A global investment manager

Global client base

- Serving clients in Europe, the United States and Asia

A responsible investor

- PRI signatory since 2011

Deeply-resourced

- 1,200 employees
- 250 investment professionals

Assets under management

- USD 408 billion (as of June 30, 2020)

International network of offices

United States
Baltimore
Cedar Rapids
Chicago
New York
San Francisco

Europe
Budapest
Edinburgh
Frankfurt
Groningen
London
Madrid
Paris
The Hague

Asia
Hong Kong
Shanghai
Tokyo

Investment teams

AEGON Asset Management

兴全基金 AEGON-INDUSTRIAL Fund
践 行 责 任 成 就 价 值

LA BANQUE POSTALE ASSET MANAGEMENT

AEGON Asset Management

One Framework, Three Disparate Teams

Synchronizing teams across borders

- ## Works in regulated industry
  AAM chose SAFe as its fits into a high regulated industry, but still allows true agility to prosper.

- ## Helps with Synchronization
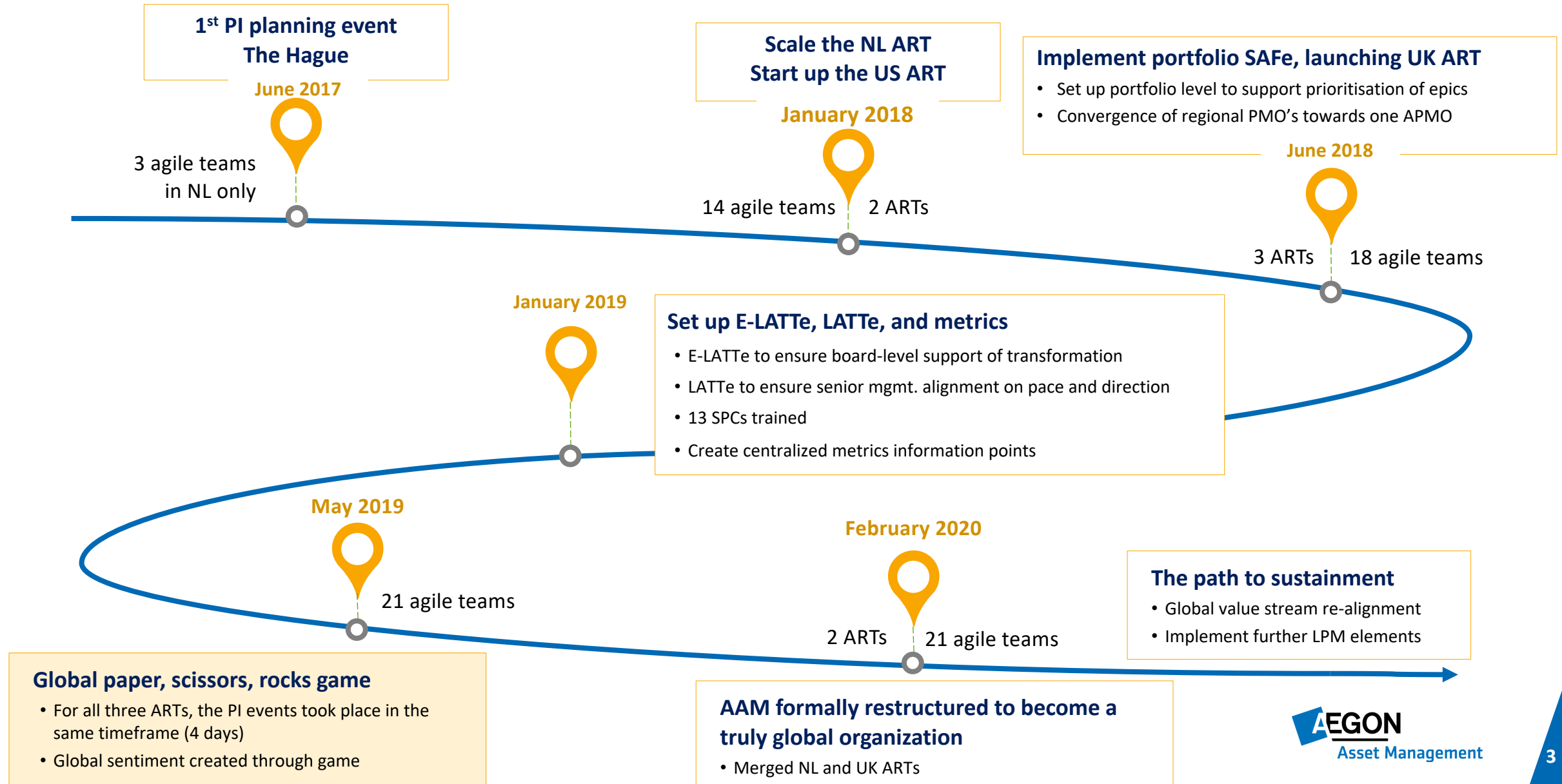 SAFe is a way to expand the company's agile efforts and keep teams synchronized across borders.

- ## Envisioned SAFe as:
  - Providing a unifying structure to align regions to work together in the same way
  - Aligning enterprise strategy with Portfolio execution by organizing the enterprise around the flow of value.
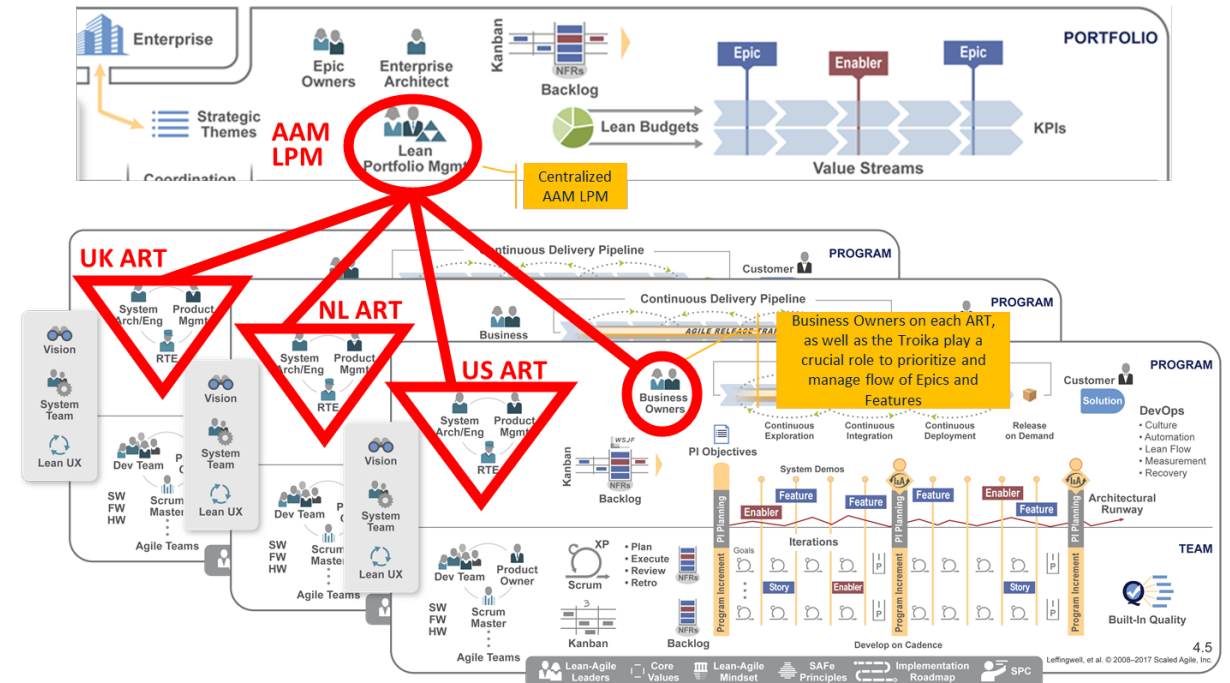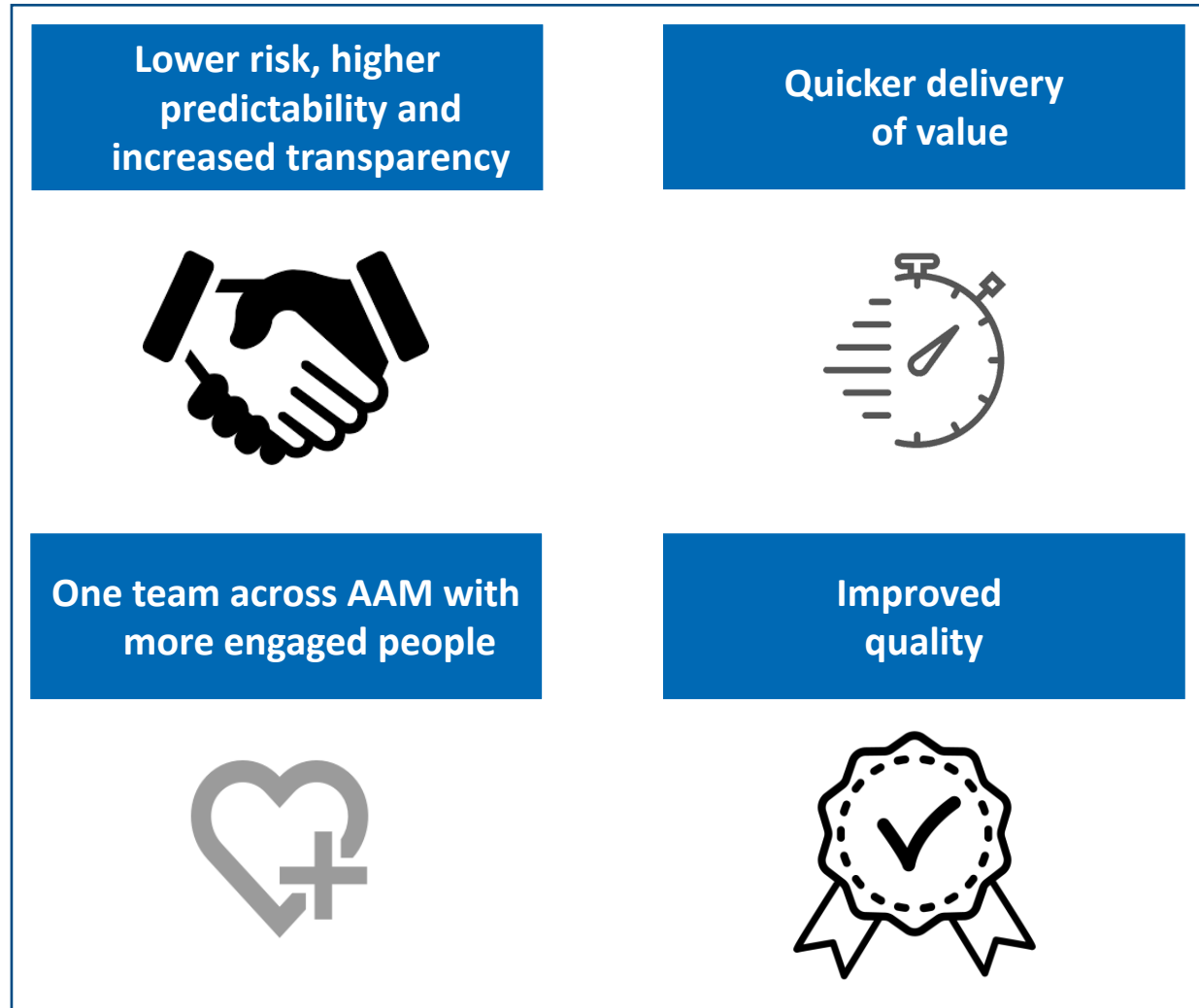

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The AAM Transformation timeline

**1st PI planning event
The Hague**

June 2017

3 agile teams
in NL only

**Scale the NL ART
Start up the US ART**

January 2018

14 agile teams   2 ARTs

Implement portfolio SAFe, launching UK ART

- Set up portfolio level to support prioritisation of epics
- Convergence of regional PMO's towards one APMO

June 2018

3 ARTs   18 agile teams

January 2019

Set up E-LATTe, LATTe, and metrics

- E-LATTe to ensure board-level support of transformation
- LATTe to ensure senior mgmt. alignment on pace and direction
- 13 SPCs trained
- Create centralized metrics information points

May 2019

21 agile teams

February 2020

2 ARTs   21 agile teams

The path to sustainment

- Global value stream re-alignment
- Implement further LPM elements

Global paper, scissors, rocks game

- For all three ARTs, the PI events took place in the same timeframe (4 days)
- Global sentiment created through game

AAM formally restructured to become a truly global organization

- Merged NL and UK ARTs

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Case for Change for Aegon Asset Management

Our transformation to Agile ways of working delivers four key benefits, measured through several KPI's

Lower risk, higher predictability and increased transparency	**Quicker delivery of value**
One team across AAM with more engaged people	**Improved quality**

- Established stable predictability of 80+%

- Moved from projects taking at least 6 months to an average feature cycle time of 60 days

- Reduced the defect rate (production support rate <5%)

- Elevated employee engagement

- Improved transparency for faster decision-making by the business

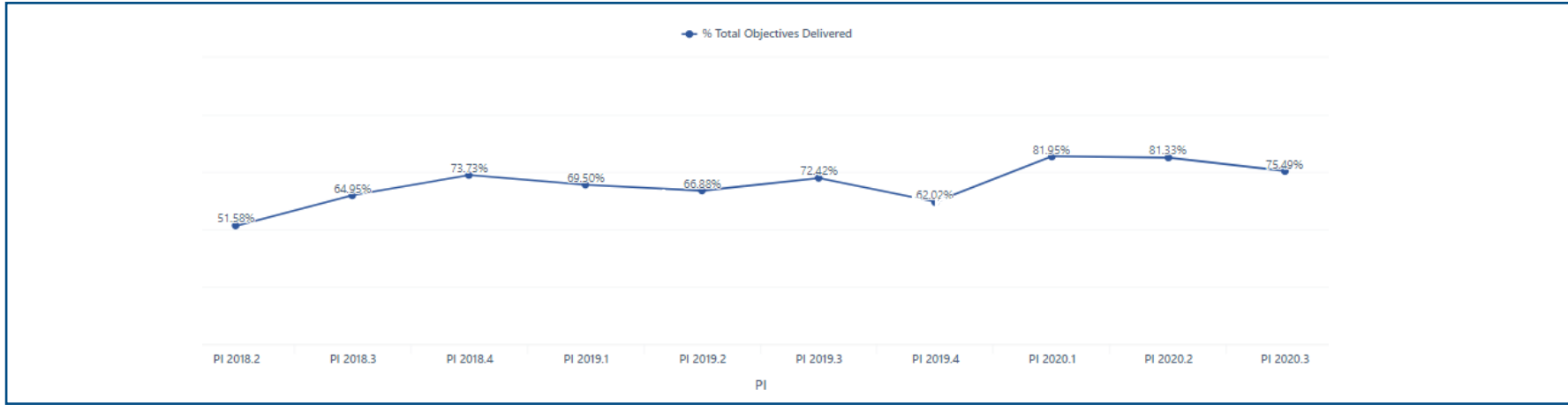- Sharpened our ability to attract and retain talent

"I think the biggest benefit was the level of transparency that is built into the SAFe framework. We always new what the teams were working on, if they were going to finish something or if something had to be reprioritized."

Anthony Mazzella
Head of Client Services

Case for Change for Aegon Asset Management

It's always about the story behind the metrics

Predictability

% Total Objectives Delivered

51.58% — 64.95% — 73.73% — 69.50% — 66.88% — 72.42% — 62.02% — 81.95% — 81.33% — 75.49%

PI 2018.2 | PI 2018.3 | PI 2018.4 | PI 2019.1 | PI 2019.2 | PI 2019.3 | PI 2019.4 | PI 2020.1 | PI 2020.2 | PI 2020.3

PI

Production support rate

ART EU

Production Support Ratio — — Target Prod Support Ratio

22% — 18% — 12% — 16% — 8% — 8% — 9% — 9% — 7% — 5% — 2% — 6% — 4%

Sep 2019 | Oct 2019 | Nov 2019 | Dec 2019 | Jan 2020 | Feb 2020 | Mar 2020 | Apr 2020 | May 2020 | Jun 2020 | Jul 2020 | Aug 2020 | Sep 2020 | Oct 2020

"The transparency that the methodology creates for the business has helped us ensure we are devoting resources to the right things to support our objectives."
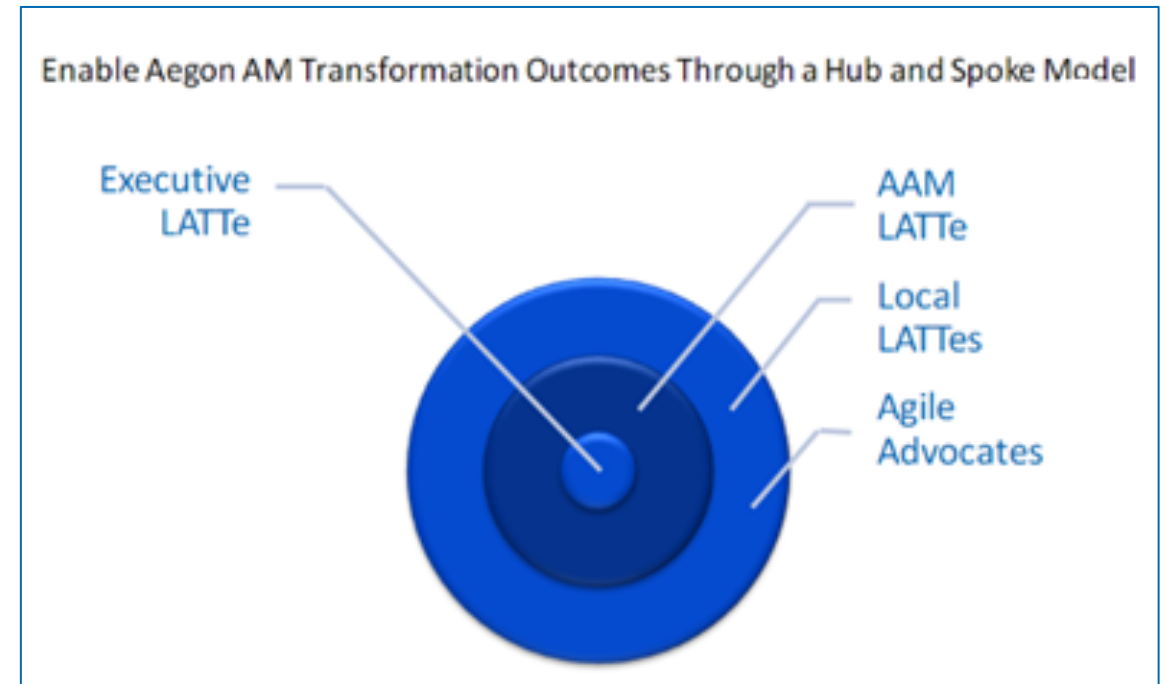
Christine Newlin
Head of Middle Office

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Critical factors to align teams

Engagement with executives / C-suite / Business Owners

- ***Empowered to change the discussion***: SAFe allowed us to change the content of the discussion with our executives; it's now much less around budget and time and instead on focusing on a solution that delivers on business needs

- ***Connecting the C-suite to the execution of ARTs:*** Applying the Portfolio Kanban with support of a Business Owner community

- ***Successfully engaging the C-suite:*** Regular cadenced Executive LATTe meeting created visibility and ownership on the agile transformation.

Successful transformation needs all levels of the organization!

Enable Aegon AM Transformation Outcomes Through a Hub and Spoke Model

- Executive LATTe
- AAM LATTe
- Local LATTes
- Agile Advocates

"It's as much a governance forum as it is a monthly eduction session."
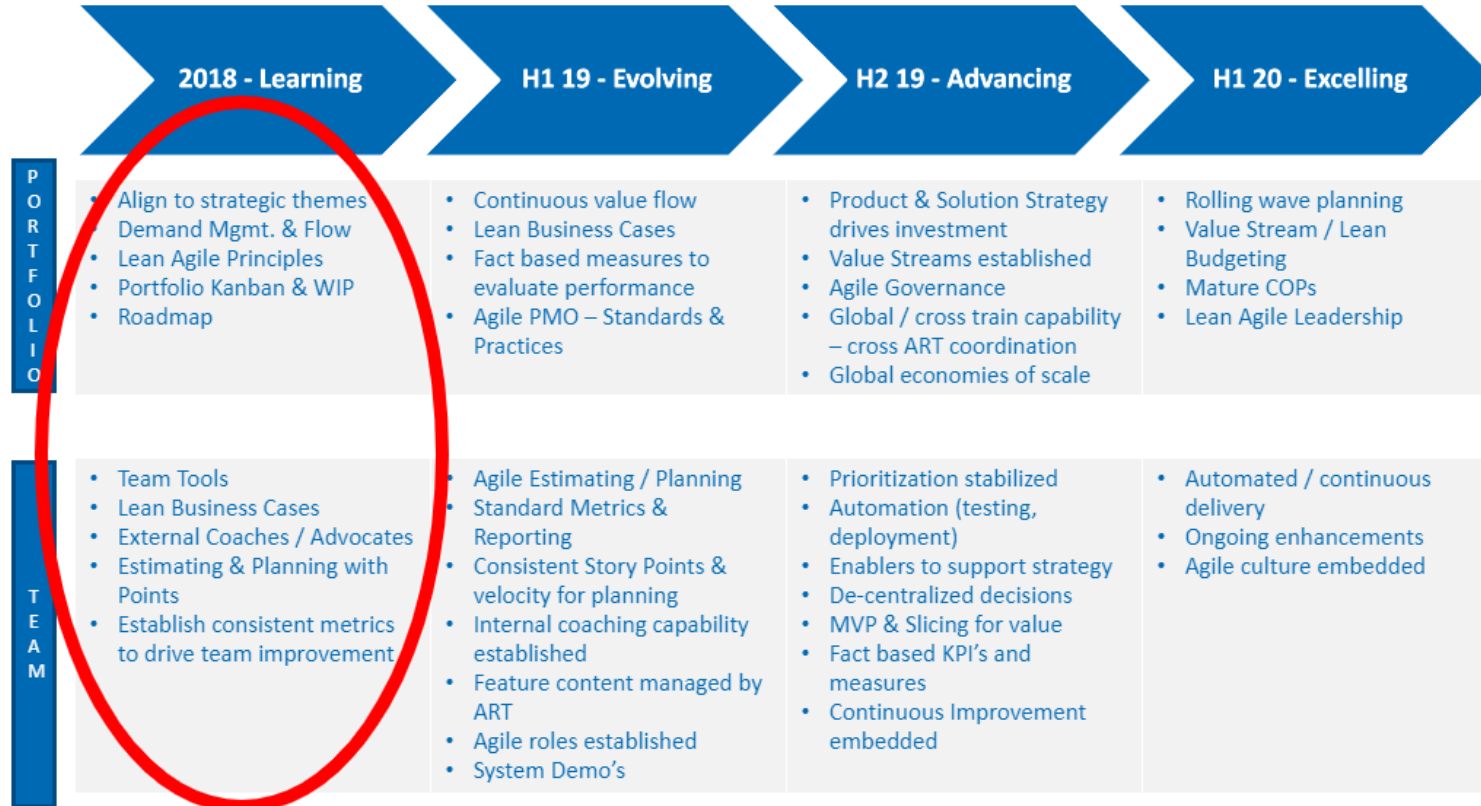*—a Chief Investment Officer at AAM*

Critical factors to align teams

Transformation Roadmap

Top Down (Portfolio) and Bottom Up (Team) focus

Version Q4 2018

	2018 - Learning	H1 19 - Evolving	H2 19 - Advancing	H1 20 - Excelling
PORTFOLIO	• Align to strategic themes Demand Mgmt. & Flow • Lean Agile Principles • Portfolio Kanban & WIP • Roadmap	• Continuous value flow • Lean Business Cases • Fact based measures to evaluate performance • Agile PMO – Standards & Practices	• Product & Solution Strategy drives investment • Value Streams established • Agile Governance • Global / cross train capability – cross ART coordination • Global economies of scale	• Rolling wave planning • Value Stream / Lean Budgeting • Mature COPs • Lean Agile Leadership
TEAM	• Team Tools • Lean Business Cases • External Coaches / Advocates • Estimating & Planning with Points • Establish consistent metrics to drive team improvement	• Agile Estimating / Planning • Standard Metrics & Reporting • Consistent Story Points & velocity for planning • Internal coaching capability established • Feature content managed by ART • Agile roles established • System Demo's	• Prioritization stabilized • Automation (testing, deployment) • Enablers to support strategy • De-centralized decisions • MVP & Slicing for value • Fact based KPI's and measures • Continuous Improvement embedded	• Automated / continuous delivery • Ongoing enhancements • Agile culture embedded

Stabilize upstream demand and flow at the Portfolio and allow ARTs to pull work

*Continue to stabilize and mature the team practices and metrics*

A Transformation Roadmap was created to act as a playbook and guidance for the global transformation.

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Critical factors to align teams

Lean Portfolio Management and Investment funding

Create one global backlog prioritized by senior stakeholders

- Conducted regular Portfolio Syncs to keep priorities and execution transparent on cadence aligned with quarterly PI Planning

- Introduced new processes, artifacts and approvals with full support from the C-suite and revamped intake process to integrate into the Portfolio Kanban

- Introduced role of Epic Owner and transformed 4 separate PMO functions into one global APMO group
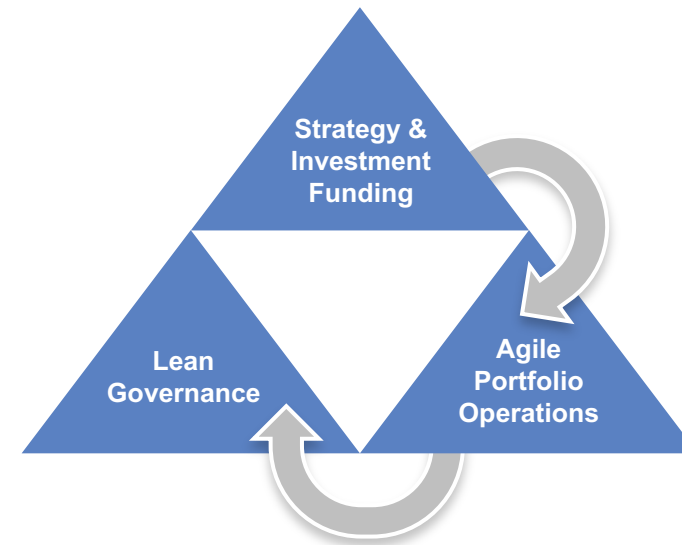
The Funding Challenge…..

- *Started funding trains rather than funding project/ initiatives*

- *Principle was understood, however detailed (ART) resourcing requests were not*

- *Executive understand the agility benefits or however a traditional cost accounting we still have issues*

One Global Change management framework replaces three separate frameworks

Revised governance after global restructure
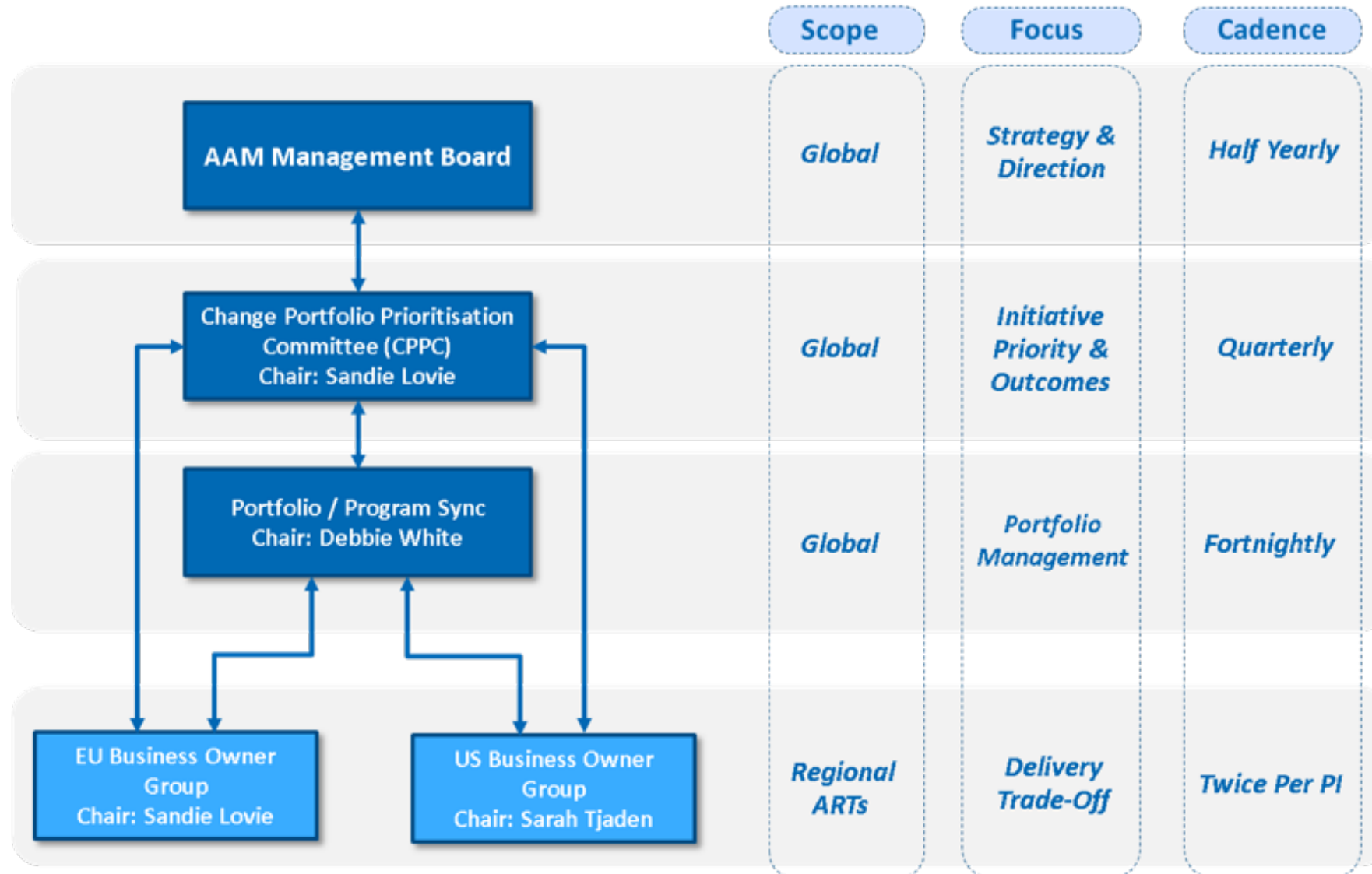
Critical factors to align teams

Copious Communication and Synchronized planning

All ARTs plan on the same cadence

- Synchronized all planning events and iterations across time zones

- Encouraged cross-border Epic owners to join planning in person as able

Nothing beats team collaboration

- Used tools available to document decisions and collaborate/communicate across time zones (Jira, Confluence, MS teams)

- Communication during planning weeks and in between; collaboration opportunities are plentiful!

- Socialized global features or Epics between teams

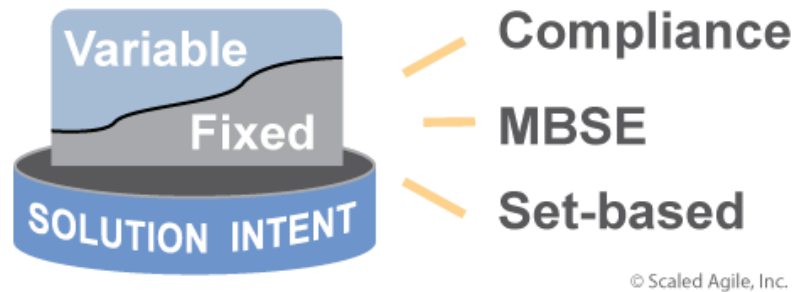- Shared country-based readouts with dependencies

"I think the fact that the IT staff are more educated about what the business needs is a great outcome!"

Stephanie Phelps – Global Director of Reporting and Control

Critical factors to align teams

Agile architecture

Apply consistent expectations to roles and artifacts; enable teams to rely on meaningful guidance

- Standardized the roles of Enterprise Architects, Solution Architects and System Architects across the globe

- Partnered specialized technical development knowledge with Architecture Introduced the Solution Intent artifact on portfolio level

- Mapped Architecture Artifacts and process to integrate with Portfolio and Program Kanbans

- Dedicated Enterprise Transformation Coaching to help with the transformation