

Legal and arbitration proceedings and regulatory investigations and actions may adversely affect Aegon’s business, results of operations and financial position

Aegon faces significant risks of litigation as well as regulatory investigations and actions relating to its and its subsidiaries’ insurance, pensions, securities, investment management, investment advisory and annuities businesses as well as Aegon’s corporate compliance, including compliance with employment, sanctions, anti-corruption and tax regulations.

Aegon subsidiaries regularly receive inquiries from local regulators and policyholder advocates in various jurisdictions, including the United States, the Netherlands, and the United Kingdom. Regulators may seek fines or penalties, or changes to the way Aegon operates. In some cases, Aegon subsidiaries have modified business practices in response to inquiries. For example, in 2014 the UK Financial Conduct Authority fined Aegon GBP 8.3 million for past sales practices for accident insurance products sold through an affinity marketing unit, which was subsequently placed into runoff.

Insurance companies are routinely the subject of litigation, investigation and regulatory activity by various governmental and enforcement authorities, individual claimants and policyholder advocate groups, involving issues such as employment or distribution relationships; operational controls and processes; environmental matters; competition and antitrust matters; data privacy; information security; intellectual property; and anti-money laundering, anti-bribery and economic sanctions compliance. For example with respect to employment relationships, Aegon recently faced a suit in the state of Georgia filed by self-employed independent insurance agents associated with one of Aegon’s financial marketing units who claimed to be employees of the organization. The U.S. Securities and Exchange Commission is conducting a formal investigation related to certain investment strategies offered through mutual funds, variable products and separately managed accounts. These strategies used quantitative models developed by one of the former portfolio managers of our US investment management business unit. Among other things, the investigation relates to the operation of and/or the existence of errors in the quantitative models in question and related disclosures. The funds and strategies under review were sub-advised, advised or marketed by our US group companies. The models are no longer being used although some of the funds are still being offered. The money management strategies are no longer being offered. We are cooperating fully with the investigation.

Government investigations, including this one, may result in the institution of administrative, injunctive or other proceedings and/or the imposition of monetary fines, penalties and/or disgorgement as well as other remedies, sanctions, damages and restitutionary amounts. While we are unable to predict what action, if any, the SEC might take and are unable to predict the costs to or other impact on us of any such action, there can be no assurances that this matter or other government investigations will not have a material and adverse effect on our reputation, financial position, results of operations or liquidity.

In addition, insurance companies are routinely subject to litigation, investigation and governmental review concerning product fees and costs, including transparency and adequacy of disclosure of initial costs, ongoing costs, and costs due on policy surrender as well as changes to costs over time. Disputes and investigations initiated by governmental entities and private parties may lead to orders or settlements including payments or changes to business practices even if Aegon believes the underlying claims are without merit. Aegon and other US insurers have been sued for charging fees on products offered in 401(k) platforms which allegedly were higher than fees charged on other products available in the market. US insurers, including Aegon's subsidiaries, have also been named in class action litigation relating to increases in monthly deductions made to universal life products. Plaintiffs generally allege that the increases were made to recoup past losses rather than to cover the future costs of providing insurance coverage. These cases are pending in the US federal district court for the Central District of California. In the first case to reach trial, the jury found that the increase was improperly determined. That case and others remain ongoing. In the Netherlands, unit linked products ('beleggingsverzekeringen') have been controversial and the target of litigation since 2005. Allegations include excessive cost, unfair terms, inadequate disclosure, and failure to perform as illustrated. Consumer groups have formed to address these issues and initiate mass claims against insurers. Regulators as well as the Dutch Parliament have been involved ever since, with the principal goal of achieving an equitable resolution. Aegon has made improvements across its product lines, including after settlements reached in 2009 with Stichting Woekerpolis and Stichting Verliespolis. In 2013 Aegon took a charge of EUR 25 million after the Dutch Supreme Court ruled adversely in litigation concerning premium amounts charged in the KoersPlan product. Some of the unit linked products are still involved in ongoing litigation. In March 2014, consumer interest group Vereniging Woekerpolis.nl filed a claim against Aegon in court. The claim related to a range of unit linked products that Aegon sold in the past, including Aegon products involved in the earlier litigation. In June 2017, the court issued a verdict which upheld the principle that disclosures must be evaluated according to the standards at the time when the relevant products were placed in-force. Most of the claims of Vereniging Woekerpolis.nl were dismissed under this standard, although the court found that Aegon did not adequately disclose certain charges on a limited set of policies. This court decision has been appealed by both parties. Aegon expects the claims and litigation on unit linked products to continue for the foreseeable future. Developments in similar cases against other Dutch insurers currently before regulators and courts may also affect Aegon. Lawsuits have also been brought against providers of securities leasing products ('aandelenlease producten'). Although sales of securities leasing products ended more than a decade ago, litigation relating to these products has resurfaced. In 2016, the Dutch Supreme Court ruled on a case involving a securities leasing product sold by one of Aegon's competitors. It decided that the financial institution was liable if a broker ('remisier') that advised on the sale of the institution's products, was not properly licensed. In July 2016, consumer interest group Platform Aandelenlease filed a class action claim against Aegon Bank regarding securities leasing product Sprintplan. Allegations include, among other things, a lack of a proper license of the brokers involved. There can be no assurances that this matter will not ultimately result in a material adverse effect on Aegon's business, results of operations and financial position. In Poland, owners of unit-linked policies filed claims in civil court against Aegon over fees payable upon purchase or surrender of the product. For reasons of commercial necessity as well as at the instigation of regulatory authorities, Aegon decided to modify the fee structure. Aegon faces a significant number of cases in Poland in which plaintiffs claim that these fees are not contractually supported.

Many of Aegon's products are affected by fluctuations in equity markets as well as interest rate movements, which may prove to be volatile or disappointing to customers. Significant investment risks are often borne by the customer.

The existence of potential claims may remain unknown for long periods of time after the events giving rise to such claims. Determining the likelihood of exposure to Aegon and the extent of any such exposure may not be possible for long periods of time after Aegon becomes aware of such potential claims. Once litigation is initiated, it may be protracted and subject to multiple levels of appeal.

Aegon cannot predict the effect of litigation, investigations or other actions on its businesses or the insurance industry. In some jurisdictions, plaintiffs may seek recovery of very large or indeterminate amounts under claims of bad faith, resulting in punitive or treble damages. Damages alleged may not be quantifiable or supportable, or may have no relationship to economic losses or final awards. Separate from financial loss, litigation, regulatory action, legislative changes or changes in public opinion may require Aegon to change its business practices, which could have a material adverse impact on Aegon's businesses, results of operations, cash flows and financial position.

Aegon's risk management policies and processes may leave the company exposed to unidentified or unanticipated risk events, adversely affecting our businesses, results and financial condition.

Aegon has devoted significant resources to the implementation and maintenance of a comprehensive enterprise risk management framework in all aspects of the business. Nevertheless, our risk measurements make use of historic and public data that may be inaccurate or may not predict future exposures. Further, operational and legal risks involve high volumes of transactions and are affected by frequent changes in our businesses and their environments, and the risk management framework may not evolve at the same pace. As a result, there is a chance that risks present in our business strategies and initiatives may not be fully identified, monitored and managed.

State statutes and regulators may limit the aggregate amount of dividends payable by Aegon's subsidiaries and Aegon N.V., thereby limiting Aegon's ability to make payments on debt obligations.

Aegon's ability to make payments on debt obligations and pay some operating expenses is dependent upon the receipt of dividends from subsidiaries. Some of these subsidiaries have regulatory restrictions that can limit the payment of dividends. In addition, local regulators, acting to represent the interests of local policyholders, are taking an increasingly restrictive stance with respect to permitting dividend payments, which may affect Aegon's ability to satisfy its debt obligations or pay its operating expenses.

Changes in accounting standards may affect Aegon's reported results, shareholders' equity and dividend.

Since 2005, Aegon's financial statements have been prepared and presented in accordance with IFRS-EU. Any future changes in these accounting standards may have a significant impact on Aegon's reported results, financial condition and shareholders' equity. This includes the level and volatility of reported results and shareholders' equity. New accounting standards that are likely to have a significant impact on Aegon's reported results, financial condition and shareholders' equity include but are not limited to IFRS 9 – Financial Instruments and IFRS 17 – Insurance Contracts. On July 24, 2014, the IASB issued the fourth and final version of its new standard on financial instruments accounting – IFRS 9 Financial Instruments. Application of IFRS 9 is required for annual periods beginning on or after January 1, 2018. IFRS 17 – Insurance Contracts was issued on May 18, 2017 with an effective date of January 1, 2021. However, the IASB has also issued an amendment related to IFRS 4 Insurance Contracts. The objective of the amendment is to address the temporary accounting consequences of the different effective dates of IFRS 9 and IFRS 17. The amendments permit entities whose predominant activities are connected with insurance, to defer the application of IFRS 9 until 2021 (the 'temporary exemption'); and permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the 'overlay approach'). Aegon has decided to make use of the 'temporary exemption' to defer the application of IFRS 9 until 2021, as it meets the underlying qualifying criteria for doing so. As Aegon is able to defer the application of IFRS 9 until 2021, the full impact of both IFRS 9 and IFRS 17 is not yet clear. Initial impact assessments on both standards resulted in the expectation that it will have a significant impact on shareholders' equity, net result and/or other comprehensive income and disclosures.

Further details on IFRS 9 are provided in note 2.1.2 Future adoption of new IFRS-EU accounting standards of the consolidated financial statements.

Tax law changes may adversely affect Aegon's profitability, as well as the sale and ownership of Aegon's products.

Aegon is subject to the substance and interpretation of tax laws in all countries in which Aegon operates or invests. Tax risk is the risk associated with changes in tax laws, or the interpretation of tax laws, later jurisprudence or case law, or the introduction of new taxes or tax laws. This tax risk includes for example the risk of changes in tax rates, changes in loss carry-over rules and new rules restricing the tax deductibility of interest expenses.

Tax risk also includes the risk of consequences arising from failure to comply with procedures required by tax authorities. Failure to manage tax risks may lead to increased tax charges, including financial or operating penalties. This tax risk may have a direct materially adverse effect on Aegon's profits and financial condition.

Further, most insurance products enjoy certain tax advantages, particularly in the United States and the Netherlands, which permit the tax deferred accumulation of earnings on the premiums paid by the holders of annuities and life insurance products under certain conditions and within certain limits. Taxes on this inside build-up of earnings may not be payable at all and, if payable, generally are due only when the earnings are actually paid.

The US Congress has, from time to time, considered possible legislation that may make Aegon's products less attractive to consumers, including legislation that would reduce or eliminate the deferral of taxation on the accretion of value within certain annuities and life insurance products. This may have an impact on insurance products and sales in the United States.

The US Government, as well as state and local governments, also considers from time to time tax law changes that may increase the amount of taxes that Aegon pays. For example, over the past several years members of the tax-writing committees in Congress have discussed and informally proposed significant changes to the computation of tax reserves, capitalized policy acquisition costs and the dividends received deduction available to life insurance companies. Congress has not, however acted on these proposals, but some or all could materialize in the US tax reform the US Congress currently is contemplating.

Any changes in tax laws, interpretation of tax laws, later jurisprudence or case law, or the introduction of new taxes or tax laws in all countries in which Aegon operates or invests, which affects Aegon's products, may have a materially adverse effect on Aegon's businesses, results of operations and financial condition.

Competitive factors may adversely affect Aegon's market share.

Competition in Aegon's business segments is based on service, product features, price, commission structure, financial strength, claims paying ability, ratings and name recognition. Aegon faces intense competition from a large number of other insurers, as well as non-insurance financial services companies such as banks, broker-dealers and asset managers, for individual customers, employers, other group customers, agents and other distributors of insurance and investment products. Consolidation in the global financial services industry can enhance the competitive position of some of Aegon's competitors by broadening the range of their products and services, and increasing their distribution channels and their access to capital. In addition, development of alternative distribution channels for certain types of insurance and securities products, including through the internet, may result in increasing competition as well as pressure on margins for certain types of products. Traditional distribution channels are also challenged by the ban on sales- based commissions in some countries. These competitive pressures may result in increased pricing pressures on a number of products and services, particularly as competitors seek to win market share. This may harm Aegon's ability to maintain or increase profitability.

Adverse market and economic conditions can be expected to result in changes in the competitive landscape. Financial distress experienced by financial services industry participants as a result of weak economic conditions and newly imposed regulation may lead to acquisition opportunities. Aegon's ability or that of Aegon's competitors to pursue such opportunities may be limited due to lower earnings, reserve increases, capital requirements or a lack of access to debt capital markets and other sources of financing. Such conditions may also lead to changes by Aegon or Aegon's competitors in product offerings and product pricing that may affect Aegon and Aegon's relative sales volumes, market shares and profitability. Additionally, the competitive landscape in which Aegon operates may be affected by government-sponsored programs or actions taken in response to, for instance, dislocations in financial markets.

Aegon may experience difficulties in distributing and marketing products through our current and future distribution channels.

Although Aegon distributes its products through a wide variety of distribution channels, Aegon's ability to market its products could be affected if key relationships would be interrupted. Distributors may elect to reduce or terminate their distribution relationship with Aegon due to adverse developments in our business. Further, key distribution partners may also merge, change their business models in ways that affect how our products are sold, or new distribution channels could emerge and adversely impact the effectiveness of our current distribution efforts.

When Aegon's products are distributed through unaffiliated firms, Aegon may not always be able to monitor or control the manner of their distribution despite our significant training and compliance programs. If our products would be distributed by such firms in an inappropriate manner, or to customers for whom they are unsuitable, Aegon may suffer reputational and other harm to our business.

The default of a major market participant may disrupt the markets and may affect our business, financial condition, liquidity, operations and prospects.

The failure of a sufficiently large and influential financial institution, or other market participant including a government issuer, may disrupt securities markets or clearance and settlement systems in Aegon's markets. This may cause market declines or volatility. Such a failure may lead to a chain of defaults that may adversely affect Aegon and Aegon's contract counterparties. In addition, such a failure may impact future product sales as a potential result of reduced confidence in the insurance industry. The default of one or more large international financial institutions, which may result in disruption or termination of their cash, custodial or and administrative services, may also have a material adverse impact on Aegon's ability to run effective treasury and asset management operations.

Even the perceived lack of creditworthiness of a government or financial institution (or a default by any such entity) may lead to market- wide liquidity problems and losses or defaults by Aegon or by other institutions. This risk is sometimes referred to as 'systemic risk' and may adversely affect financial intermediaries, such as clearing members or futures commissions merchants, clearing houses, banks, securities firms and exchanges with whom Aegon interacts on a daily basis and financial instruments of governments which Aegon holds. Systemic risk could have a material adverse effect on our ability to raise new funding and on our business, financial condition, results of operations, liquidity and/or prospects. In addition, such distress or failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

Aegon may be unable to retain personnel who are key to the business.

As a global financial services enterprise, Aegon relies, to a considerable extent, on the quality of local management in the various countries in which Aegon operates. The success of Aegon's operations is dependent, among other things, on Aegon's ability to attract and retain highly qualified professional personnel. Competition for key personnel in most countries in which Aegon operates is intense. Aegon's ability to attract and retain key personnel, in particular senior officers, experienced portfolio managers, mutual fund managers and sales executives, is very much dependent on the competitiveness of the compensation package for employees in the market in which it competes. As a part of the governmental response in Europe and, to a certain extent, the United States to the financial crisis in 2008, there have been various legislative initiatives that have sought to give guidance or regulate the structure of remuneration for personnel, in particular senior management, with a focus on performance- related remuneration and limiting severance payments. With differences in interpretation of these regulations by local regulators on how the guidelines need to be applied, as well as to the question of whether they apply to insurance industries at all, these restrictions create an uncertain playing field and may adversely affect Aegon's ability to compete for qualified employees, as well as Aegon's ability to transfer employees between regions.

Reinsurers to whom Aegon has ceded risk may fail to meet their obligations.

Aegon's insurance subsidiaries cede premiums to other insurers under various agreements that cover individual risks, group risks or defined blocks of business, on a co-insurance, yearly renewable term, excess or catastrophe excess basis. The purpose of these reinsurance agreements is to spread the risk and minimize the effect of losses. The amount of each risk retained depends on an evaluation of the specific risk, which is subject, in certain circumstances, to maximum limits based on the characteristics of coverage. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse for the ceded amount in the event a covered claim is paid. However, Aegon's insurance subsidiaries remain liable to their policyholders for ceded insurance if any reinsurer fails to meet the obligations assumed by it. A bankruptcy or insolvency or inability of any of Aegon's reinsurance counterparties to satisfy its obligations may have a materially adverse effect on Aegon's financial position and results of operations. Refer to Schedule IV of the 2016 Annual Report for a table showing life insurance in force amounts and premiums on a direct, assumed and ceded basis.

Reinsurance may not be available, affordable or adequate to protect Aegon against losses.

As part of Aegon's overall risk and capital management strategy, Aegon purchases reinsurance for certain risks underwritten by Aegon's various business segments. Market conditions beyond Aegon's control determine the availability and cost of the reinsurance protection Aegon purchases. In addition, interpretations of terms and conditions may differ over time as contracts extend for decades. Accordingly, Aegon may be forced to incur additional expenses for reinsurance or may not be able to obtain or enforce sufficient reinsurance on acceptable terms, which may adversely affect Aegon's ability to write future business and realize planned value for current business.

Aegon may have difficulty managing its expanding operations, and Aegon may not be successful in acquiring new businesses or divesting existing operations.

In recent years, Aegon has made a number of acquisitions and divestitures around the world and it is possible that Aegon may make further acquisitions and divestitures in the future. Growth by acquisition involves risks that may adversely affect Aegon's operating results and financial condition. These include: the potential diversion of financial and management resources from existing operations; difficulties in assimilating the operations, technologies, products and personnel of the acquired company; significant delays in completing the integration of acquired companies; the potential loss of key employees or customers of the acquired company; potential losses from unanticipated litigation, and tax and accounting issues. In addition, expansion into new and emerging markets may involve heightened political, legal and regulatory risks, such as discriminatory regulation, nationalization or expropriation of assets, price controls and exchange controls.

Aegon's acquisitions may result in additional indebtedness, costs, contingent liabilities and impairment expenses related to goodwill and other intangible assets. In addition, they may divert management's attention and other resources. Divestitures of existing operations may result in Aegon assuming or retaining certain contingent liabilities. All of these may adversely affect Aegon's businesses, results of operations and financial condition. Future acquisitions may also have a dilutive effect on the ownership and voting percentages of existing shareholders. There can be no assurance that Aegon will successfully identify suitable acquisition candidates or that Aegon will properly value acquisitions made. Aegon is unable to predict whether or when any prospective acquisition candidate will become available, or the likelihood that any acquisition will be completed once negotiations have commenced.

Catastrophic events, which are unpredictable by nature, may result in material losses and abruptly and significantly interrupt Aegon's business activities.

Aegon's operating results and financial position may be adversely affected by volatile natural and man-made disasters such as hurricanes, windstorms, earthquakes, terrorism, riots, fires and explosions, pandemic disease and other catastrophes. Over the past several years, changing weather patterns and climatic conditions have added to the unpredictability and frequency of natural disasters in certain parts of the world and created additional uncertainty as to future trends and exposure. Generally, Aegon seeks to reduce its exposure to these events through individual risk selection, monitoring risk accumulation, and purchasing reinsurance. However, such events may lead to considerable financial losses to Aegon's businesses. Furthermore, natural disasters, terrorism and fires may disrupt Aegon's operations and result in significant loss of property, key personnel and information about Aegon and its clients. If its business continuity plans have not included effective contingencies for such events, Aegon may experience business disruption and damage to corporate reputation and financial condition for a substantial period of time.

Aegon regularly develops new financial products to remain competitive in its markets and to meet the expectations of its customers. If customers do not achieve expected returns on those products, Aegon may be confronted with legal claims, advocate groups and negative publicity.

Aegon may face claims from customers, both individual claimants as well as policyholder advocate groups, and negative publicity if Aegon's products result in losses or fail to result in expected gains, regardless of the suitability of products for customers or the adequacy of the disclosure provided to customers by Aegon and by the intermediaries who distribute Aegon's products. New products that are less well understood and that have less of a historical performance track record may be more likely to be the subject of such claims. Any such claims may have a materially adverse effect on Aegon's results of operations, corporate reputation and financial condition.

Aegon may not be able to protect its intellectual property and may be subject to infringement claims.

Aegon relies on a combination of contractual rights with third parties and copyright, trademark, patent and trade secret laws to establish and protect Aegon's intellectual property. Third parties may infringe on or misappropriate Aegon's intellectual property, and it is possible that third parties may claim that Aegon has infringed on or misappropriated their intellectual property rights. Any resulting proceedings in which Aegon would have to enforce and protect its intellectual property, or defend itself against a claim of infringement of a third-party's intellectual property, may require significant effort and resources and may not prove successful. As a result of any proceeding in which Aegon would have to enforce and protect its intellectual property, Aegon may lose intellectual property protection, which may have a materially adverse effect on Aegon's businesses, results of operation, financial condition and Aegon's ability to compete. As a result of any proceeding in which Aegon would have to defend itself against a claim of infringement of a third-party's intellectual property, Aegon may be required to pay damages and provide injunctive relief, which may have a materially adverse effect on Aegon's businesses, results of operations and financial condition.

Inadequate or failed processes or systems, human factors or external events may adversely affect Aegon's profitability, reputation or operational effectiveness.

Operational risk is inherent in Aegon's businesses and may manifest itself in many ways, including business interruption, poor vendor performance, information systems malfunctions or failures, regulatory breaches, processing errors, modelling errors, and/or internal and external fraud. These events may result in financial loss, harm Aegon's reputation, or hinder Aegon's operational effectiveness. Further, employee error, unethical behavior and/or misconduct may be difficult to prevent under all circumstances and may result in significant losses.

Aegon's management maintains a well-controlled environment and sound (conduct) policies and practices to control these risks and keep operational risk at appropriate levels. Notwithstanding these control measures, however, operational risk is part of the business environment in which Aegon operates, and is inherent in Aegon's size and complexity, as well as Aegon's geographic diversity, and the scope of the businesses Aegon operates. Aegon's risk management activities cannot anticipate every circumstance, and economic and financial outcome, or the specifics and timing of such outcomes. Furthermore, if the contractual arrangements put in place with any third-party service providers are terminated, including contractual arrangements with providers of information technology, administrative or investment management services, Aegon may not be able to find an alternative provider on a timely basis or on equivalent terms. Aegon may incur significant losses due to these types of risks.

Aegon's operations support complex transactions and are highly dependent on the proper functioning of information technology and communication systems. Any failure of Aegon's information technology or communications systems may result in a material adverse effect on Aegon's results of operations and corporate reputation.

While systems and processes are designed to support complex transactions and avoid systems failure, fraud, information security failures, processing errors and breaches of regulation, any failure may lead to a materially adverse effect on Aegon's results of operations and corporate reputation. In addition, Aegon must commit significant resources to maintain and enhance its existing systems in order to keep pace with industry standards and customer preferences. If Aegon fails to keep up-to-date information systems, Aegon may not be able to rely on information for product pricing, risk management and underwriting decisions. In addition, even though back-up and recovery systems and contingency plans are in place, Aegon cannot assure investors that interruptions, failures or breaches in security of these processes and systems will not occur, or if they do occur, that they can be adequately addressed. The occurrence of any of these events may have a materially adverse effect on Aegon's businesses, results of operations and financial condition.

A computer system failure or security breach may disrupt Aegon's business, damage Aegon's reputation and adversely affect Aegon's results of operations, financial condition and cash flows.

Changes towards more sophisticated internet technologies, the introduction of new products and services, changing customer needs and evolving applicable standards increase the dependency on internet, secure systems and related technology. Introducing new technologies, computer system failures, cyber-crime attacks or security breaches may disrupt

Aegon's business, damage Aegon's reputation and adversely affect Aegon's results of operations, financial condition and cash flows.

A breach of data privacy and security obligations may disrupt Aegon's business, damage Aegon's reputation and adversely affect financial conditions and results of operations.

Pursuant to applicable laws, various government agencies and independent administrative bodies have established rules protecting the privacy and security of personal information. A number of Aegon's subsidiaries are also subject to contractual restrictions with respect to the information of our clients and business partners. Aegon, and numerous of its systems, employees and business partners have access to, and routinely process, the personal information of consumers. Aegon relies on various processes and controls to protect the confidentiality of personal information and other confidential information that is accessible to, or in the possession of, Aegon, its systems, employees and business partners. It is possible that an Aegon employee, business partner or system could, intentionally or unintentionally, inappropriately disclose or misuse personal or confidential information. Aegon's data or data in its possession could also be the subject of a cybersecurity attack. If Aegon fails to maintain adequate controls or if Aegon or its business partners fail to comply with policies and procedures, misappropriation or intentional or unintentional inappropriate disclosure or misuse of personal information or other confidential information could occur. Such control inadequacies or non-compliance could cause disrupted operations and misstated or unreliable financial data, materially damage Aegon's reputation or lead to civil or criminal penalties, which, in turn, could have a material adverse effect on Aegon's business, financial condition and results of operations. In addition, Aegon analyzes personal information and customer data to better manage its business, subject to applicable laws and regulations and other restrictions. It is possible that additional regulatory or other restrictions regarding the use of such techniques may be imposed. Additional privacy and security obligations may also be imposed. Such limitations could have material impacts or Aegon's business, financial conditions and/or results of operations.

Judgments of US courts are not enforceable against Aegon in Dutch courts.

There is no treaty between the United States and the Netherlands providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Judgments of US courts, including those predicated on the civil liability provisions of the US federal securities laws, may not be enforceable in Dutch courts. Therefore, Aegon's investors that obtain a judgment against Aegon in the United States may not be able to require Aegon to pay the amount of the judgment unless a competent court in the Netherlands gives binding effect to the judgment. It may, however, be possible for a US investor to bring an original action in a Dutch court to enforce liabilities against Aegon, Aegon's affiliates, directors, officers or any expert named therein who resides outside the United States, based upon the US federal securities laws.

II - Risks relating to Aegon's common shares

Aegon's share price could be volatile and could drop unexpectedly, and investors may not be able to resell Aegon's common shares at or above the price paid.

The price at which Aegon's common shares trade is influenced by many factors, some of which are specific to Aegon and Aegon's operations, and some of which are related to the insurance industry and equity markets in general. As a result of these factors, investors may not be able to resell their common shares at or above the price paid for them. In particular, the following factors, in addition to other risk factors described in this section, may have a material impact on the market price of Aegon's common shares:

- Investor perception of Aegon as a company;
- Actual or anticipated fluctuations in Aegon's revenues or operating results;
- Announcements of intended acquisitions, disposals or financings, or speculation about such acquisitions, disposals or financings;
- Changes in Aegon's dividend policy, which may result from changes in Aegon's cash flow and capital position;
- Sales of blocks of Aegon's shares by significant shareholders, including Vereniging Aegon;
- A downgrade or rumored downgrade of Aegon's credit or financial strength ratings, including placement on credit watch;
- Potential litigation involving Aegon or the insurance industry in general;
- Changes in financial estimates and recommendations by securities research analysts;
- Fluctuations in capital markets, including foreign exchange rates, interest rates and equity markets;
- The performance of other companies in the insurance sector;
- Regulatory developments in the United States, the Netherlands, the United Kingdom, and other countries in which Aegon operates;
- International political and economic conditions, including the effects of terrorist attacks, military operations and other developments stemming from such events, and the uncertainty related to these developments;
- News or analyst reports related to markets or industries in which Aegon operates; and
- General insurance market conditions.

Aegon and its significant shareholders may offer additional common shares in the future, and these and other sales may adversely affect the market price of the outstanding common shares.

Aegon may decide to offer additional common shares in the future, for example, to strengthen Aegon's capital position in response to regulatory changes or to support an acquisition.

In 2016, Vereniging Aegon entered into a three year term and revolving facilities agreement with a consortium of banks. Under this agreement, Aegon's common shares in the possession of Vereniging Aegon are pledged to the consortium of banks. If Vereniging Aegon were to default under the facilities agreement in force at that time, the lenders may dispose of Aegon's common shares held by them as collateral in order to satisfy amounts outstanding.

An additional offering of common shares by Aegon, the restructuring of Aegon's share capital, the sales of common shares by significant shareholders or by lenders to Vereniging Aegon, or the public perception that an offering or such sales may occur, may have an adverse effect on the market price of Aegon's common shares.

As of December 31, 2016, there were 2,074,548,842 common shares and 585,022,160 common shares B issued. Of these, Vereniging Aegon held 279,236,609 common shares and 567,697,200 common shares B. All of Aegon's outstanding common shares are freely tradable, and all shareholders, including large shareholders such as Vereniging Aegon, are free to resell their common shares at any time.

Vereniging Aegon, Aegon's major shareholder, holds a large percentage of the voting shares and therefore has significant influence over Aegon's corporate actions.

Prior to September 2002, Vereniging Aegon beneficially owned approximately 52% of the voting shares and thus held voting control over Aegon. In September 2002, Vereniging Aegon reduced its beneficial ownership to approximately 33% of the voting shares (excluding issued common shares held in treasury by Aegon). In 2003, Aegon and Vereniging Aegon amended the 1983 Merger Agreement, resulting in a right for Vereniging Aegon, upon issuance of shares by Aegon, to purchase as many class B preferred shares existing at that time as would enable it to prevent or offset a dilution to below its actual voting power percentage of 33%. In 2013, Aegon N.V. and Vereniging Aegon entered into an agreement to simplify the capital structure of Aegon and to cancel all of Aegon's preferred shares, of which Vereniging Aegon was the sole owner. The execution of this agreement was approved by the General Meeting of Shareholders of Aegon N.V. on May 15, 2013.

The simplified capital structure included an amendment to the 1983 Amended Merger Agreement between Aegon N.V. and Vereniging Aegon. Following this 2013 amendment, Vereniging Aegon's call option relates to common shares B. Vereniging Aegon may exercise its call option to keep or restore its total stake at 32.6%, irrespective of the circumstances which cause the total shareholding to be or become lower than 32.6%.

The simplification of the capital structure also entailed the amendment of the Voting Rights Agreement between Aegon N.V. and Vereniging Aegon. As a matter of Dutch corporate law, the shares of both classes offer equal full voting rights, as they have equal nominal values (EUR 0.12). The financial rights attached to a common share B is 1/40th of the financial rights attached to a common share. The amended Voting Rights Agreement ensures that under normal circumstances, i.e. except in the event of a Special Cause, Vereniging Aegon will no longer be able to exercise more votes than is proportionate to the financial rights represented by its shares. This means that in the absence of a Special Cause Vereniging Aegon may cast one vote for every common share it holds and one vote only for every 40 common shares B. A Special Cause includes the acquisition of a 15% interest in Aegon N.V., a tender offer for Aegon N.V. shares or a proposed business combination by any person or group or persons, whether individually or as a group, other than in a transaction approved by the Executive Board and the Supervisory Board. Accordingly, at December 31, 2016, the voting power of Vereniging Aegon under normal circumstances amounted to approximately 14.4%, based on the number of outstanding and voting shares (excluding issued common shares held in treasury by Aegon N.V.). In the event of a Special Cause, Vereniging Aegon's voting rights will increase to 32.6% for up to six months.

Consequently, Vereniging Aegon may have substantial influence on the outcome of corporate actions requiring shareholder approval, including:

- Adopting amendments to the Articles of Association;
- Adopting the Annual Accounts;
- Approving a consolidation or liquidation;
- Approving a tender offer, merger, sale of all or substantially all of the assets, or other business combination; and
- In particular, during the periods when Vereniging Aegon is entitled to exercise its increased voting rights, it will generally have sufficient voting power to veto certain decisions presented to the General Meeting of Shareholders, including any proposal relating to the following matters:
  - Rejecting binding Supervisory Board nominations for membership to the Supervisory Board and Executive Board;
  - Appointing an Executive Board or Supervisory Board member other than pursuant to Supervisory Board nomination; and
  - Suspending or removing an Executive Board or Supervisory Board member other than pursuant to a Supervisory Board proposal.

Currency fluctuations may adversely affect the trading prices of Aegon's common shares and the value of any cash distributions made.

Since Aegon's common shares listed on Euronext Amsterdam are quoted in euros and Aegon's common shares listed on NYSE New York are quoted in US dollars, fluctuations in exchange rates between the euro and the US dollar may affect the value of Aegon's common shares. In addition, Aegon declares cash dividends in euros, but pays cash dividends, if any, on Aegon's shares of New York registry in US dollars based on an exchange rate set the business day following the shareholder meeting approving the dividend. As a result, fluctuations in exchange rates may affect the US dollar value of any cash dividends paid.

Convertible securities (or other securities that permit or require Aegon to satisfy its obligations by issuing common shares) that Aegon may issue could influence the market price for Aegon's common shares.

In the future, Aegon may issue convertible securities or other securities that permit or require Aegon to satisfy obligations by issuing common shares. Those securities would likely influence, and be influenced by, the market for Aegon's common shares.
For example, the price of Aegon's common shares may become more volatile and may be depressed by investors' anticipation of the potential resale in the market of substantial amounts of Aegon's common shares received at maturity. Aegon's common shares may also be depressed by the acceleration of any convertible securities (or other such securities) that Aegon has issued by investors who view such convertible securities (or other such securities) as a more attractive means of participation in Aegon's equity. Negative results may also be produced by hedging or arbitrage trading activity that may develop involving such convertible securities (or other such securities) and Aegon's common shares. Any such developments may negatively affect the value of Aegon's common shares.

2. Responsibility

Aegon and AFC accept responsibility for the information contained in this Registration Document. To the best of the knowledge and belief of Aegon and AFC, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

3. Incorporation by reference

The following documents shall be deemed to be incorporated in, and to form part of, this Registration Document:

(a) The annual reports for the years ended December 31, 2014, 2015 and 2016 of Aegon N.V. as filed with the Chamber of Commerce and Industries for Haaglanden, The Hague, The Netherlands. The audited financial statements of Aegon N.V. for the years ended December 31, 2014, 2015 and 2016 form part of these annual reports;

(b) Aegon´s first, second and third quarter 2017 condensed consolidated interim financial statements, which are unaudited;

(c) Aegon's Solvency and Financial Condition Report 2016[1];

(d) Aegon´s first, second and third quarter 2017 results as published on May 11, 2017, August 10, 2017 and November 9, 2017 respectively which are unaudited;

(e) The Articles of Association ("statuten") of Aegon as in force and effect on the date of this Registration Document;

(f) The limited liability company agreement (certificate of incorporation) of AFC as in force and effect on the date of this Registration Document;

(g) The charters of Aegon´s audit committee and the remuneration committee;

(h) Relevant press releases subsequent to September 30, 2017;

Aegon completes sale of Unirobe Meeùs Groep

[1] The information included in the Solvency and Financial Condition Report as of December 31, 2016 (the "**Solvency Report**") has been prepared by, and is the responsibility of Aegon's management. PricewaterhouseCoopers Accountants N.V. has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the Solvency Report. Accordingly, PricewaterhouseCoopers Accountants N.V. does not express an opinion or any other form of assurance with respect to the Solvency Report.

Aegon reports strong increase in earnings and capital ratio in 3Q 2017 - Aegon

As long as this Registration Document is valid as described in Article 9 of the Prospectus Directive, copies of the above-mentioned documents as well as any annual and interim accounts to be published in the future are accessible via Aegon´s corporate website www.aegon.com, in the Investors & Media section (with the exception of the information mentioned above, the other information found at this website is not incorporated by reference into this document). A copy of all documents is available for inspection during the life of this Registration Document at request, free of charge, by writing or telephoning us at:

Investor Relations
Aegon N.V.
P.O. Box 85
2501 CB The Hague
The Netherlands
E-mail: ir@aegon.com
Telephone number: +31 70 344 8305
www.aegon.com

4. Third party information

Where information has been sourced from a third party, this information has been accurately reproduced and, as far as Aegon is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Aegon´s position in its markets as disclosed in the annual reports in the section 'Business overview' is based on various external sources and company estimates. These external sources include: Associations of Insurance Companies in the UK, Hungary, the Ukraine, Spain and France, the financial supervisory authorities in Poland and Romania, and the regulators in China (CIRC) and India (IRDA). The Dutch Central Bank, the Centrum voor verzekeringsstatistiek and Motivaction+ are among the external sources used in The Netherlands and in the Americas external sources used include LIMRA, the Stable Value Investment Association and Brand Power Analysis.

5. Statutory Auditors

The consolidated financial statements Aegon N.V. as of and for each of the years ended December 31, 2016, 2015 and 2014, incorporated by reference in this Registration Document, have been audited by PricewaterhouseCoopers Accountants N.V., an independent registered public accounting firm located at Thomas R. Malthusstraat 5, 1066 JR, Amsterdam, the Netherlands, as stated in their auditor's reports incorporated by reference herein. The auditor signing the auditor's reports on behalf of PricewaterhouseCoopers is a member of the Netherlands Institute of Chartered Accountants (Nederlandse Beroepsorganisatie van Accountants).

The unaudited condensed consolidated interim financial statements of Aegon N.V. as of and for three-month period ended March 31, 2017, as of and for the six-month period ended June 30, 2017 and as of and for the nine-month period ended September 30, 2017, incorporated by reference in this Registration Document, have been reviewed by PricewaterhouseCoopers Accountants N.V., as stated in their review reports incorporated by reference herein. PricewaterhouseCoopers Accountants N.V. reported that they have applied limited procedures in accordance with professional standards for a review and therefore their review reports dated May 10, 2017, August 9, 2017 and November 8, 2017, respectively state that they did not audit and they do not express an opinion on these unaudited condensed consolidated interim financial statements. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied.

6. Information about Aegon N.V.

Aegon N.V., domiciled in the Netherlands, is a public limited liability company (*naamloze vennootschap*) incoprorated under Dutch law. Aegon was formed in 1983 through the merger between two Dutch insurance companies, AGO and Ennia, both of which were successors to insurance companies founded in the 1800s. Aegon has its registered office at Aegonplein 50, 2591 TV The Hague, The Netherlands and the telephone number of this office is +31 (70) 344 8305.

Aegon, through its member companies that are collectively referred to as Aegon or the Aegon Group, is an international life insurance, pension and asset management company. Aegon is headquartered in the Netherlands and employs, through its subsidiaries, over 29,000 people worldwide. Aegon´s common shares are listed on stock exchanges in Amsterdam (NYSE Euronext) on which they trade under the symbol "AGN" and New York (NYSE) under the symbol "AEG".

Aegon N.V. is a holding company. Aegon Group´s businesses focus on life insurance, pensions and asset management. Aegon Group is also active in accident, supplemental health, and general insurance, and has some limited banking activities. The Company's operations are conducted through its operating subsidiaries.

The main operating units of Aegon Group are separate legal entities organized under the laws of their respective countries. The shares of those legal entities are directly or indirectly held by three intermediate holding companies incorporated under Dutch law: Aegon Europe Holding B.V., the holding company for all European activities; Aegon International B.V., which serves as a holding company for the Aegon Group companies of all non-European countries; and Aegon Asset Management Holding B.V., the holding company for some of its asset management entities.

Aegon operates in over 20 countries in the Americas, Europe and Asia, and serves millions of customers. Aegon's main global brands are Aegon and Transamerica, together with Aegon Asset Management, Blue Square Re, and Transamerica Ventures. Its main markets are the United States, the Netherlands and the United Kingdom.

The Company encourages product innovation and fosters an entrepreneurial spirit within its businesses. New products and services are developed by local business units with a continuous focus on helping people take responsibility for their financial future. Aegon uses a multi-brand, multichannel distribution approach to meet its customers' needs.

Aegon conducts its operations through five primary segments:
1. Americas: one operating segment which covers business units in the United States, Brazil and Mexico, including any of the units' activities located outside these countries;
2. Europe: which covers the following operating segments: the Netherlands, United Kingdom (including VA Europe), Central & Eastern Europe and Spain & Portugal;
3. Asia: one operating segment which covers businesses operating in Hong Kong, China, Japan, India and Indonesia including any of the units' activities located outside these countries;
4. Asset Management: one operating segment which covers business activities from Aegon Asset Management;
5. Holding and other activities: one operating segment which includes financing, employee and other administrative expenses of holding companies.

For Europe, the underlying businesses (the Netherlands, United Kingdom including VA Europe, Central & Eastern Europe and Spain & Portugal) are separate operating segments which under IFRS 8 cannot be aggregated.

7. Articles of Association Aegon N.V.

Aegon N.V. has its statutory seat in The Hague, the Netherlands. Aegon is registered under number 27076669 in the Commercial Register of the Chamber of Commerce and Industries for Haaglanden, The Hague, The Netherlands.

Certain provisions of Aegon´s current Articles of Association are discussed below.

7.1 Objects and purposes

Article 3 of the Articles of Association dated May 29, 2013, reads as follows:

(1) The objects of Aegon are to incorporate, acquire and alienate shares and interests in, to finance and grant security for commitments of, to enter into general business relationships with, and to manage and grant services to legal entities and other entities, in particular those involved in the insurance business, and to do all that is connected therewith or which may be conducive thereto, all to be interpreted in the broadest sense.

(2) In achieving the aforesaid objects due regard shall be taken, within the scope of sound business operations, to provide fair safeguards for the interests of all the parties directly or indirectly involved in Aegon.

7.2 Provisions related to directors

For information with respect to provisions in the Articles of Association relating to members of the Supervisory Board and Executive Board, see the Articles of Association dated May 29, 2013, available on Aegon´s company website and refer to Governance section included in Aegon´s Annual Report 2014 from page 92 to 111.

7.3 Description of Aegon´s capital stock

Aegon has two classes of shares: common shares and common shares B, each with a nominal value of EUR 0.12 and a full voting right of one vote per share.

Common characteristics of the common shares and common shares B:

(1) All shares are in registered form.

(2) All shares have dividend rights except for those shares (if any) held by Aegon as treasury stock. Dividends which have not been claimed within five years lapse to Aegon.

(3) Each currently outstanding share is entitled to one vote except for shares held by Aegon as treasury stock. There are no upward restrictions.

However, Aegon N.V. and Vereniging Aegon entered into a Voting Rights Agreement whereby Vereniging Aegon has agreed voluntarily to waive the full voting right on the common share B except in certain circumstances, which qualify as Special Cause. These circumstances may include a hostile takeover bid for all or part of the company. In the ordinary course of business Vereniging Aegon may cast one vote for 40 common shares B it holds. In case of a special cause, Vereniging Aegon may cast one vote for every common share B it holds, resulting in a Special Cause voting right of 32.6%.

(4) All shares have the right to participate in Aegon´s net profits. Net profits is defined as the amount of profits after contributions, if any, to a reserve account.

(5) In the event of liquidation, all shares have the right to participate in any remaining balance after settlement of all debts.

(6) The General Meeting of Shareholders may, at the proposal of the Executive Board, as approved by the Supervisory Board, resolve to reduce the outstanding capital either by (i) repurchasing shares and subsequently canceling them, or (ii) by reducing their nominal share value.

(7) There are no sinking fund provisions.

(8) All issued shares are fully paid-up; so there is no liability for further capital calls.

(9) There are no provisions discriminating against any existing or prospective holder of shares as a result of such shareholder owning a substantial number of shares.

Differences between common and common shares B

(1) The common shares are listed; the common shares B are not listed;
(2) The financial rights attaching to a common share B are one-fortieth (1/40th) of the financial rights attaching to a common share;
(3) In absence of a Special Cause (as defined in the Voting Righs Agreement between Aegon N.V. and Vereniging Aegon), holders of common shares B may only vote one vote for 40 common Shares B; and
(4) A repayment on common shares B needs approval of the holders of common shares B.

7.4 Actions necessary to change the rights of shareholders

A change to the rights of shareholders would require an amendment to the Articles of Association. The General Meeting of Shareholders (annual General Meeting or extraordinary General Meeting) may only pass a resolution to amend the Articles of Association pursuant to a proposal of the Executive Board with the approval of the Supervisory Board. The resolution requires a majority of the votes cast at the meeting in order to pass. The actual changes to the text of the Articles of Association will be executed by a civil law notary.

Furthermore, a resolution of the General Meeting of Shareholders to amend the Articles of Association which has the effect of reducing the rights attributable to holders of a specific class shall be subject to the approval of the meeting of holders of such class.

7.5 Conditions under which meetings are held

Annual General Meetings and extraordinary General Meetings of Shareholders shall be convened by public notice. Notice must be given no later than 42 days prior to the date of the meeting. The notice must contain a summary agenda and indicate the place where the complete agenda together with the documents pertaining to the agenda may be obtained. The agenda is also sent to shareholders registered with the Company Register. New York Registry shareholders or their brokers receive a proxy solicitation notice.

For admittance to and voting at the meeting, shareholders must produce evidence of their shareholding as of the record date. The Dutch law determines that the record date is 28 days prior to the General Meeting of Shareholders. Shareholders must notify Aegon of their intention to attend the meeting.

7.6 Limitation on the right to own securities

There are no limitations, either under the laws of the Netherlands or in Aegon´s Articles of Association, on the rights of non-residents of the Netherlands to hold or vote Aegon common shares.

7.7 Provisions that would have the effect of delaying a change of control

A resolution of the General Meeting of Shareholders to suspend or dismiss a member of the Executive Board or a member of the Supervisory Board, other than pursuant to a proposal by the Supervisory Board, shall require at least two-thirds of the votes cast representing more than one-half of the issued capital.

In the event a Special Cause occurs (such as the acquisition of 15% of Aegon's voting shares, a tender offer for Aegon's shares or a proposed business combination by any person or group of persons, whether individually or as a group, other than in a transaction approved by the Executive Board and Supervisory Board), Vereniging Aegon will be entitled to exercise its full voting rights of one vote per each common share B for up to six months per Special Cause, thus increasing its current voting rights to 32.64%.

7.8 Threshold above which shareholder ownership must be disclosed

There are no such provisions in the Articles of Association. Dutch law requires public disclosure to an Authority for Financial Markets with respect to the ownership of listed shares when the following thresholds are met: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

7.9 Special Conditions Governing Changes in the Capital

There are no conditions more stringent than what is required by law.

8. Legal and arbitration proceedings, regulatory investigations and actions

8.1 Legal and arbitration proceedings, regulatory investigations and actions

Aegon faces significant risks of litigation as well as regulatory investigations and actions relating to its and its subsidiaries' insurance, pensions, securities, investment management, investment advisory and annuities businesses as well as Aegon's corporate compliance, including compliance with employment, sanctions, anti-corruption and tax regulations.

Aegon subsidiaries regularly receive inquiries from local regulators and policyholder advocates in various jurisdictions, including the United States, the Netherlands, and the United Kingdom. In some cases, Aegon subsidiaries have modified business practices in response to inquiries or findings of inquiries. Regulators may seek fines or penalties, or changes to the way Aegon operates.

Insurance companies are routinely subject to litigation, investigation and governmental review concerning transparency and adequacy of disclosure, particularly regarding product fees and costs, including initial costs, ongoing costs, and costs due on policy surrender as well as changes to costs over time; employment or distribution relationships; operational controls and processes; environmental matters; competition and antitrust matters; data privacy; information security; intellectual property; and anti-money laundering, anti-bribery and economic sanctions compliance.

Many of Aegon's products are affected by fluctuations in equity markets as well as interest rate movements, which may prove to be volatile or disappointing to customers. Significant investment risks are often borne by the customer. Disputes and investigations initiated by governmental entities and private parties may lead to orders or settlements including payments or changes to business practices even if Aegon believes the underlying claims are without merit.

The existence of potential claims may remain unknown for long periods of time after the events giving rise to such claims. Determining the likelihood of exposure to Aegon and the extent of any such exposure may not be possible for long periods of time after Aegon becomes aware of such potential claims. Once litigation is initiated, it may be protracted and subject to multiple levels of appeal.

Aegon cannot predict the effect of litigation, investigations or other actions on its businesses or the insurance industry. In some jurisdictions, plaintiffs may seek recovery of very large or indeterminate amounts under claims of bad faith, resulting in punitive or treble damages. Damages alleged may not be quantifiable or supportable, or may have no relationship to economic losses or final awards. Separate from financial loss, litigation, regulatory action, legislative changes or changes in public opinion may require Aegon to change its business practices, which could have a material adverse impact on Aegon's businesses, results of operations, cash flows and financial position.

Aegon has defended and will continue to defend itself vigorously when it believes claims are without merit. Aegon has also settled and will seek to settle certain claims, including through policy modifications, as it believes appropriate. While Aegon intends to resist claims, there can be no assurance that claims brought against Aegon will not have a material adverse impact on its businesses, results of operations, and financial position.

Proceedings in which Aegon is involved

Aegon and other US insurers have been sued for charging fees on products offered in 401(k) platforms which allegedly were higher than fees charged on other products available in the market and for recordkeeping fees charged to such plans. The principal case, which involves recordkeeping fees, is currently on interlocutory appeal. US insurers, including Aegon's subsidiaries, have also been named in individual and class action litigation relating to increases in monthly deductions made to universal life products. Plaintiffs generally allege that the rates were increased to recoup past losses rather than to cover the future costs of providing insurance coverage. In the first case to reach trial, the jury found that the increase was improperly determined. That case and others remain ongoing. At this time it is impracticable for Aegon to quantify a range or maximum liability or the timing of the financial impact, if any, of these matters, as the potential financial impacts are dependent both on the outcomes of court proceedings and future developments in financial markets and mortality. If decided adversely to Aegon, these claims could have a material adverse effect on Aegon's business, results of operations, and financial position.

The US Securities and Exchange Commission is conducting a formal investigation related to certain investment strategies offered through mutual funds, variable products and separately managed accounts. These strategies used quantitative models for managing asset allocation developed by one of the former portfolio managers of our US investment management business unit. Among other things, the investigation relates to the operation of and/or the existence of errors in the quantitative models in question and related disclosures. The funds and strategies under review were sub-advised, advised or marketed by our US group companies. The models are no longer being used although some of the funds are still being offered. The money management strategies are no longer being offered. Aegon is cooperating fully with the investigation. Government investigations, including this one, may result in the institution of administrative, injunctive or other proceedings and/or theimposition of monetary fines, penalties and/or disgorgement as well as other remedies, sanctions, damages and restitutionary amounts. While Aegon is unable to predict what action, if any, the SEC might take and is unable to predict the costs to or other impact of any such action, there can be no assurances that this matter or other government investigations will not have a material and adverse effect on Aegon's reputation, financial position, results of operations or liquidity.

Unclaimed property administrators and state insurance regulators performed examinations of the life insurance industry in the United States, including certain of Aegon's subsidiaries, including multi-state examinations. One such action remains unresolved in the State of West Virginia. Aegon subsidiaries, like other major US insurers, entered into resolutions with state treasurers and insurance regulators regarding unclaimed property and claims settlement practices. As of 2016, EUR 1.5 million remained in provisions, which is management's best estimate of the still-outstanding exposure. The final amount may vary based on subsequent regulatory review.

A former subsidiary of Transamerica Corporation was involved in a contractual dispute with a Nigerian travel broker over an alleged contract dispute that arose in 1976. That dispute was resolved in Delaware court for USD 235,000 plus interest in 2010. The plaintiff took the Delaware judgment relating to the 1976 dispute to a Nigerian court and alleged that it was entitled to approximately the same damages for 1977 through 1984 despite the absence of any contract relating to those years. The Nigerian trial court issued a judgment in favor of the plaintiff of the alleged actual damages as well as pre-judgment interest of approximately USD 120 million. On appeal this decision was reversed in 2016 but a new trial remains possible. Aegon has no material assets located in Nigeria.

In Poland, owners of unit-linked policies filed claims in civil court against Aegon over fees payable upon purchase or surrender of the product. For reasons of commercial necessity as well as at the instigation of the regulatory authorities, Aegon decided to modify the fee structure. Aegon faces a significant number of cases in which plaintiffs claim that these fees are not contractually supported. As of 2016, a provision of EUR 24 million exists, which represents management's best estimate of the exposure. The final amount may vary based on regulatory developments and the outcome of litigation.

In the Netherlands, unit linked products ('*beleggingsverzekeringen*') have been controversial and the target of litigation since at least 2005. Allegations include excessive cost, inadequate disclosure, and failure to perform as illustrated. Consumer groups have formed to address these issues and initiate mass claims against insurers. Regulators as well as the Dutch Parliament have been involved ever since, with the principal goal of achieving an equitable resolution. Aegon expects the claims and litigation on unit linked products to continue for the foreseeable future. Developments in similar cases against other Dutch insurers currently before regulators and courts may also affect Aegon. In March 2014, consumer interest group Vereniging Woekerpolis.nl filed a claim against Aegon in court. The claim related to a range of unit-linked products that Aegon sold in the past, including Aegon products involved in earlier litigation. The claim challenges a variety of elements of these products, on multiple legal grounds, including allegations made previously. In June of 2017, the court issued a verdict which upheld the principle that disclosures must be evaluated according to the standards at the time when the relevant products were placed in-force. Most of the claims of Vereniging Woekerpolis.nl were dismissed under this standard, although the court found that Aegon did not adequately disclose certain charges on a limited set of policies. This court decision has been appealed. This claim is being vigorously defended. At this time, in the absence of a class action proceeding mechanism to establish collective damages and due to the highly individualized nature of the underlying policies, Aegon is unable to estimate the range or potential maximum liability. There can be no assurances that these matters, in the aggregate, will not ultimately result in a material adverse effect on Aegon's business, results of operations and financial position.

Securities leasing products ('*aandelenlease producten*') have also been the subject of litigation in the Netherlands. Although sales of securities leasing products ended more than a decade ago, litigation relating to these products has resurfaced. In 2016, the Dutch Supreme Court ruled on a case involving a securities leasing product sold by one of Aegon's competitors. It decided that the financial institution was liable if a broker ('*remisier*') that advised on the sale of the institution's products was not properly licensed. In July 2016, consumer interest group Platform Aandelenlease filed a class action claim against Aegon Bank regarding securities leasing product Sprintplan. In October 2017, the District Court In The Hague declared this claim inadmissible. Platform Aandelenlease has announced it will appeal. Allegations include, among other things, a lack of a proper license of the brokers involved. Aegon will continue to defend itself vigorously against these claims. Due to the highly individualized nature, Aegon at this stage is unable to estimate the range or potential maximum liability. Notwithstanding the judgment of the District Court, there can be no assurances that this matter will not ultimately result in a material adverse effect on Aegon's business, results of operations and financial position.

8.2 Effect of litigation or other proceedings

While it is not feasible to predict or determine the ultimate outcome of all pending or threatened litigation, investigations and regulatory action, Aegon is of the opinion it has not been involved in any litigation or other proceedings (including any such proceedings which are pending or threatened of which it is aware) in the last twelve months preceding the date hereof which may have or had in such period any significant negative effects on the financial position or profitability of Aegon N.V. or the Group, other than the litigation described above under 8.1, "*Proceedings in which Aegon is involved*".

9. Information about Aegon Funding Company LLC

AEGON Funding Company LLC (AFC) was incorporated on May 21, 1999, and operates under the laws of the State of Delaware. AFC is an indirect wholly owned subsidiary of Aegon N.V. AFC is a direct wholly owned subsidiary of Transamerica Corporation and has no subsidiaries of its own. AFC was established as a financing vehicle to be used to raise funds for the U.S. subsidiaries of Aegon N.V. AFC's registered office is at The Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801, USA, and the telephone number of this office is 1 (302)-658-7581. AFC's Delaware Department of State, Division of Corporations File Number is 3033879.

9.1 Guarantees

If AFC issues any debt securities, Aegon N.V. will fully and unconditionally guarantee the due and punctual payment of the principal of, any premium and any interest on those debt securities, when and as these payments become due and payable, whether at maturity, upon redemption or declaration of acceleration, or otherwise.

The guarantees of the guaranteed senior debt securities will constitute an unsecured, unsubordinated obligation of Aegon N.V. and will rank equally with all other unsecured and unsubordinated obligations of Aegon N.V. The guarantees of the guaranteed subordinated debt securities will constitute an unsecured obligation of Aegon N.V. and will be subordinated in right of payment to all senior indebtedness of Aegon N.V.

Aegon N.V. has (1) agreed that its obligations under the guarantees of the guaranteed debt securities will be as principal obligor and not merely as surety, and will be enforceable irrespective of any invalidity, irregularity or unenforceability of the guaranteed debt securities or the indenture and (2) waived any right to require a proceeding against AFC, before its obligations under the guarantees shall become effective.

Copies of any guarantees to be issued by Aegon for specific transactions may be inspected at the registered office of Aegon at Aegonplein 50, 2591 TV The Hague, The Netherlands and on www.aegon.com.

9.2 Objects and purposes

As stated in Item 1.3 of AFC's Limited Liability Company Agreement, the nature the business or purposes of AFC are: (a) to issue debt securities, the net proceeds of which will be used to make loans to Aegon N.V. and its affiliates and to engage in any other activities which are necessary or desirable to effectuate, or are incidental to, the foregoing; and (b) to carry out its obligations and duties in connection with and to conduct such other activities and enter into such other agreements as it deems necessary or appropriate to carry out the foregoing.

9.3 Directors and senior management

All directors and officers are also directors and/or officers of one or more Aegon affiliated companies. There are no potential conflicts of interests between any duties to AFC of any of the directors or officers and their private interests and/or other duties. AFC does not have an Audit Committee. AFC was originally formed pursuant to the General Corporation Law of the State of Delaware, USA and was subsequently converted to a limited liability company under the Delaware Limited Liability Company Act.

Directors
C. Michiel van Katwijk (Chairman of the Board and President), having his business address at 100 Light Street, Baltimore, MD, USA, is also Executive Vice President, Chief Financial Officer and Treasurer of Transamerica Corporation. In his capacity as Chairman of the Board and President of AFC, Mr. Van Katwijk provides oversight in regard to the activities of AFC.

Jason Orlandi (Senior Vice President, Secretary and General Counsel), having his business address at 100 Light Street, Baltimore, MD, USA, is also Executive Vice President, Secretary and General Counsel of Transamerica Corporation. In his capacity as Senior Vice President, Secretary and General Counsel of AFC, Mr. Orlandi acts as the chief legal officer of AFC and maintains the records of all meetings of the stockholders and the Board of Directors. He is the custodian of all contracts, deeds, documents and all other indicia of title to properties owned by AFC and of its other corporate records.

Eric Martin (Treasurer), having his business address at 4333 Edgewood Road NE, Cedar Rapids, IA 52499, USA, is also the Controller and Senior Vice President for Transamerica Corporation. In his capacity as Treasurer of AFC, Mr. Martin keeps complete and accurate accounts of receipts and disbursements on the books of AFC.

9.4 Material adverse change

There has been no material adverse change in the prospects of AFC since the last published audited financial statements of Aegon of December 31, 2016. Furthermore there has been no significant change in the financial or trading position of AFC since the last published audited financial statements of Aegon of December 31, 2016.

9.5 Legal and arbitration proceedings

As far as AFC is aware, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have or have had in the previous twelve months, significant effects on the financial position or profitability of AFC.

9.6 Investments

AFC did have principal investments as recently as December 2014 however those investments were liquidated and the cash was moved to Aegon NV as part of our end of the distribution payment. No future principal investments are currently considered by AFC.

9.7 Material contracts

There are no material contracts, other than the guarantee as described above, that are not entered into in the ordinary course of AFC's business which could result in a group member being under an obligation or entitlement that is material to AFC's ability to meet its obligations to security holders in respect to the securities being issued.

9.8 Capitalisation

AFC's authorized share capital consists of 2,000 common shares at USD 0.01 par value per share. The issued share capital consists of 1,470 shares which have been issued toTransamerica Corporation with an issue price of USD 0.01 per share.

9.9 Financial data

AFC does not have independently audited financial data. It is not required to publish audited financial data. AFC's financial data are included in Aegon NV's consolidated financial data, which are audited. There is no published financial data available for AFC.

9.10 Risk factors

For the risk factors regarding Aegon Funding Company LLC, refer to paragraph 1 *Risk Factors*.

10. Executive Board of Aegon N.V.

The Executive Board is charged with the management of the company. Each member of the Board has duties related to his or her specific areas of expertise. The number of Executive Board members and the terms of their Engagement Agreement are determined by Aegon´s Supervisory Board. Executive Board members are appointed by the General Meeting of Shareholders following nomination by the Supervisory Board.

Alexander R. Wynaendts, CEO (1960, Nationality: Dutch), began his career in 1984 with ABN AMRO Bank, working in Amsterdam and London in the Dutch bank's capital markets, asset management, corporate finance and private banking operations. In 1997, Mr. Wynaendts joined Aegon as Senior Vice President for Group Business Development. He was appointed member of Aegon´s Executive Board in 2003, overseeing the company's international growth strategy. In April 2007, Mr. Wynaendts was named Aegon´s Chief Operating Officer. A year later, he became CEO and Chairman of Aegon´s Executive Board and Management Board. Mr. Wynaendts has been reappointed as member of the Executive Board in the Annual General Meeting of Shareholders of Aegon N.V. in 2015. His current term of office will end in 2019. Since May 2016, Mr. Wynaendts is an Independent Director of the Board of Air France-KLM S.A. and since May 2017 a Member of the Supervisory Board of Puissance B.V. (not listed). Mr. Wynaendts has held no other external board memberships in the past five years.

Matthew J. Rider, CFO (1963, Nationality: American) began his career at Banner Life Insurance Company and held various management positions at Transamerica, Merrill Lynch Insurance Group and ING before joining Aegon.
From 2010 to 2013, he was Chief Administration Officer and a member of the Management Board at ING Insurance, based in the Netherlands. In this role he was responsible for all of ING's insurance and asset management operations, and specifically for Finance and Risk Management. Mr. Rider joined Aegon on January 1, 2017 and was appointed as CFO and member of the Executive Board of Aegon at the Annual General Meeting of Shareholders of Aegon N.V. of May 19, 2017. He has held no other external board memberships in the past five years.

In the last 5 years, none of the members of the Executive Board has been declared, by a judicial authority, to have acted fraudulently or to be incapable to act as a member of a supervisory body or management body of an issuing institution. In the last 5 years, none of the members of the Executive Board has been involved, in the capacity of a member of a supervisory body or management body of a company, in any bankruptcy, suspension of payment or winding-up of such company. Furthermore, in the last five years, none of the members of the Executive Board has been officially incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies).

There are no potential conflicts of interest with respect to the members of the Executive Board between their duties to Aegon and their private interests and/or other duties, except for their positions as member of the Executive Committee of Vereniging Aegon, as described on page 123 of Aegon´s Annual Report 2016.

11. Management Board of Aegon N.V.

Aegon´s Executive Board is assisted in its work by the Management Board. Besides the members of the Executive Board, the Management Board consists of the following members:

Mark Bloom, (1964, Nationality: American), has over 30 years' experience in information technology. He joined Aegon from Citi in February 2016, where he served as Global Head of Consumer Digital and Operations Technology, responsible for Digital, Data and Operations technology solutions and innovations, including Citi's online and mobile banking applications, ATMs, and Call Center technologies. Prior to that, he held a number of technology leadership positions in financial services and the aerospace industry. At Aegon, as Global Chief Technology Officer, Mr. Bloom is responsible for leading the company's technology and innovation activities, including leadership of Aegon's digital initiatives, leveraging technology to drive efficiency and focus on improving the customer experience. Mr. Bloom was appointed as a member of the Management Board in August 2016. Mr. Bloom has held no other external board memberships in the past five years.

Adrian Grace, (1963, Nationality: British) held various roles within GE capital, Sage Group Inc. and joined Barclays Bank in 2004 as Chief Executive of the Insurance Business. In 2007 he joined HBOS after which he started with Aegon as CEO of the UK in 2011. He became member of the Management Board of Aegon in 2012 and is a non-executive Director at Clydesdale Bank and a member of the Financial Conduct Authority practitioners' panel. Mr. Grace was member of the Board of Scottish Financial Enterprise up until June 2013 and held no other external board memberships in the past five years.

Allegra C.C. van Hövell-Patrizi, (1974, Nationality: Italian), began her career in 1996 at McKinsey & Company, specializing in financial institutions. After several years as a partner there, she joined F&C Asset Management in 2007 as a member of the Management Committee. In 2009, she joined Prudential plc where she became Group Risk Director, and a member of the Group Executive Risk Committee, as well as the PUSL Board (within the Prudential plc group). Ms. Van Hövell-Patrizi joined Aegon at the end of 2015. She was appointed Chief Risk Officer of Aegon N.V. and a member of Aegon's Management Board in January 2016. Ms. Van Hövell-Patrizi has held no other external board memberships in the past five years.

Marco B.A. Keim, (1962, Nationality: Dutch), began his career with accountants' firm Coopers & Lybrand / Van Dien. He has also worked at aircraft maker Fokker Aircraft and NS Reizigers, part of the Dutch railway company, NS Group. In 1999, he joined Swiss Life in the Netherlands as a member of the Board, and was appointed CEO three years later. Mr. Keim was appointed CEO of Aegon the Netherlands and member of Aegon's Management Board in June 2008. As from January 2017, Mr. Keim is the Head of Aegon Continental Europe. He was a member of the Supervisory Board of AMVEST Vastgoed B.V. up until June 2013 and Board Member at the Verbond van Verzekeraars. Mr. Keim is a member of the Supervisory Board Member of Eneco Holding N.V. and holds a board position at VNO-NCW Mr. Keim has held no other external board memberships in the past five years.

Onno van Klinken, (1969, Nationality: Dutch), has over 20 years' experience providing legal advice to a range of companies and leading Executive Board offices. Mr. Van Klinken started his career at Allen & Overy, and previously worked for Aegon between 2002 and 2006. He served as Corporate Secretary for Royal Numico, the Dutch baby food company, before it was acquired by Groupe Danone. His next position was as General Counsel for the Dutch global mail and express group TNT, where he served from 2008 until the legal demerger of the group in 2011. This was followed by General Counsel positions at D.E. Master Blenders 1753 and Corio N.V.. Mr. Van Klinken rejoined Aegon in 2014 as General Counsel responsible for Group Legal, Regulatory Compliance, the Executive Board Office and Government and Policy Affairs. Mr. Van Klinken has been a member of Aegon's Management Board since August 2016. Mr. Van Klinken was appointed Member of the Board of Stichting Continuïteit SBM Offshore in 2017. He has not held any other external board memberships in the past five years.

Carla Mahieu, (1959, Nationality: Dutch), started her career in 1984 at Royal Dutch Shell, where she held various management positions within Human Resources, Communications and Corporate Strategy. Following several years as a consultant – during which time she worked for Spencer Stuart, among other companies – Ms. Mahieu was appointed Senior Vice President Corporate Human Resource Management at Royal Philips Electronics in 2003. Ms. Mahieu joined Aegon in 2010 as Global Head of Human Resources, and has been a member of Aegon's Management Board since August 2016. Ms. Mahieu is a member of the Supervisory Board of the Royal BAM Group and the Supervisory Board of VodafoneZiggo Group B.V. She has held no other external board memberships in the past five years.

Mark Mullin, (1963, Nationality: American, has spent more than 20 years with Aegon in various management positions in both the United States and Europe. Mr. Mullin has served as President and CEO of one of Aegon´s US subsidiaries, Diversified Investment Advisors, and as head of the company’s annuity and mutual fund businesses. He was named President of Aegon Americas in 2009 and became President and CEO of Aegon Americas and a member of the Management Board in 2010. Mr. Mullin was appointed Chairman of the Board of Directors of the American Council of Life Insurers in October 2017. Mr. Mullin has not held any external board memberships in the past five years.

Sarah Russell, (1962, Nationality: Australian), has 25 years' experience in international finance and asset management. Ms. Russell began her career at Toronto Dominion in Melbourne before joining ABN AMRO in 1994 She moved to the Netherlands in 2000, where she held a number of various roles, leading to her appointment as CEO of ABN AMRO's asset management operations. Ms. Russell joined Aegon Asset Management as CEO in 2010, and has been a member of Aegon’s Management Board since August 2016. Ms. Russell is a non-executive director of Nordea Bank AB since 2010 and also holds a Supervisory Board member position at the Nederlandse Investeringsinstelling and is Vice Chairman of the Supervisory Board of La Banque Postale Asset Management. Ms. Russell has held no other external board memberships in the past five years.

In the last 5 years, none of the members of the Management Board has been declared, by a judicial authority, to have acted fraudulently or to be incapable to act as a member of a supervisory body or management body of an issuing institution. In the last 5 years, none of the members of the Management Board has been involved, in the capacity of a member of a supervisory body or management body of a company, in any bankruptcy, suspension of payment or winding-up of such company. Furthermore, in the last five years, none of the members of the Management Board has been officially incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies).

There are no potential conflicts of interest with respect to the members of the Management Board between their duties to Aegon and their private interests and/or other duties.

12. Supervisory Board of Aegon N.V

Aegon´s Supervisory Board oversees the management of the Executive Board as well as the overall course of the company’s business and corporate strategy and shall take into account the relevant interests of Aegon´s stakeholders. The Supervisory Board operates according to the principles of collective responsibility and accountability. The Supervisory Board may also assist the Executive Board by offering advice. Members are appointed by the General Meeting of Shareholders upon nomination by the Supervisory Board.

Robert J. Routs, chairman (1946, Nationality: Dutch), is a former Executive Director for Downstream at the energy company Royal Dutch Shell. He was appointed to Aegon´s Supervisory Board in April 2008 and became Chairman in April 2010. Mr. Routs was re-appointed as a member of the Supervisory Board during the 2016 Annual General Meeting of Shareholders and his final term ends in 2020. Mr. Routs is chairman of the Supervisory Board Nomination and Governance Committee and a member of the Supervisory Board Remuneration Committee. Mr. Routs is also chairman of the Supervisory Board of Royal DSM N.V. and sits on the Board of Directors of ATCO Ltd., A.P. Møller-Mærsk A/S and AECOM Technology Corporation. He is a former non-executive director at UPM and former vice-chairman of the Supervisory Board of Royal KPN N.V. He has held no other board memberships in the past five years.

William L. Connelly, (1958, Nationality: French), is a former member of the Management Board of ING Bank, where he was responsible for all of ING's corporate, financial institutions and financial markets activities. He started his professional career at Chase Manhattan Bank, fulfilling senior roles in commercial and investment banking in the United States, United Kingdom, France, Spain and the Netherlands. He was appointed to Aegon's Supervisory Board in 2017 and his current term ends in 2021. He is a member of the Supervisory Board Audit Committee and a member of the Supervisory Board Remuneration Committee. Mr. Connelly is also an independent director at the Board of Directors of Société Générale. He has held no other board memberships in the past five years.

Robert W. Dineen, (1949, Nationality: American), was Vice Chairman of Lincoln Financial Network (LFN) and a member of the Senior Management Committee of Lincoln Financial Group (LFG), before retiring in 2013. Before joining Lincoln Financial Group, Mr. Dineen was Senior Vice President and head of Merrill Lynch’s Managed Asset Group. He was appointed to Aegon´s Supervisory Board in May 2014 and his current term will end in 2018. He is a member of the Supervisory Board Audit Committee and the Supervisory Board Risk Committee. Mr. Dineen is also the non-executive Chairman of the Board of Aretec Inc (not listed, located in the US) and was a member of Lincoln New York Life Company Board. Mr. Dineen has held no other board memberships in the past five years.

Mark E. Ellman, (1957, Nationality: American), is a former Vice Chairman Global Origination of Bank of America/Merrill Lynch. Before joining Bank of America/Merrill Lynch, he held various roles in the US insurance industry, mostly working in corporate finance at large US financial institutions, where he was engaged in M&A advice and transactions and equity and debt raisings for insurance companies. He was founding partner of Barrett Ellman Stoddard Capital Partners. He was appointed to Aegon's Supervisory Board in 2017 and his current term ends in 2021. He is member of the Supervisory Board Audit Committee and a member of the Supervisory Board Risk Committee. Mr. Ellman was a non-executive director of Aegon US from 2012 to 2017. He has held no other board memberships in the past five years.

Ben J. Noteboom, (1958, Nationality: Dutch), worked for Randstad Holding N.V. from 1993 until 2014, where he was appointed member of the Executive Committee in 2001 and became CEO in 2003. Before joining Randstad, Mr. Noteboom worked for Dow Chemical in several international management functions from 1984 until 1993. He started his career in 1982 at Zurel as management assistant. He was appointed to Aegon´s Supervisory Board in May 2015 and his current term will end in 2019. He is chairman of the Supervisory Board Remuneration Committee and a member of the Supervisory Board Risk Committee. Mr. Noteboom is also a member of the Supervisory Board of Royal Ahold N.V., Wolters Kluwer N.V. and Chairman of the Supervisory Board of Royal Vopak NV. In addition, Mr. Noteboom is a member of the Board of Directors of VUmc Cancer Center Amsterdam. He has held no other board memberships in the past five years.

Ben van der Veer, (1951, Nationality: Dutch), is former Chairman of the Board of Management of KPMG N.V. Mr. Van der Veer retired from KPMG per September 30, 2008. He was appointed to Aegon´s Supervisory Board as per October 2008. Mr. van der Veer has been re-appointed as a member of the Supervisory Board during the Aegon NV AGM of 2016 and his current term will end in 2020. He is chairman of the Supervisory Board Audit Committee and a member of the Supervisory Board Nomination and Governance Committee. Mr. Van der Veer is a non-executive member of the Board of Directors of RELX N.V., RELX PLC and RELX Group PLC. He is also a member of the Supervisory Board of Royal FrieslandCampina N.V. (not listed) and a former member of the Supervisory Board of Royal Imtech N.V., TomTom N.V. and Siemens Nederland N.V. (not listed). Mr. Van der Veer has held no other board memberships in the past five years.

Dirk P.M. Verbeek, (1950, Nationality: Dutch) is a former Executive Board member and former vice-president Emeritus of Aon Group. Mr. Verbeek was appointed to Aegon's Supervisory Board in 2008, and his current term ends in 2020 following his reappointment during the 2016 Annual General Meeting of Shareholders. He is a member of the Supervisory Board Risk Committee and the Supervisory Board Nomination and Governance Committee. Mr. Verbeek is a member of the Advisory Boards of CVC Europe (not listed) and OVG Real Estate (not listed) and member of the INSEAD Dutch Council. Mr. Verbeek was Chairman of the Supervisory Board of Aon Groep Nederland B.V. (not listed) until July 2017 and Chairman of the Supervisory Board of Robeco Groep N.V. (not listed) until December 2015. He has held no other board memberships in the past five years.

Corien M. Wortmann-Kool, vice-chairman (1959, Nationality: Dutch), is Chairman of the Board of Stichting Pensioenfonds ABP (ABP), the Dutch public sector collective pension fund. Ms. Wortmann-Kool was a Member of the European Parliament and Vice-President on Financial, Economic and Environmental affairs for the EPP Group (European People's Party). She was appointed to Aegon's Supervisory Board in May 2014, and her current term ends in 2018. She is vice-chairman of the Supervisory Board and a member of the Audit Committee and a member of the Supervisory Board Nomination and Governance Committee. Ms. Wortmann-Kool is also a member of the Supervisory Board of Het Kadaster (not listed), member of the Advisory Council Centraal Bureau voor de Statistiek, Chairman of the Board of Trustees of Save the Children Netherlands and vice-president of EPP. She was member of the Supervisory Board of Mercedes-Benz Netherlands (not listed) until 2014. She has held no other board memberships in the past five years.

Dona D. Young, (1954, Nationality: American), is an executive/board consultant and retired Chairman, President and Chief Executive Officer of The Phoenix Companies, which was an insurance and asset management company at the time of her tenure. She was appointed to Aegon´s Supervisory Board in 2013 and her current term will end in 2021. She is Chairman of the Supervisory Board Risk Committee and a member of the Supervisory Board Audit Committee. Ms. Young is also member and Lead Director of the Board of Directors of Foot Locker, Inc.. Furthermore, Ms. Young is the Chair of the Audit Committee of the Board of Trustees of Save the Children US (not listed) and member of the Board of Save the Children International and Save the Children Association. Ms. Young has held no other board memberships in the past five years.

In the last 5 years, none of the members of the Supervisory Board has been declared, by a judicial authority, to have acted fraudulently or to be incapable to act as a member of a supervisory body or management body of an issuing institution. Furthermore, in the last 5 years none of the members of the Supervisory Board has been officially incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies). With the exception of Mr. Van der Veer, in his capacity of supervisory board member of Royal Imtech N.V, none of the members has in the last five years been involved, in the capacity of a member of a supervisory body or management body of a company, in any bankruptcy, suspension of payment or winding-up of such company.

There are no potential conflicts of interest with respect to the members of the Supervisory Board between their duties to Aegon and their private interests and/or other duties.

There is no family relationship between any member of the Executive Board, Management Board or Supervisory Board.

The members of the Executive Board, Management Board and Supervisory Board have their business address at Aegon N.V., Aegonplein 50, 2591 TV, The Hague, The Netherlands.

As far as Aegon is aware, no further information is to be disclosed in respect of the members of the Executive Board, Management Board and the Supervisory Board pursuant to section 14.1 of Annex 1 to the EU Prospectus Regulation.

13. Conflicts of interest

The Code of Conduct addresses conflicts of interest that may occur between Aegon and its employees, including the members of the Executive Board. More detailed regulations regarding conflicts of interest between members of the Executive Board and Aegon are included in the Executive Board Charter. Both documents are available on Aegon´s website. Any transactions in which there are conflicts of interest shall be agreed on terms customary in the industry and are published in the annual report.

Under the provisions of the Dutch Corporate Governance Code, the membership of Messrs. Button and Wynaendts on the Executive Committee of Vereniging Aegon may give rise to deemed conflicts of interest. However, the Articles of association of Vereniging Aegon provide that Messrs Rider and Wynaendts are excluded from voting on certain issues relating directly to Aegon (including the adoption of annual accounts, discharge of members of the Executive Board and appointments to the Executive Board and Supervisory Board of Aegon).

The Supervisory and Executive Boards have drawn up a protocol that provides that the members of the Executive Board who also serve on the Executive committee of Vereniging Aegon shall continue to participate in discussions and decision-making relating to possible transactions with Vereniging Aegon. The Supervisory Board is confident that by adhering to this protocol the deemed conflict of interests with Vereniging Aegon are adequately dealt with and that the best practice provisions of the Code have been complied with in all material respects. The protocol is posted on Aegon´s website.

There are no conflicting interests between any of the duties of the members of the Executive Board and their respective private interests or other duties.

14. Subsequent events after September 30, 2017

On September 28, 2017 Aegon announced to repurchase 51,864,626 common shares to neutralize the dilutive effect of the 2016 final and 2017 interim stock dividends. These transactions have commenced on October 2, 2017, and are expected to be completed on or before December 15, 2017.

On November 1, 2017 Aegon announced that it completed the sale of Unirobe Meeùs Groep to Aon Groep Nederland for EUR 295 million. This divestment will lead to a book gain of approximately EUR 180 million which will be reported in the fourth quarter of 2017. As a consequence of this transaction, annual underlying earnings before tax will derease by approximately EUR 20 million going forward.

15. Significant changes

There has been no material adverse change in the prospects of Aegon Group since the last published audited financial statements of December 31, 2016 and the unaudited interim financial statements of September 30, 2017. Furthermore there has been no significant change in the financial or trading position of Aegon Group since the last published audited financial statements of December 31, 2016 and the unaudited interim financial statements of September 30, 2017.

16. Financial information

16.1 General

The audited financial statements of Aegon N.V. in respect of the years ended December 31, 2014, 2015 and 2016 are incorporated by reference in this Registration Document, as well as the unaudited condensed consolidated interim financial statements for the first, second and third quarter 2017 . All financial information has been derived from internal analyses and has been subject to Aegon´s internal control procedures.

16.2 Sales and deposits

2016

New life sales declined by 12% compared with 2015 to EUR 969 million in 2016, mostly driven by lower universal life and term life production in the United States, fewer pension buy-out sales in the Netherlands, and lower sales in Asia as a result of Aegon's strict pricing policy in a low rate environment. New premium production for accident & health and general insurance decreased by 9% compared with 2015 to EUR 954 million in 2016, mainly as a result of several product exits and a lower contribution from portfolio acquisitions

In 2016, compared with 2015, gross deposits were up 21% to EUR 100.3 billion, driven by higher gross deposits in asset management and Retirement Plans in the United States. Net deposits, excluding run-off businesses, declined to EUR 3.5 billion in 2016 compared with 2015, mostly due to lower gross deposits in variable annuities, anticipated contract discontinuances from the business acquired from Mercer, and low asset management net flows. The latter were mainly driven by market insecurity following the Brexit vote and a reduction in flows from money market funds in China.

2015

New life sales declined by 3% compared with 2014 to EUR 1.1 billion in 2015, mostly driven by lower universal life production in the United States, fewer pension buy-out sales in the Netherlands. New premium production for accident & health and general insurance increased by 3% compared with 2014 to EUR 1.0 billion in 2015, as the stronger US dollar more than offset a lower contribution from portfolio acquisitions and several product exits.

In 2015, compared with 2014, gross deposits were up 38% to EUR 82.6 billion, driven by higher pensions and mutual fund deposits in the United States, production from online bank Knab in the Netherlands, and sales in Aegon Asset Management. Net deposits, excluding run-off businesses, increased by 85% compared with 2014 to EUR 17.2 billion in 2015, mostly due to higher gross deposits and the de-recognition of movements in stable value solutions balances.

In 2015, compared with 2014, gross deposits increased 39% to EUR 77.2 billion, driven by higher pensions and mutual fund deposits in the United States, production from online bank Knab in the Netherlands, and sales in Aegon Asset Management.

2014

New life sales increased 7% compared with 2013 to EUR 2.0 billion, mostly driven by higher universal life production in the United States and Asia, and higher pension production in the Netherlands.

In 2014, compared with 2013, gross deposits increased 25% to EUR 55.4 billion, driven by pensions, variable annuities and mutual funds in the United States, production from online bank Knab in the Netherlands, and Aegon Asset Management. Net deposits, excluding run-off businesses, decreased 7% to EUR 9.9 billion compared to 2013, mostly due to a reduction in stable value solutions balances of approximately EUR 3.0 billion and a one-time transfer of pension assets to the Polish government due to legislative changes.

16.3 Solvency II sensitivities

The below Solvency II sensitivities need to be seen in the context of solvency levels and market circumstances as at June 30, 2017. Investors should be mindful of the possibility that sensitivities may have changed after this publication date. The scenarios for which sensitivities are provided are random shocks and do not reflect Aegon's assumptions or expectations.

Sensitivities

Aegon calculates sensitivities of its Solvency II ratios as part of its risk management framework. The following table describes the shocks to parameters used to assess the sensitivities, and their estimated impact on the Solvency II ratio at June 30, 2017 and December 31, 2016:

Solvency II Sensitivities	Scenario	Group		US		NL		UK	
		June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Equity markets	-20%	-5%	-6%	-10%	-7%	-6%	-4%	8%	0%
Equity markets	+20%	3%	-1%	2%	-2%	3%	2%	-7%	0%
Interest rates	-100 bps	-19%	-18%	-14%	-12%	-16%	-15%	-17%	-20%
Interest rates	+100 bps	13%	2%	3%	-6%	15%	11%	13%	16%
Credit spreads [1]	+100 bps	3%	2%	0%	0%	8%	6%	15%	17%
US Credit defaults [2]	~+200 bps	-18%	-17%	-36%	-22%	-	-	-	-
Dutch mortgage spreads [3]	+50 bps	0%	-3%	-	-	-2%	-11%	-	-
Ultimate forward rate	-50 bps	-3%	-4%	-	-	-12%	-	0%	-
Longevity	+5%	-	-7%	-	-2%	-	-13%	-	-4%

Credit spreads excluding government bonds.
US credit additional defaults for 1 year including rating migration for structured assets.
Dutch mortgage spreads now includes SCR/volatility adjuster impact which was excluded previously

Aegon is mainly exposed to movements in interest rates, credit spreads and defaults/migrations, and longevity. The longevity sensitivity is only updated once a year along with Aegon's annual assumption updates. Group sensitivities can be higher compared to the impacts on the units due to the higher base ratio at Group, which increases the impact of SCR movements in terms of %-points on the ratio. The movements compared to December 31, 2016 are driven by changes in hedging and the change of the conversion methodology of the US insurance business.

Equity market sensitivities changed mainly due to a change in a hedging program in the US that moved from total return swaps to options, to increase the benefits in an upward scenario. The change in the UK is mainly due to additional equity swaps to provide further protection against equity falls. The impact of the UK on Group is limited due to diversification impacts.

Interest rates sensitivities changed mainly in the up scenario due to the US where the hedge program now utilizes instruments with a more preferable treatment on statutory basis, without impacting the aim of the hedging strategy. The Group impact increased further as a result of a higher base ratio.

The US credit defaults sensitivity increased for the US due to the higher base ratio and the impact at Group was partially offset by a lower sensitivity in Asia, where recent management actions reduced the credit risk sensitivities.

The Dutch mortgage spreads sensitivity decreased as a result of offsetting impacts from the volatility adjuster on the SCR.

Appendix 1 – Alternative Performance Measures

Aegon N.V. considers the following metrics to constitute Alternative Performance Measures as defined in the European Securities and Markets Authority Guidelines (“ESMA Guidelines”) on Alternative Performance Measures.

Aegon believes that its performance measures provides meaningful information about the underlying results of Aegon’s business, including insight into the financial measures that Aegon’s senior management uses in managing the business. Among other things, Aegon’s senior management is compensated based in part on Aegon’s results against targets using these performance measures. While many other insurers in Aegon’s peer group present substantially similar performance measures, the performance measures presented in the table below may nevertheless differ from the performance measures presented by other insurers. There is no standardized meaning to these measures under IFRS or any other recognized set of accounting standards.

Metric	Definition	Reconciliation	Rationale for inclusion
Underlying earnings before tax / net underlying earnings	Underlying earnings before tax reflects Aegon’s profit from underlying business operations and excludes components that relate to accounting mismatches that are dependent on market volatility or relate to events that are considered outside the normal course of business. Net underlying earnings is the after tax equivalent of underlying earnings before tax. Assumption changes and model changes are excluded as they are considered non-recurring.	The reconciliation from underlying earnings before tax to income before tax, being the most comparable IFRS measure, is calculated by excluding the following items from underlying earnings before tax: fair value items, realized gain or losses on investments, impairment charges/reversals, other income or charges, run-off businesses and share in earnings of joint ventures and associates.	Aegon believes that underlying earnings before tax provides meaningful information about the underlying results of Aegon’s business.
Return on Equity	Return on equity is a ratio calculated by dividing the net underlying earnings after cost of leverage, by the average shareholders' equity excluding the revaluation reserve, cash flow hedge reserve and the net deficit or surplus related to defined benefit plans.	There is no IFRS financial measure that is directly comparable to return on equity.	Aegon believes that return on equity provides meaningful information about the performance of Aegon’s business.
Sales composite (gross deposits, new life sales, accident & health)	Sales composite is defined as new recurring premiums plus 1/10 of single premiums plus 1/10 of gross deposits plus new premium production accident and health plus new premium production general insurance. New life sales, gross deposits and net deposits data include results from Aegon’s joint ventures and Aegon’s associates consolidated on a proportionate basis.	There is no IFRS financial measure that is directly comparable to the sales composite.	Aegon believes that measuring total sales composite (including gross deposits, new life sales, accident & health) gives meaningful insight about the new production and sales of Aegon.
MCVNB/PVNBP	The present value, at point of sale, of all cash flows for new business written during the reporting period, calculated using approximate point of sale economics	There is no IFRS financial measure that is directly comparable to MCVNB/PVNBP.	MCVNB and PVNBP gives meaningful insight to the market consistent value of new business and the present value of new business premium.

Metric	Definition	Reconciliation	Rationale for inclusion
	assumptions. Market consistent value of new business (MCVNB) is calculated using a risk neutral approach, ignoring the investment returns expected to be earned in the future in excess of risk free rates (swap curves), with the exception of an allowance for liquidity premium. The Swap curve is extrapolated beyond the last liquid point to an ultimate forward rate. The market consistent value of new business is calculated on a post-tax basis, after allowing for the time value financial options and guarantees and a market value margin for non-hedgeable risks. Present value of new business premiums (PVNBP) is the premiums for the new business sold during the reporting period discounted and projected using assumptions and projection periods that are consistent with those used to calculate the market consistent value of new business.		
Capital generation	**Capital Generation** represents the movement of the target surplus capital within a reporting unit and is measured after tax (OF) and after diversification and LACDT (SCR). Impacts from in/divestments, dividends, capital injections and other changes like regime changes that do not generate capital but that do impact OF or SCR are excluded from capital generation. As the Capital Generation tracks the movement of the surplus*, it combines both the movements of the available and the required capital, where the latter is measured against the midpoint of the target range (as defined in Aegon's capital policy) **Normalized Capital Generation** captures the capital generation that is generated in the normal course of business. It is based on the Capital	Capital Generation is a non-IFRS financial measure that should not be confused with cash flow from operations or any other cash flow measure calculated in accordance with IFRS. Because elements of Capital Generation are calculated in accordance with local solvency requirements rather than in accordance with any recognized body of accounting principles, there is no IFRS financial measure that is directly comparable to Capital Generation.	Management believes that Capital Generation provides meaningful information to investors regarding capital generated on a net basis by Aegon's operating subsidiaries that may be available at the holding company.

Metric	Definition	Reconciliation	Rationale for inclusion
	Generation as defined above, and excludes the following items: • *Market impacts*: all direct / instant impacts on OF and SCR following from market movements (e.g. interest rates, spreads, equities) that deviate from budget assumptions; indirect movements impacting for example higher or lower future fees or spreads are not excluded. *One-time items*: non-recurring items e.g. model changes, management actions, regulatory changes and policyholder behavior deviating from 'normal' expectations. One-time items are not limited to the mentioned changes, but the key is that these are not expected to recur on a quarterly or yearly basis on average. One-time items do not constitute deviations from budget for expenses, flows or margins.		
Excess Capital in the Holding	Excess Capital in the Holding, which is rather a measure of Holdings liquidity, can be characterised by below: Holding company assets -/- Capital investments -/- Matched short term assets -/- Other adjustments Aegon's internal policy for the management of Excess Capital in the Holding is based on a similar approach as the management of the Group and Local Unit capitalization, using a range approach and a ladder of intervention to trigger timely conversations and escalating management actions.	There is no IFRS financial measure that is directly comparable to Holding excess capital.	Aegon believes that Excess Capital in the Holding gives insights into the liquidity of the Holding company.
Gross financial leverage ratio	Aegon's gross financial leverage ratio is calculated by dividing total financial leverage by total capitalization. Aegon defines total financial leverage as	There is no IFRS financial measure that is directly comparable to gross financial leverage ratio.	Aegon aims to keep total gross financial leverage below 30% of total capitalization as measured by the gross financial leverage ratio.

Metric	Definition	Reconciliation	Rationale for inclusion
	debt or debt-like funding issued for general corporate purposes and for capitalizing Aegon's business units. Total financial leverage includes hybrid instruments, and subordinated and senior debt. Aegon's total capitalization consists of the following components: - Shareholders' equity, excluding revaluation reserves, cash flow hedge reserves and the remeasurement of defined benefit plans, based on IFRS as adopted by the EU; - Non-controlling interests and share options not yet exercised; and - Total financial leverage.		
Revenue generating investments	Total amount of the investments general account, investment for account of policyholders and off balance sheet investments third parties.	The investment general account and investment for account of policyholders are included on the IFRS balance sheet and therefore are IFRS measures. The off balance sheet investments third parties are the other investments under management of Aegon for third parties which are not recognized on the balance sheet based on IFRS.	Management believes that revenue generating investments provides meaningful information to management and to investors regarding the total amount of investments under management within Aegon and which Aegon manages for its general account, for policyholders and for other third parties.

Appendix 2 – References

In the table below references to the documents incorporated by reference are made.

	Annual report 2016	Annual report 2015	Annual report 2014	Condensed consolidated interim financial statements 3Q 2017 (IFS, unaudited) and Press release 3Q 2017 (PR, unaudited)
General				
Key figures	Business overview – selected financial data – p11/13 Business overview – results 2016 worldwide – p18/21	Business overview – selected financial data – p13/15 Business overview – results 2015 worldwide – p18/20	Business overview – selected financial data – p13/15 Business overview – results 2014 worldwide – p17/20	Key performance indicators – PR p1 Financial overview – PR p4
Investments	Consolidated statement of financial position – p135 Notes to the statement of financial position Note 23 Investments – p226/228	Consolidated statement of financial position – p132 Notes to the statement of financial position Note 22 Investments – p214/216	Consolidated statement of financial position – p124 Notes to the statement of financial position Note 22 Investments – p205/207	Condensed consolidated statement of financial position – IFS p4 3.3 Investments – IFS p13
Principal activities	Business Overview – p16/85	Business Overview – p12/84	Business Overview – p12/84	-
List of significant subsidiaries	Note 52 Group companies – p293/295	Note 52 Group companies – p284/285	Note 52 Group companies – p275/276	-
Financial condition	Business overview – p11/13	Business overview – p12/15	Business overview – p12/15	IFS p2-p35
Operating results	Business overview - Results of operations – p16/19	Business overview - Results of operations – p18/22	Business overview - Results of operations – p17/31	PR p5-27
Capital resources	Capital and Liquidity management – p92/99 Note 21 Cash and cash equivalent – p225/226 Consolidated cash flow statement – p139 Note 46 Capital and solvency – p269/273	Capital and Liquidity management – p89/92 Note 31 Cash and cash equivalent – p229/231 Consolidated cash flow statement – p136 Note 46 Capital and solvency – p260/261	Capital and Liquidity management – p87/90 Note 31 Cash and cash equivalent – p220/222 Consolidated cash flow statement – p128 Note 46 Capital and solvency – p251/253	-
Remuneration	Remuneration report – p113/119 Note 53 Related party transactions – p295/301	Remuneration report – p108/115 Note 53 Related party transactions – p285/291	Remuneration report – p100/107 Note 53 Related party transactions – p276/282	-
Defined benefit plans	Note 41 Defined benefit plans – p260/266	Note 41 Defined benefit plans – p250/257	Note 41 Defined benefit plans – p242/248	-

	Annual report 2016	Annual report 2015	Annual report 2014	Condensed consolidated interim financial statements 3Q 2017 (IFS, unaudited) and Press release 3Q 2017 (PR, unaudited)
Benefit upon termination	§ Severance payments– p113	§ Severance payments– p113	§ Severance payments– p108	-
Audit committee / Remuneration committee	§ Audit committee – p107 §Remuneration committee – p110	§ Audit committee – p101 §Compensation committee – p104	§ Audit committee – p95 §Compensation committee – p96	-
Governance	§ Dutch Corporate Governance Code – p120	§ Dutch Corporate Governance Code – p119	§ Dutch Corporate Governance Code – p110	-
Number of employees	Note 5 Table number of employees – p210	Note 5 Table number of employees – p197	Note 5 Table number of employees – p189	Table employee numbers – PR p8
Shareholdings and stock options	§ Related party transactions – SOR's and SAR's and interest in Aegon N.V – p290 § Related party transactions – Conditionally granted shares and options – p299 § Related party transactions – Common shares held by SB members – p300	§ Related party transactions – SOR's and SAR's and interest in Aegon N.V – p290 § Related party transactions – Conditionally granted shares and options – p289 § Related party transactions – Common shares held by SB members – p291	§ Related party transactions – SOR's and SAR's and interest in Aegon N.V – p281 § Related party transactions – Conditionally granted shares and options – p280 § Related party transactions – Common shares held by SB members – p281	-
Arrangements for involving employees in capital	Note 14 Commissions and expenses – p217/220	Note 14 Commissions and expenses – p203/206	Note 14 Commissions and expenses – p195/198	-
Major shareholder	§ Major Shareholders – p329/331	§ Major Shareholders – p319/321	§ Major Shareholders – p311/313	-
Different voting rights	Note 32 Shareholders' equity – p242/244	Note 32 Shareholders' equity – p231/236	Note 32 Shareholders' equity – p222/224	-
Related party transactions	Note 53 Related party transactions – p295/301	Note 53 Related party transactions – p285/291	Note 53 Related party transactions – p276/282	-
Historical financial information / Financial statements	Financial information – p133/139	Financial information – p130/136	Financial information – p122/300	-
Auditor's report	Independent auditor's report on consolidated financial statements – p319 Independent auditor's report on financial statements of Aegon N.V.	Independent auditor's report on consolidated financial statements – p309 Independent auditor's report on financial statements of Aegon N.V.	Independent auditor's report on consolidated financial statements – p301 Independent auditor's report on financial statements of Aegon N.V.	-

	Annual report 2016	Annual report 2015	Annual report 2014	Condensed consolidated interim financial statements 3Q 2017 (IFS, unaudited) and Press release 3Q 2017 (PR, unaudited)
	– p319	– p309	– p301	
Interim financial information	-	-	-	IFS p2-p34
Dividend policy	§ Dividend policy – p361	§ Dividend policy – p352	§ Dividend policy – p342/343	-
Dividend per share	Note 20 Dividend per common share – p224	Note 20 Dividend per common share – p210	Note 20 Dividend per common share – p202	-
Issued capital	Note 32.1 Share capital – par value – p243/244	Note 32.1 Share capital – par value – p232/233	Note 32.1 Share capital – par value – p223/224	-
Treasury shares	Note 32.3 Treasury shares – p245	Note 32.3 Treasury shares – p234	Note 32.3 Treasury shares – p225	-
Acquisition right	Note 32.1 Share capital – Par value – p242	Note 32.1 Share capital – Preferred shares – p232	Note 32.1 Share capital – Preferred shares – p223	-
Information on holdings	Note 52 Group companies – p293/301	Note 52 Group companies – p284/285	Note 52 Group companies – p275/276	-