



# Aegon Ltd. Compensation and Human Resource Committee Charter

Adopted by the Board on September 30, 2023

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This charter (the “**Charter**”) serves as an important framework for the corporate governance practices of the compensation and human resource committee (the “**Compensation and Human Resource Committee**”) of Aegon Ltd. (the “**Company**”) and shall assist the Compensation and Human Resource Committee in carrying out its responsibilities effectively.

The meaning of certain capitalized or uncapitalized terms used in this Compensation and Human Resource Committee Charter is set forth in the List of Definitions attached as Schedule 1.

## **1 Compensation and Human Resources Committee composition and appointment**

### **1.1 Compensation and Human Resource Committee composition**

- 1.1.1 The Compensation and Human Resource Committee shall consist of at least three members of the Board, one of whom will also be a member of the Risk Committee.
- 1.1.2 All members of the Compensation and Human Resource Committee shall be independent within the meaning of Schedule 4 of the Board Regulations.
- 1.1.3 At least one member of the Compensation and Human Resource Committee shall have sufficient expertise and professional experience concerning risk management and control activities, with regard to the mechanism for aligning the remuneration structure to the Company’s risk and capital profile.
- 1.1.4 If deemed desirable, the Board appoints a secretary of the Compensation and Human Resource Committee. The secretary does not need to be a Director.

### **1.2 Appointment of Directors**

- 1.2.1 The members of the Compensation and Human Resource Committee are appointed by the Board from among the Non-Executive Directors, on the recommendation of the Nomination and Governance Committee. The Board appoints the chairperson of the Compensation and Human Resource Committee from among the Compensation and Human Resource Committee members, on the recommendation of the Nomination and Governance Committee.
- 1.2.2 Members of the Compensation and Human Resource Committee are appointed for an indefinite term and may be replaced by the Board at any time.

## **2 General purpose; Duties and responsibilities**

### **2.1 General purpose**

- 2.1.1 The Compensation and Human Resource Committee advises and discusses with the Board and prepares decisions to be taken by the Board.
- 2.1.2 The Compensation and Human Resource Committee is designated to safeguard the existence of sound remuneration policies and practices within the Group by overseeing the development and execution of these policies and practices in accordance with the applicable rules and regulations.
- 2.1.3 The Compensation and Human Resource Committee assesses in particular the remuneration governance processes, procedures and methodologies adopted, to ensure that the remuneration policies and practices properly take into account all types of risks as well as liquidity and capital levels.

2.1.4 The Compensation and Human Resource Committee also ensures that the overall remuneration policy is consistent with the longer-term strategy of the Company and the longer-term interest of its shareholders, investors, and other stakeholders, as well as the public at large.

## **2.2 Duties and responsibilities**

2.2.1 The Compensation and Human Resource Committee shall have the following duties and responsibilities:

- (a) Annually, prepare a proposal for the remuneration of the Chief Executive Officer, for adoption by the Board. The proposal shall be drawn up in accordance with the Remuneration Policy;
- (b) Annually, review the Global Remuneration Framework including its accompanying documents; subsequently advise the Board on the approval and adoption of the Global Remuneration Framework, including recommendations on the outcomes of its annual review, and any policy and/or individual exemptions thereof, including appropriate risk mitigating actions;
- (c) Periodically and at least annually, request that a review of the execution of and compliance with the remuneration policies and practices is performed, including the remuneration governance processes and procedures surrounding these within the Group and subsequently advise the Board thereof;
- (d) Annually, prepare recommendations to the Board regarding the Group performance indicators used for bonus pools within the Group, the related weights and target levels and the proposed results for each indicator, thereby taking into account the outcomes of the relevant ex-ante and ex-post risk assessments as performed by the Group Key Functions<sup>1</sup>, and ensuring the financial position remains sufficiently sound;
- (e) Annually, assess whether there are reasons to review the Remuneration Policy, taking into account the applicable rules and regulations. When a review is initiated, advise the Board on recommended amendment(s), if any. When the amended Remuneration Policy is endorsed by the Board, the Board will submit the proposed Remuneration Policy amendment(s) for approval at the General Meeting in accordance with the Bye-Laws. At least every four years the Compensation and Human Resource Committee will review and prepare the Remuneration Policy as such that the Board is able to submit the Remuneration Policy to the General Meeting for approval as prescribed by the Bye-Laws.
- (f) At least annually, with regard to the Directors and the Global Heads of the Group Key Functions<sup>2</sup>, draft a proposal for the remuneration of the individual Directors and the members of the Global Heads of the Group Key Functions, for adoption by the Board. The proposal shall be drawn up in accordance with the Remuneration Framework and the Remuneration Policy;

<sup>1</sup> As defined in the Global Remuneration Framework.

<sup>2</sup> Both as defined in the Global Remuneration Framework.

- (g) In case of termination of an employment or assignment of a Director or a person employed in a job qualifying as Global Head of Group Key Functions, propose the amount of severance pay, if any, to be paid, and the underlying rationale, for adoption by the Board;
- (h) Upon incident, prepare recommendations to the Board regarding the ex-ante and ex-post risk assessments, including claw-back of variable compensation related to prior financial years and already paid out and/or vested the Chief Executive Officer, members of the Executive Committee and Global Heads of Group Key Functions, thereby supported by the Group Key Functions in consultation with Group Finance and HR;
- (i) Annually, prepare the information provided to shareholders and other stakeholders on remuneration policies and practices, including the Remuneration Report as part of the annual report and the related agenda item at the General Meeting in accordance with the applicable rules and regulations.
- (j) Provide any other support, advice, and proposals in order for the Board to execute its legal and regulatory responsibilities relating to remuneration as may be imposed on the Board from time to time.

- 2.2.2 In order to safeguard its independent and competent judgment, the Compensation and Human Resource Committee shall have adequate financial resources and access to all data and information concerning the design and implementation of the Remuneration Framework as well as unfettered access to all related information and data from the Group Key Functions.
- 2.2.3 The Compensation and Human Resource Committee is entitled to seek independent advice, internal and external, and engage for support. The Compensation and Human Resource Committee will periodically review the appointment of external remuneration consultants to the Board.
- 2.2.4 The Compensation and Human Resource Committee will seek input from the Group Key Functions on the design, implementation and execution of the remuneration policies and practices within the Group, and the related remuneration governance processes and procedures, in particular with respect to the annual review of the Remuneration Framework, the ex-ante and ex- post risk assessments carried out at the individual level of Directors and the Global Heads of Group Key Functions.
- 2.2.5 The Compensation and Human Resource Committee will ensure the proper involvement of the internal control and other competent functions (e.g. human resources and strategic planning). To this effect, the Compensation and Human Resource Committee will meet at least once a year with representatives of the Group Key Functions in the organization and will devote specific attention to the assessment of the mechanisms adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels.
- 2.2.6 Each member of the Compensation and Human Resource Committee shall be entitled to rely on the integrity of those persons and organizations within and outside the Group that provide information to the Compensation and Human Resource Committee, and the accuracy and completeness of the financial and other information provided to the Compensation and Human Resource Committee by such persons or organizations, absent actual knowledge to the contrary.

## **3 Compensation and Human Resources Committee meetings and reports**

### **3.1 General**

- 3.1.1 The Compensation and Human Resource Committee shall meet at least quarterly or as often as deemed necessary for the proper functioning of the Compensation and Human Resource Committee.
- 3.1.2 Meetings of the Compensation and Human Resource Committee are in principle called by the chairperson of the Compensation and Human Resource Committee.
- 3.1.3 Save in urgent cases to be determined by the chairperson of the Compensation and Human Resource Committee, notice of a meeting shall be sent to all members of the Compensation and Human Resource Committee at least seven days prior to the date of the meeting. The Compensation and Human Resource Committee may also meet by telephone or video conference.
- 3.1.4 The Chief Executive Officer shall attend the meetings of the Compensation and Human Resource Committee, unless the Compensation and Human Resource Committee decides otherwise. The chairperson of the Compensation and Human Resource Committee may decide on attendance of other Executive Directors or employees of the Company.

### **3.2 Quorum**

The quorum necessary for transaction of business of the Compensation and Human Resource Committee shall be a majority of the members of the Compensation and Human Resource Committee in office.

### **3.3 Meeting minutes**

- 3.3.1 The secretary of the Compensation and Human Resource Committee or, if no secretary of the Compensation and Human Resource Committee is appointed, any other person designated for that purpose, shall draw up minutes of the meeting.
- 3.3.2 The minutes shall be adopted by the Compensation and Human Resource Committee and shall be signed for adoption by the chairperson of the Compensation and Human Resource Committee.
- 3.3.3 Minutes of the Compensation and Human Resource Committee meetings shall be sent to: (i) the members of the Compensation and Human Resource Committee; and (ii) all members of the Board, unless there is a compelling reason not to do so.

### **3.4 Reporting**

The chairperson of the Compensation and Human Resource Committee shall report on the deliberations and findings of the most recent Compensation and Human Resource Committee meeting in the first meeting of the Board following the Compensation and Human Resource Committee meeting.

## **4 Miscellaneous**

- 4.1.1 Acceptance by Compensation and Human Resource Committee members. Anyone who is appointed as a member of the Compensation and Human Resource Committee accepts and agrees to the contents of this Charter and will comply with the provisions of this Charter.
- 4.1.2 Occasional variation. The Compensation and Human Resource Committee may occasionally decide to vary from this Charter, with due observance of applicable laws and regulations and recording the reasons for its decision..
- 4.1.3 Amendment. This Charter may be amended at any time by the Board and any such amendment shall be effective as of such date determined by the Board. The Compensation and Human Resource Committee shall regularly review and reassess the adequacy of this Charter, report on it, and recommend any proposed changes to the Board.
- 4.1.4 Interpretation. In the event of lack of clarity or difference of opinion on the interpretation of any provision of this Charter, the opinion of the chairperson of the Compensation and Human Resource Committee shall be decisive.
- 4.1.5 Governing law and jurisdiction. This Charter is governed by the laws of Bermuda. The Bermuda courts have exclusive jurisdiction to settle any dispute arising from or in connection with this Charter (including any dispute regarding the existence, validity, or termination of this Charter).
- 4.1.6 Complementarity to Bermuda law and Bye-Laws. This Charter is complementary to the provisions governing the Compensation and Human Resource Committee as provided for under Bermuda law, other applicable regulations, the Bye-Laws and the Board Regulations. Where this Charter is inconsistent with the Board Regulations, the latter shall prevail. Where this charter is consistent with the Board Regulations, but inconsistent with the Bye-Laws, the latter shall prevail. Where this Charter is consistent with the Bye-Laws or the Board Regulations, but inconsistent with Bermuda law, the latter shall prevail.
- 4.1.7 Partial invalidity. If one or more provisions of this Charter is or becomes invalid, this shall not affect the validity of the remaining provisions. The Board may replace the invalid provisions by provisions which are valid, and the effect of which, given the contents and purpose of this Charter, is to the greatest extent possible, similar to that of the invalid provisions.



## Schedule 1      Definitions

“Board”	has the meaning given to such term in the Bye-Laws;
“Board Regulations”	means the regulations of the Board;
“Bye-Laws”	means the Company’s bye-laws;
“Charter”	has the meaning given to such term in the preamble of this charter;
“Compensation and Human Resource Committee”	means the compensation and human resource committee of the Board;
“Company”	means Aegon Ltd., an exempted company limited by shares registered in Bermuda;
“Director”	means a director of the Company;
“Executive Director”	means an executive director of the Company;
“General Meeting”	means the corporate body that consists of shareholders or members of the Company, or the meeting in which such persons ensemble;
“Global Remuneration Framework”	means the remuneration framework which covers all staff of the Group, and which contains the guiding principles to support sound and effective remuneration by ensuring consistency in remuneration policies and practices throughout the Group;
“Group”	means the Company and its Subsidiaries and other companies whose financial information is incorporated in the consolidated annual accounts of the Company;
“Non-Executive Director”	means a non-executive director of the Company;
“Nomination and Governance Committee”	means the nomination and governance committee of the Board;
“Remuneration Policy”	has the meaning given to such term in the Bye-Laws, for the avoidance of doubt including Bye-Law 26.1.a;
“Remuneration Report”	means the remuneration report prepared by the Board in accordance with the Bye-Laws;
“Risk Committee”	means the risk committee of the Board;
“Senior Internal Auditor”	means the Company’s Group Chief Audit Executive; and
“Subsidiary”	has the meaning given to such term in the Bye-Laws.