

November Newsletter: Update from the RBS Section

November is traditionally the month of our regular newsletter, providing an update on the latest developments within our RBS section. Although slightly delayed this time, we want to draw your attention primarily to an update on the transition in the context of the new Pension Supervision Act (WTP).

During the summer, we informed you that, based on a comprehensive analysis by Willis Towers Watson (WTW), we – as the Stakeholder Body – had concluded that a transition to the WTP would be positive to highly positive for nearly all participants and former participants across almost all scenarios. Following this conclusion, we approached the former employers, now NatWest Markets N.V. and NatWest Markets plc, and both committed to supporting the proposed transition.

In September, Jacco Heemskerk, on behalf of the Stakeholder Body, gave a presentation on the findings of WTW's study and the proposal to transfer all accrued pension rights into a Flexible Contribution Scheme (FPR). This scheme aligns with the closed nature of the RBS Circle as well as the outcomes of the risk preference survey for the RBS Circle. In October and November, all participants were further informed about this Flexible Contribution Scheme through video calls, animations, and a livestream.

As there are no social partners involved in our pension plan anymore, each of you is required to make your own decision. In October, you received a letter from Centraal Beheer APF, accompanied by a request from NatWest Markets to explicitly decide by December 1, 2024, whether or not you wish to transfer your pension rights. This decision could be made using the enclosed choice form. The information package available in the "My Archive" section of the My Pension portal (accessible via login) on Centraal Beheer APF's website included a detailed explanation of the Stakeholder Body's proposal.

Ultimately, more than 60% of you returned the choice form. Of these responses, over 99.5% agreed with the proposed transfer. Out of 1,034 responses, 12 participants did not agree, but since then, 7 have changed their stance and provided their approval.

This outcome from participants and former participants tasks the Centraal Beheer APF Board with determining whether the interests have been sufficiently balanced. Based on this assessment, the Board will make the final decision on transferring pension rights under the new WTP and the Flexible Contribution Scheme (FPR). This decision will impact all participants.

The Dutch Central Bank (DNB) has established strict timelines for submitting the transition plan, leaving no room for delays.

What's next for the Section RBS?

What will happen next with our Circle, as we now know that only 5 of our participants have indicated that they have not given their consent to change the arrangement. What is a good

solution for these participants that do want to stay behind. That is an interesting issue and based on the currently available results this means the following.

The current circle of RBS at the Centraal Beheer APF will not be able to be continued, due to the very small number of participants that will remain behind. Because of the costs per participant will be far too high to bear, the board will look for a solution that is balanced for all participants. We expect to be informed about the outline of what this solution will be by the board of the Centraal Beheer APF in February 2025.

Kring RBS had a coverage ratio of 150.6% and a policy coverage ratio of 153.6% in November 2024.

Additional Updates

In the past quarter, the Stakeholder Body provided a positive recommendation for the update to the Actuarial and Technical Business Report. Furthermore, the Stakeholder Body approved changes to the fund's Socially Responsible Investment policy and investment beliefs. A significant portion of the annual meeting between the Stakeholder Body and the Board was dedicated to the WTP transition and the RBS Circle's position in this process. Additionally, there was a meeting with the Supervisory Board in December.

As the Stakeholder Body for the RBS Section, we are satisfied with the results of the process so far, which have brought us to this stage of the WTP transition. We look forward to the next steps to finalize this transition. We remain committed to monitoring the process and ensuring that the transition is managed responsibly and successfully.

Best regards,

Amsterdam, December 2024

On behalf of the Stakeholder Body of the RBS Section at Centraal Beheer APF:

- **Jacco Heemskerk** (Chair)
- Karina van den Berg
- Idzard van Eeghen
- Eliane Kuiper
- Stephan Mathu
- Jean-Paul van Oudheusden