

Message from the Participants Council RBS – April 2024

Spring is now around the corner and it is time for an update on developments in the financial markets, the indexation of pension entitlements and progress regarding the Future Pensions Act (WTP).

Now that the first quarter of 2024 is over, a look back shows that despite the unrest in the world, the conflict in Gaza, the war in Ukraine and the ongoing geopolitical tensions, there were exceptional results for investors in the financial markets. Global supply chains were disrupted in places and oil prices rose again in March. Gas prices, on the other hand, fell thanks to milder winter weather and sky-high reserves. Global food prices fell slightly thanks to successful grain harvests and falling inflation.

Central banks remain cautious and the lower interest rate cycle is likely to be slowed down as a result. In the eurozone, growth remains weak, with investments remaining low and consumer confidence only slowly recovering, we still saw global stock markets push to new records. As a result of all this, our Circle's assets have increased, but due to declining interest rates, the coverage ratio has fallen to 152.6% as of March 2024 (148.6% at the end of December 2023). The development of the coverage ratio can be followed on the website of Centraal Beheer General Pension Fund (APF).

Future Pensions Act and other matters

Indexation

In January 2024, all participants in the RBS circle received confirmation of the granting of full indexation of 0.21%. This increase in entitlements is based on the CBS Consumer Price Index figures for the past year.

How do you view your pension?

Centraal Beheer APF administers our pension scheme. As we reported last time in our newsletter, the regular risk preference survey among the participants has taken place. This supports the board of the fund in determining policy that best suits the preferences of the participants with regard to risks

broken down by age, income, status and other participant characteristics. And also to what extent participants accept volatility in the accumulation phase and distribution phase. The results will be used to determine an implicit investment life cycle and subsequently the risk attitude for the RBS circle will be determined. In addition, input was also obtained on preferences regarding socially responsible investing.

State of affairs regarding the Future of Pensions Act:

More is now known about the planning of the transition 'Towards the new pension system' for Centraal Beheer APF. As BO of the RBS Circle, we are determining the next steps. Comparisons are made of the current FTK framework versus the new WTP scenarios. The quantitative effects are carefully examined and it appears that the cautious conclusion would be that switching to the WTP could be beneficial for the participants. With this as a starting point, the intention is to approach the old employer RBS Plc (now NatWest Plc) because of the role that the employer must play in the transition process as described in the Act. The aim is to work towards a transition plan that must be ready (and approved by DNB) before the end of 2025. Moreover, even if we come to the conclusion that transition is not possible or desirable, we will have to inform DNB of this with clear reasoning. Of course, we will keep the participants of the RBS Circle fully informed of the developments and steps in the transition process through digital messages and information meetings for all participants. We continue to consult closely with the board about the transition options for our circle and hope to be able to inform you in more detail about the next steps of our research in our next newsletter.

We would like to emphasize once again that as a member of our pension circle, it is essential that you stay informed of these and other developments. We therefore encourage you to regularly consult the communication channels of Centraal Beheer APF and to follow the updates on the website. In addition, the Centraal Beheer APF customer team is ready to answer any questions and provide you with information where possible. Finally, if you are still in contact with former colleagues who you

know do not receive the digital newsletter from us, we hope that you can convince them to provide an email address to Centraal Beheer APF so that they can also receive the digital newsletter. can receive information and our newsletters (including any invitations to physical meetings).

On behalf of the participants council of Kring RBS at Centraal beheer APF

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