



# Aegon UK plc

## Corporate Governance Disclosures

This statement presents corporate governance disclosures included in the annual report for Aegon UK plc for the year ended 31 December 2024. The Companies (Miscellaneous Reporting) Regulations 2018 requires these disclosures to be included in the statutory accounts of Aegon UK plc (the Group) and published on the Group's website. This document is prepared based on the annual report disclosure and published on the Group'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 Group meets some of these qualifying conditions and is required in its Annual Report to include disclosures on:

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

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

### (i) Corporate governance arrangements

The Companies (Miscellaneous Reporting) Regulations 2018 (SI 2018/860) include mandatory reporting on corporate governance for certain large private companies. Scottish Equitable plc, a subsidiary of Aegon UK plc, meets the definition of a large private company and therefore disclosures for the Group have been disclosed. Under section 26(2) of these Regulations, the Group can choose not to apply a corporate governance code, explain the reasons for that decision, and explain what arrangements for corporate governance were applied. The Group's corporate governance framework

has used the UK Corporate Governance Code as the basis for its framework, but the Group has not formally applied any corporate governance code.

The Aegon UK Group has a governance framework for monitoring and overseeing strategy, conduct of business standards and operations of the business across the group that includes the following arrangements:

- a clearly stated corporate organisational structure, and written terms of reference for the Board and its Committees, with appropriate delegated authorities;
- an Aegon UK Group Audit Committee, the members of which are Non-executive Directors, which oversees internal control and financial reporting matters, and provides audit committee services to the Board;
- an AUK Group Board Risk and Capital Committee, the members of which are Non-executive Directors, which oversees risk and capital matters, and provides risk and capital services to the Board;
- a Board succession plan is in place and review the Boarded regularly against Independent Non-Executive Directors' tenure (with a maximum of 3 periods of 3 years in the role);
- a detailed recruitment process for new Independent Non-Executive Directors is also in place and is managed by the General Counsel and Company Secretary. Benchmarking data is used to appropriately position salaries and, under the AUK Governance structure, an AUK Remuneration Committee (consisting of three independent Non-Executive Directors and one Group Non-Executive Director) oversees and approves their remuneration;
- two governance forums, Scottish Equitable Policyholders' Trust (SEPT) in relation to with-profits and the Independent Governance Committee in relation to the value for money of workplace pensions;
- a Risk Management function providing a second line of defence, independent of business operations and with responsibility for monitoring and reporting of risk;
- Regulatory Risk team, which is part of the second line of defence, with responsibility for managing the relationship with key regulators, contributing to strategic change, establishing and maintaining the financial crime framework and monitoring and reporting on compliance with regulations;
- a forward-looking Regulatory Development Group that identifies and mitigates risks from future political and regulatory change; and

- an Internal Audit function which provides independent and objective assurance over the complete control framework reporting to the Chair of the Aegon UK Group Audit Committee and with direct access to all Executive members, including the Chief Executive Officer.

## **(ii) 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 an issue 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 Chair of the Board ensures there is well planned and comprehensive board agenda in place each year that addresses strategic, regulatory and operational matters. During 2024, the Board has had a particular focus on overseeing the preparation of the long term strategic plan including the Growth and Simplification roadmaps presented as part of the Aegon UK Strategy Teach-in to analysts, the Traditional products Unisure system migration by our outsourcing partner Atos, the embedding of the Consumer Duty Directive, the further strengthening of Operational Resilience, the sale of the Protection business to Royal London, the ongoing Employee Engagement agenda and the development of Mylo, the new digital engagement tool which is planned to be launched in 2025.

The Company acts as a direct or indirect investment holding company for financial services businesses within the Group. Aegon UK Corporate Services Limited (AUKCS), a subsidiary of the Company, provides services to the Company and the other companies in the Group including employing those personnel who provide services to the Company. Therefore, as the Company has no employees under contracts of service, it is those personnel that are referred to as employees throughout this statement.

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. 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 matters, points for discussion, stakeholder implications (stakeholder implications covering, the Group's customers, suppliers, regulators, employees, the community and the environment), risk and capital and any Consumer Duty 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 Board also, as part of its corporate governance framework, has a training plan in place. This ensures that each year the Directors participate in a well-structured training plan run by the Company secretary to ensure that Directors are fully up to date on all regulatory changes and director requirements.

In addition to the Aegon UK regulatory board training programme, the Board also participate in deep dives and presentations from subject matter experts on a wide range of topics. During 2024 this included a number of presentations from Management on Atos outsourcing, Aegon UK Strategy Teach-in, Consumer Duty, IT developments, Aegon UK's plans to simplify and remove complexity and duplication from the business and introduce Artificial Intelligence capability. These presentations help to ensure that the Directors are kept up to date regarding the range of matters to be taken into account in respect of each decision they are asked to make.

The approach described above assisted the Directors with their discussions on the Group's multi – year strategic ambitions. Further detail on how the Directors demonstrated their responsibilities under s172 is presented as follows:

- In terms of the consideration of the likely consequences of any decision in the long term, the Board received presentations on the long-term benefits to the Group through the operational and cost efficiencies to be achieved by simplification;
- In terms of the impact the Simplification programme on the interests of employees, the Board noted that the programme would deliver enhanced automation and remove many manual processes which are time consuming for employees and have the potential for human error;
- The impact of the Simplification programme on the Group's customers and advisers was also considered, and the Board noted that greater automation would encourage greater usage of Aegon's digital channels, thereby transforming how customers and advisers engage with Aegon;
- The impact on the shareholder of the Company and the ultimate beneficial owner of the Company, Aegon Ltd was also considered. The Shareholder is supportive of Management's

strategic ambitions and the competitive advantage to be leveraged for the entire Group as a result;

- The impact on stakeholders to the Company was appropriately considered by the Board with regards to the Simplification programme. In particular, the benefit to the environment from greater automation as the volume of paper-based customer communications will be greatly reduced; and
- The Board did not have to consider the need to act fairly between members of the Company as there is only one member and it is ultimately beneficially owned by Aegon Ltd.

The approach described above also assisted the Directors with their consideration of the advancements being made in Generative Artificial Intelligence (GenAI). The Board received a teach-in on the early stages of Management's utilisation of GenAI as a strategic enabler. Further detail on how the Directors demonstrated their responsibilities under s172 as part of this project is presented as follows:

- In terms of the consideration of the likely consequences of any decision in the long term, the Board noted the opportunity for GenAI to act as a tool for sustainable growth and be a catalyst for collective progress and innovation.
- In terms of the impact on the interests of employees, the Board was informed that the GenAI programme was exploring options to benefit employees, including automation of repetitive tasks and processes.
- The impact on the customers of the Group was appropriately considered by the Board, particularly the use of GenAI to deliver a speedier and more accurate service to customers.
- The Board noted the potential positive impact on the shareholder of the Group (and the Company) and the ultimate beneficial owner of the Group, Aegon Ltd as GenAI has the potential to amplify shareholder returns and can help to identify potential investment opportunities in companies with strong ESG performance.
- The commercial impact on the Group's suppliers was considered by the Board. Benefits of GenAI for suppliers include improving supply chain decision-making and operational efficiency. GenAI also provides the ability to analyse supplier performance data to select suppliers based on quality, cost, reliability, and sustainability credentials.
- The impact of GenAI on the community and the environment, such as its ability to track the environmental footprint to predict weather and identify pollution was also noted by the Board and will evidence the Group's desire to be a force for good.

## **(ii) Non-Financial and sustainability information statement**

### *(a) The Group's employees*

Aegon UK is committed to offering its employees a great place to work and has taken several actions to demonstrate that commitment during 2024. These include:

- Enabling Aegon UK's strategy with a particular focus on developing a purpose-led culture based around a diverse, high performing workforce where employees are passionate and proud about helping our customers succeed;
- Embedding Aegon's purpose of 'Helping people to live their best lives', and the supporting best life behavioural framework: Tune In, Step Up, Force for Good;
- Hosting our Big Tune In town hall style events for all employees in September 2024, with the CEO personally delivering presentations on Aegon UK's strategy and business plans and offering all employees a chance to ask the Executive anything they wish;
- Maximising organisational effectiveness in a hybrid working world through targeted actions at a company, functional and local level, which increase engagement, collaboration and performance;
- Refreshing our Inclusion, Equity and Diversity (IED) strategy to embed into Aegon UK business strategy and align with Aegon's global I&D strategy, Aegon UK's community priorities and the FCA/PRA draft framework for diversity and inclusion;
- Achieving external accreditation as a Menopause Friendly Employer in recognition of the awareness raising and support we have put in place for colleagues;
- Becoming a Disability Confident Employer under the UK Government Disability Confident Programme;
- Embedding the digital learning proposition – in particular the We Learn and Talent Market Place tools - to deliver an innovative, modern and skills-based approach to career development;
- Investing in the development of managers and leaders through the Leading with Purpose, Leading with Impact and Aspiring Manager programmes;
- Development of a holistic Wellbeing strategy which brings together all dimensions on wellbeing;

- Embedding ‘Bravo!’, a global employee recognition platform to promote in-the-moment top down and peer to peer recognition;
- Enhancing our Reward offering to align to Aegon’s purpose and balance employee and business needs, with the goal of attracting, retaining and motivating high performing individuals;
- Maintaining our adherence to the Real Living Wage within our in-scope supply chain, and promoting adoption of this across our wider supply chain;
- Providing a comprehensive employee benefits package and running campaigns and events to promote understanding and uptake;
- Undertaking our annual employee survey and additional pulse surveys, and using the results to form action plans targeted at increasing employee engagement; and
- Driving action against our engagement commitments which are for colleagues to ‘feel proud, supported, heard and inspired’. A key aspect of this is, supporting local leaders with a new ‘Lead to Engage’ playbook designed to help leaders build engaged teams.

These and other actions were agreed and taken forward during 2024 based on insight from employees in our November 2023 Employee Survey and subsequent employee surveys conducted during 2024. The actions taken have led to a sustained improvement in the levels of employee engagement during the year, as we continue our journey towards upper quartile employee engagement levels.

‘Employee Voice’ has continued to receive significant focus during 2024. Helen Heslop has acted as the dedicated Non-Executive Director with responsibility for Workforce Engagement and Employee Voice. The role includes meeting with employee groups and with representatives of our recognised trade unions. Feedback from these meetings is shared with the Board. This complements other channels for ‘Employee Voice’ including the annual Employee Survey where participation rates are consistently high and the longstanding, strong and constructive partnership relationships with Aegis the Union and Unite the Union. In 2024 we commenced a new trade union relationship with Nationwide Group Staff Union (NGSU), who represent our colleagues who transferred from Nationwide Building Society to form our new Aegon Financial Planning business.

From a cultural perspective, Aegon UK continues to invest significant time and attention in Inclusion, Equity & Diversity (IED) for colleagues, candidates, customers and our communities. Throughout 2024, IED events and initiatives have helped to raise awareness and build capability and allyship. Arlene Stokes, Chief People Officer, is the overall Executive Sponsor for IED, and we have appointed the following Executives as advocates to each of our IED Networks (Employee Resource Groups):

- Alison Morris, Chief Risk Officer in respect of Women@Aegon

- Dougy Grant, Chief Service Officer, in respect of the Wellbeing Community
- Andy Manson, Chief Marketing Officer, in respect of Aegon Proud
- Ronnie Taylor, Chief Distribution Officer in respect of the Race & Cultural Diversity Network
- Sarah Barry, Chief Transformation Officer in respect of Menopause Matters

To drive ownership and support delivery of Aegon UK's IED objectives and refreshed strategy, a new IED Leadership Committee was established in 2024, comprising representatives from the Senior Leadership Team from each business area. This group lead IED efforts locally with regular IED engagement with their Executive Committee member.

Aegon UK publishes its gender pay gap report annually in March. Our gender pay and bonus gaps are primarily driven by the under-representation of women in Executive and senior leadership roles. When Aegon signed up to the Women in Finance Charter we committed to achieve 33% female representation among the CEO-2 population by the end of 2021. This target was achieved in January 2022 and Aegon UK set a further long-term target to achieve 50/50 gender balance at all levels of the organisation by 2030, with interim milestone targets. We have made good progress on this journey and have achieved 40.5% female representation among senior leadership (CEO-1 and 2) population by the end of the year. All executives have personal performance objectives linked to inclusion, equity and diversity, which provides accountability to deliver progress and a specific link between these targets and variable compensation awards made to executives.

Aegon UK continues to maintain a comprehensive and robust suite of employment policies designed to promote a positive, inclusive and fair working environment. Aegon UK significantly enhanced family leave policies in 2024, in a gender-inclusive step to help parents balance time off more equally. The Respect and Dignity policy promotes equality and diversity among the workforce. It is Aegon UK's policy to promote inclusion and diversity and to ensure equal opportunities for all employees. All recruitment is made on merit and this is done through a competence based recruitment process. We have an inclusive hiring strategy, including using diverse job boards to reach a broader market and using tools to ensure we use gender neutral language in our adverts and communications which will help overcome barriers to attraction and selection for underrepresented groups. Aegon UK is committed to making reasonable adjustments to ensure there are no barriers to employees with disabilities joining, progressing, or remaining within the workforce and strengthened this commitment in 2024 by becoming a Disability Confident Employer under the UK Government programme.

Aegon UK operates a robust pay and grading framework, based on a recognised job evaluation methodology. Within this framework, Aegon UK conducts annual benchmarking to ensure that terms and conditions of employment and employee total reward packages are positioned at competitive levels. All remuneration packages are compliant with applicable regulations in the UK. Aegon UK recognises Aegis the Union, Unite the Union and NGSU for collective bargaining purposes, and they are consulted on any significant proposals affecting employees, including the annual pay review, changes to employment policies and restructures in the workforce.

*(b) Sustainability information*

The Group's strategic report presents selected disclosures extracted from the Aegon UK Task Force on Climate – Related Financial Disclosures (TCFD) entity and product report 2023 published in June 2024. The full report is available on the Group's website.

*(c) Environmental matters*

Creating a bright future for all our stakeholders is at the heart of everything we do. A big part of this is our belief that, being part of a major international group, we have a responsibility to make a positive contribution to the society and environment within which we operate. Central to Aegon UK's approach to environmental management is our Integrated Management System (IMS), which is certified to ISO 9001, ISO 14001, ISO45001 and ISO 50001 standards. Our IMS ensures that our environmental impacts are classified, risk assessed and managed appropriately with agreed reduction targets in place. This ensures a continuous improvement process is being pursued, with a focus on minimising our environmental impacts. It also includes clearly identifying all legal requirements and statutory obligations with which Aegon UK must comply.

Within Aegon UK, we have an Environmental Policy, which clearly defines our vision and commitment to achieving our goal of minimising our impact on the environment and ensuring these goals are an integral part of our management processes.

As required by 'International Standards Organisation' (ISO), Aegon UK maintains an "Objectives & Targets Register" that clearly outlines our 2024/25 Environmental Management objectives for the following key areas:

- Waste Management – Segregation/ Recycling
- Circular Economy/ Biodiversity
- Energy Management – Gas/ Electricity/ Water
- Paper Management
- Carbon Reduction – Travel/Fleet (Air/Train/Car)

The key elements to note are that:

- Aegon UK purchases 100% certified renewable green electricity to supply all its UK offices and actively manages all aspects of energy consumption.
- Our UK waste is either recycled in the manufacturing of new products or is recycled to generate energy. Food and green waste is used for biomass energy or is composted along with our plant based disposable products. No waste goes to landfill.
- We have implemented processes to engage with the Circular Economy whereby we actively seek out opportunities to reuse assets that Aegon UK no longer has a need for and can be either reused or repurposed such as furniture, carpeting and mechanical and electrical assets.

- Electric Vehicles remain a popular choice as part of our Business Fleet due to the extremely low taxation.
- Electric Vehicles are now available to colleagues via Salary Sacrifice.
- Electric Car charging points are available at our offices in Witham and Edinburgh for use by both visitors and colleagues to promote the use of hybrid/ electric vehicles.
- Our paper is FSC certified and is sourced from sustainable forests, while our annual usage is declining year on year.
- We have reduced our Business Travel by 50% (compared to 2019 levels). We are encouraging travellers to transition from flying to rail travel where possible and we continue to promote the use of Video Conferencing tools as an alternative to reduce our business travel and carbon emissions.
- Our ISO certifications are independently audited on an annual basis by BM Trada.

*(d) Social matters*

Across Aegon, our purpose is to help people live their best lives. Being a Responsible Business is fundamental to the way we achieve this, helping people not only to be financially secure but healthy enough to enjoy it. Our Responsible Business strategy is built around two priority themes – climate change and IED underpinned by Environmental, Social, and Governance factors.

We have a duty of care to safeguard the money on which our customers' future hopes are based. Our products, services and communications are all designed to target the right customers, to ensure they can make sound decisions on their personal needs and we use our knowledge to help customers achieve their goals. We address our legal and regulatory duties as a regulated financial services business and as an employer and are proud to go beyond the minimum standards in the UK.

We continue to encourage and support our local communities. In 2024, Aegon UK agreed new local Charity Partners, proposed and voted for by colleagues. These seven Charity Partners will be in place for 2024 and 2025, and fund raising for these charities will be double-matched by Aegon UK. If Aegon UK colleagues want to fundraise for communities close to their hearts that are not our Charity Partners, they can apply to our Fund for Good for a donation to help boost their fundraising efforts. Our volunteering policy supports our Aegon UK employees to use their time to volunteer in their local community, with two paid days each year which they are encouraged to use.

We believe everyone should have the opportunity to succeed, regardless of their social background. Aegon UK are taking positive actions to change limiting factors for people and communities, including sponsoring primary school breakfast clubs in areas of high socio-economic deprivation, taking steps to help employability for young people with lower socio-economic backgrounds (through the Career Ready programme and Developing Young Workforce Academy) and in 2024, we have introduced a new apprenticeship programme.

*(e) Respect for Human rights*

Within Aegon UK we strive to prohibit any form of modern slavery or human trafficking in our business and supply chain. We operate under a Code of Conduct that is applicable to all Aegon Group employees across the globe, and which includes commitments (amongst others) in relation to upholding internationally recognised human rights, complying with all applicable laws and regulations, dealing with business partners who share our core values, promotion of ethical behaviour and encourage the reporting of any illegal or unethical behaviour.

*Avoiding modern slavery within Aegon UK*

We strive to maintain and comply with a comprehensive suite of HR policies, governing the rights and entitlements of all employees working for Aegon UK, including with regard to health and safety, working hours, pay, benefits and other terms and conditions of employment.

We recognise Aegis the Union, Unite the Union, and NGSU to represent our employees and for collective bargaining in respect of employee terms and conditions. We encourage our employees to join the union recognised for their particular role/work location.

Our HR policies have been reviewed in the last 12 months and the terms, conditions and benefits of Aegon UK employees have been assessed to ensure that they comply with or exceed legal and regulatory requirements and to ensure that they're competitive within the financial services market in which we operate. We're an accredited Real Living Wage employer.

We do not tolerate unwelcome and/or offensive behaviour and promote a positive and safe working environment where all employees are treated with respect and dignity. We provide training for employees to ensure they're aware of what can be offensive or unwelcome behaviour.

We operate an enhanced vetting process for employees and workers, by including regular background screening checks for financial sanctions, politically exposed persons (PEP) and certain charges related to financial crime, including organised crime and trafficking.

We have a Speak Up service so that any concerns regarding unethical conduct, including modern slavery related risks or issues can be raised by anyone who works for or on behalf of Aegon including colleagues, temporary staff, suppliers or third parties, and also by customers, shareholders, candidates and the public in general.

We ask our critical suppliers to adhere to our Vendor Code of Conduct and ask them to attest on an annual basis that they have no modern slavery or human trafficking within their organisation and supply chain.

*Avoiding Modern Slavery in Aegon UK's supply chain*

Under our sourcing and supplier management policies, we strive to ensure a zero-tolerance approach to modern slavery and human trafficking in our supply chain. We operate a supplier management process under which each of our suppliers is categorised to reflect the supplier's criticality to Aegon UK's business and the level of risk posed by their operations. Each year we carry out due diligence, risk assessments, contract management, site visits, audits and monitoring, as appropriate to the

categorisation of each supplier, to ensure their compliance with applicable law, regulation and with the requirements of our sourcing and supplier management policies. All of our key suppliers are required to confirm on an annual basis that they comply with applicable laws, including those relating to modern slavery and human trafficking. We have reviewed our standard contracts and strive to ensure that new suppliers comply with all applicable law and regulation, including laws and regulations against modern slavery and human trafficking.

*(f) Anti-corruption and anti-bribery matters*

The Group is committed to ensuring transparency, honesty and integrity within all business activities. The Group has a zero-tolerance approach to any activity that could constitute a breach to legislation, with bribery and corruption risk forming a core part of our Compliance Risk Universe.

Our approach to anti-bribery and corruption covers the provisions of the UK Bribery Act and includes the following key elements:

- Anti-Bribery and Corruption Policy and Standards set the requirements and guidance on anti-bribery and corruption matters;
- Code of Conduct communicates our expectation for ethical and responsible behaviour for all staff and business practices;
- Training and awareness covering key bribery and corruption risks and mandatory topics;
- Clear escalation protocols for employees and associated persons to report any suspected wrongdoing;
- Processes and procedures are in place to assess, control and report on risks and impacts to different business areas; and
- Oversight and monitoring to review and assess adequacy of controls, framework and business activity.

The anti-bribery and corruption programme applies to all Aegon UK employees and covers specific requirements relating to how the firm and Aegon UK employees interact with intermediaries, agents and suppliers. This includes specific provisions relating to gifts and entertainment, sponsorships, charitable and political donations and how we engage with third parties.

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

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

The Company acts as a direct or indirect investment holding company for financial services businesses within the Group. Aegon UK Corporate Services Limited (AUKCS), a subsidiary of the Company,

provides services to the Company and the other companies in the Group including employing those personnel who provide services to the Company.

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 the Group. In 2019, the AUK Board 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 to inform their decisions and ensures that colleague voice is considered.

The following are examples of the Group'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.
- In 2024 we launched a 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.

Further information on the Group's engagement with employees is presented in section (a) in the 'Non – financial and sustainability information statement' presented above.

In respect of engagement with suppliers, the Directors regularly review Management Information on the Group and 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 Group and Company to continually improve its approach to supplier oversight in order to ensure protection for its customers, including Risk Assessments and Contingency Plans.

In respect of engagement with customers the Group's largest operating subsidiaries have established a number of customer and adviser panels used to engage with customers and advisers on relevant issues. These are used, amongst other things, to help shape proposition developments. The Group's Independent Governance Committee ('IGC') acts as a customer advocate by reviewing whether workplace pensions provide value for money and makes recommendations to the Board regarding value for money for workplace pension scheme members.

In respect of engagement with regulators, the Group has regular engagement with its regulators and maintains an open dialogue with them. Such engagement includes periodic meetings with Board members and some of the Executive covering topics including, without limitation, governance arrangements, systems and controls, and risk and capital matters. These meetings enable the Group to understand the regulators' perspective on the key issues which it faces in order that these can be taken into account in the matters before the Board.

In respect of engagement with shareholders, the Board has a shareholder representative on it and receives at each meeting an update from Aegon Ltd. In addition, the CEO is a member of the Executive Committee of Aegon Ltd and regularly engages with Aegon Ltd in respect of the key issues facing the Group. This enables the Board to take into account, as appropriate, the perspective of the shareholder in respect of the matters for its consideration.

The implications for the Group's stakeholders (which includes without limitation, its employees, suppliers, customers, regulators and shareholder) of matters presented to the Board for decision must be included in all board papers. This is explained more fully above with examples of the effect of the consideration of such factors on some key decisions taken by the Group during the year.

In respect of engagement with customers, the Company has established a number of customer and adviser panels which it uses to engage with customers and advisers on relevant issues. These are used, amongst other things, to help shape proposition developments.

In respect of engagement with the regulator, the Company has regular engagement with its regulators and maintains an open dialogue with them. Such engagement includes periodic meetings with Board members and some of the Executive covering topics including, without limitation, governance arrangements, systems and controls, and risk and capital matters. These meetings enable the Company to understand the regulator's perspective on the key issues which it faces in order that these can be taken into account in the matters before the Board.

In respect of engagement with shareholders, the CEO is a member of the Aegon Ltd Executive Committee and regularly engages with Aegon Ltd in respect of the key issues facing the Company. This enables the Board to take into account as appropriate the perspective of the shareholder in respect of the matters for its consideration.

The implications for the Company's stakeholders (which includes, without limitation, its employees, suppliers, customers, regulators and shareholder) of matters presented to the Board for decision must be included in all board papers. This is explained more fully above with examples of the effect of the consideration of such factors on some key decisions taken by the Company during the year.