

# Aegon UK Corporate Services Limited

## Corporate Governance Disclosures

**This statement presents corporate governance disclosures included in the annual report for Aegon UK Corporate Services Limited for the year ended 31 December 2024. The Companies (Miscellaneous Reporting) Regulations 2018 requires these disclosures to be included in Aegon UK Corporate Services Limited's (the Company) statutory accounts and published on the Company's website. This document is prepared based on the annual report disclosure and published on the Company's website to fulfil that requirement.**

### Introduction

Corporate governance reporting requirements under the Companies (Miscellaneous Reporting) Regulations 2018 (the "Regulations") apply to companies meeting specific qualifying conditions. The Company meets these qualifying conditions and is required in its Annual Report to include disclosures on:

- i) corporate governance arrangements;
- ii) how the Directors have had regard to the matters in section 172(1)(a) to (f) of the Companies Act 2006 (the "Act");
- iii) how the Directors have engaged with employees; and
- iv) how the Directors have engaged with customers, suppliers and others.

Disclosures addressing point (i) and (ii) are presented immediately below. Disclosures addressing point (iii) and (iv) are presented in the 'Statement on engagement with other stakeholder's in the section that follows.

### Corporate governance arrangements

The Aegon UK plc Group (Aegon UK), of which the Company is a part, has established a governance framework for monitoring and overseeing strategy, conduct of business standards and operations of the business across Aegon UK that includes a clearly stated corporate organisational structure, appropriate delegated authorities and independent internal audit and risk management functions. Risk management for the Company operates within this governance framework. The Aegon UK corporate governance framework has used the UK Corporate Governance Code as the basis for its framework, but Aegon UK has not formally applied any corporate governance code. Further details of the Aegon UK Corporate Governance arrangements can be found in the Aegon UK plc Corporate Governance disclosures available on our website.

## Section 172(1) Companies Act 2006 Statement

Section 172 (1) of the Act states that: “A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- (a) The likely consequences of any decision in the long term;
- (b) The interests of the company’s employees;
- (c) The need to foster the company’s business relationships with suppliers, customers and others;
- (d) The impact of the company’s operations on the community and the environment;
- (e) The desirability of the company maintaining a reputation for high standards of business conduct;  
and
- (f) The need to act fairly as between members of the company.

The Directors consider all matters relevant to the particular issue before them for consideration whilst acting in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members. This includes, amongst other things the factors listed above.

The Company provides services to the UK based Aegon companies and in particular is the employer of those colleagues who provide services to other UK based Aegon companies.

The Directors have put in place suitable processes so that all relevant matters are factored into the Board’s decision making. These are part of the corporate governance framework as described above, and include, for example the Regulatory Risk team and the Regulatory Development Group. They also include, for example, the requirement that all papers prepared for the Board follow a template which requires the paper author to set out, amongst other things, the key points, points for discussion, stakeholder implications (stakeholder implications covering the Company’s customers, suppliers, employees, the community and the environment) and risk and capital implications of the matters in the paper. These ensure the stakeholder implications and risk and capital implications alongside other key points can be appropriately considered by the Board in their deliberations.

The approach described above assisted the Directors with their consideration of the Company’s Strategic Report, Directors Report and Financial Statements, where Board papers highlighted the risk, capital and customer implications. Further detail on how the directors demonstrated their responsibilities under s172 as part of this review is presented as follows:

- In terms of the consideration of the likely consequences of any decision in the long term, the Board considered the going concern basis upon which the Strategic Report, Directors Report and Financial Statements had been prepared.
- As the Company has no individual customers (only fellow subsidiaries), there are no direct individual customer implications.
- The risk and capital implications were considered and it was noted that the Company does not have any regulatory capital requirements.

## **Non-financial and sustainability information statement**

The Company has applied the exemption under Companies Act 2006 section 414CA(7) from presenting a non-financial and sustainability information statement as the Company is included in the Aegon UK plc Group strategic report that presents a Group non-financial and sustainability information statement. Further details can be found in the Aegon UK plc Corporate Governance disclosures available on our website.

## **Statement on engagement with other stakeholders**

The Companies (Miscellaneous Reporting) Regulations 2018 (SI 2018/860) amended 'The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' (SI 2008/410) to introduce a requirement for companies above a certain size to include information about engagement with employees, suppliers, customers and other stakeholders.

The Company provides services to the UK based Aegon companies and in particular is the employer of those colleagues who provide services to other UK based Aegon companies. These fellow subsidiaries are the Company's customers.

It is Aegon's policy to ensure equal opportunities for all employees of the Aegon UK Group. The only criteria considered for the recruitment or promotion of employees is suitability for the position, regardless of sex, sexual orientation, marital status, age, religion, ethnic origin, or disability (having due regard to the individual's aptitudes and abilities). It is Aegon's policy, wherever possible, to continue the employment of colleagues who have become disabled (with appropriate re-training when required). No discrimination is made against disabled employees with regard to training, career development or promotion.

By means of regular announcements and colleague briefings and meetings with the independent trade unions, Aegis, and Unite and NGSU, Aegon has maintained its policy of providing information and consulting on matters likely to affect the interests of employees.

Employees are a key stakeholder of Aegon UK. In 2019, the Board of the Company's shareholder, Aegon UK plc, designated a Non-Executive Director (NED) as sponsor for workforce engagement and employee voice, in 2024 Helen Heslop fulfilled this role. Ms Heslop met with colleagues across the main sites on a quarterly basis to get an understanding of views, interests and how things are. The key themes are shared back with the Board of Aegon UK plc to inform their decisions and ensures that colleague voice is considered.

The following are examples of the Company's engagement with employees:

- We have thriving colleague-led inclusion and diversity networks sponsored by our Executive Committee members, who provide an important way of engaging with employees. In 2024 our networks frequently brought colleagues together to share lived experiences or learn about different inclusion topics through events and communications.
- Throughout 2024 we continued to enhance our Wellbeing strategy and framework. Wellbeing support is provided to our employees throughout the year. As part of the wellbeing strategy, we are raising awareness of the support available through regular monthly wellbeing topics.
- The Company operates a robust pay and grading framework, based on a recognised job evaluation methodology. Within this framework, we conduct annual benchmarking to ensure that terms and conditions of employment and employee total reward packages are aligned to the external market.
- The Company engages with employees regularly for example through weekly email messages from the CEO to all colleagues and monthly line manager calls hosted by the CEO and his leadership team. On a quarterly basis the senior leaders of the organisation meet in person. At these briefings members of the Executive of the Company share updates regarding key topics such as the financial results, strategy development and business performance. In addition, the Company holds an annual event for all employees that covers progress over the year and objectives for the following year. This is hosted by the Executive of the Company and as well as cascading information is an opportunity for any individual to ask questions of the Executive.

In respect of engagement with suppliers, the Directors regularly review Management Information on the Company's relationship with its key suppliers. This informs them of the status of the relationship with each key supplier and their current performance against service level agreements or agreed service levels. The Board is also regularly updated regarding the key activities being undertaken by the Company to continually improve its approach to supplier oversight in order to ensure protection for its customers, including Risk Assessments and Contingency Plans.

The implications for the Company's stakeholders (which includes without limitation, its employees, suppliers, customers and shareholder) of matters presented to the Board for decision must be included in all board papers. Further explanation is included in the Section 172(1) Companies Act 2006 Statement above with examples of the effect of the consideration of such factors on some key decisions taken by the Company during the year.

