1ST QUARTER 2024

QUARTERLY REPORT PGB

pensioenfonds PGB

Main points

- *Policy coverage ratio 31 March 2024: 116.4% (0.1% increase compared to the end of 2023).*
- *Present UFR coverage ratio 31 March 2024: 115.7% (3.2% increase compared to the end of 2023).*
- *Return on investments since the end of 2023: +3.3%.*
- *Invested assets 31 March 2024: € 33.0 billion.*

Preface

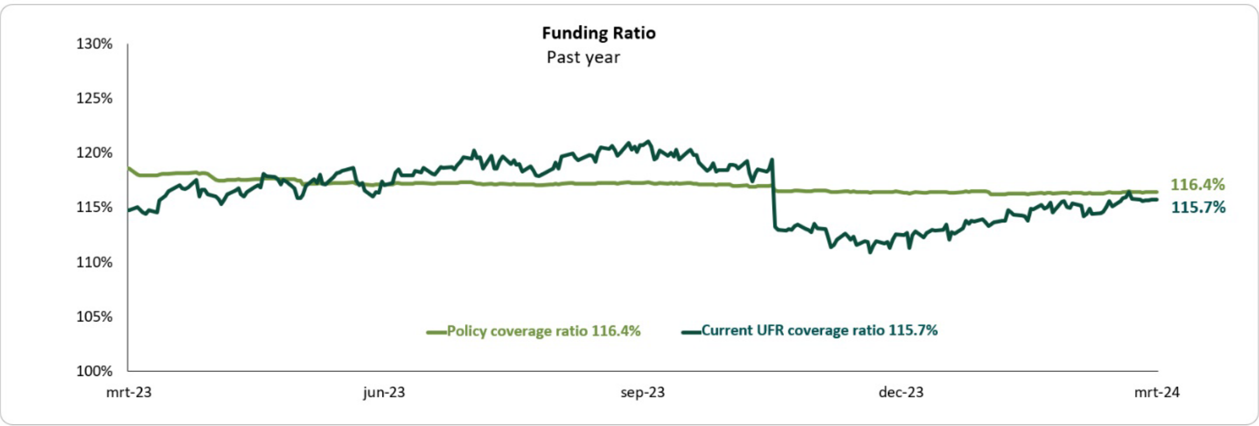
Jochem Dijckmeester, Chairman of the Board of Pensioenfonds PGB: "I look back on a good first quarter of 2024.
On 1 January, we increased pensions by 5.2%. This increase applies to all (former) participants, (former) partners and pension recipients of Pensioenfonds PGB. This is the third year in a row that we've been able to increase pensions. The total increase over that period therefore amounted to 15.2%. And that is good news for all our participants.

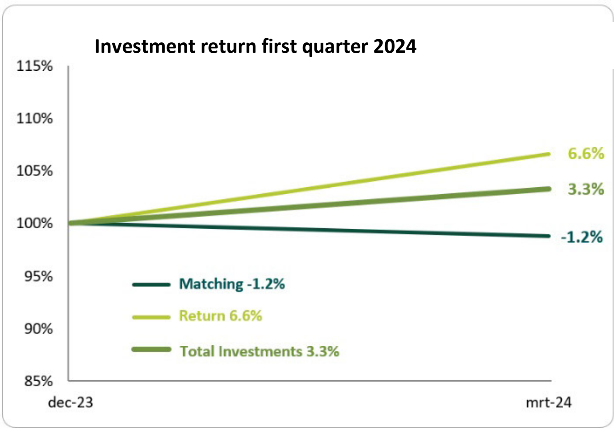
Financially, we will be in a slightly better position at the end of the first quarter, partly due to good investment returns. We ended the first quarter with a positive investment return of 3.3%. As a result, our capital grew. Our policy funding ratio decreased minimally compared to last quarter: from 116.5% to 116.4%. Because our assets increased more than our obligations, the current coverage ratio increased last quarter from 112.5 to 115.7%.

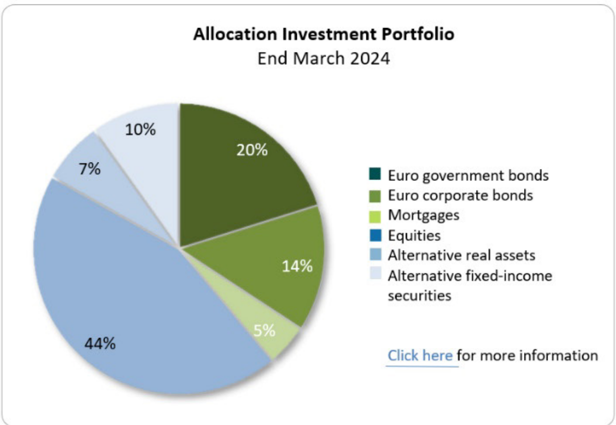
Behind the scenes, we are working hard to implement the new pension rules This did not only require a lot of attention from us last year, we will continue to be a changing sector in the coming years, too.

This year marks our 71st anniversary and our pension fund has almost 444,000 participants, former participants and pension recipients in 16 different sectors. We recently welcomed our 100,000th pensioner. We're here for each other. And we make sure we get it right. We continue to improve by listening carefully and understanding our customers. This way, we make pensions as personal and easy as possible for you."

Overview financial position and investment return







See the appendix on page 4 for an explanation of the most important terms.

Explanation of financial position and investment return

Financial position
Compared to the end of 2023, the present UFR coverage ratio rose from 112.5 to 115.7% in the first quarter of 2024. The policy funding ratio fell from 116.5 to 116.4% over the same period. The two coverage ratios do not move evenly because the present UFR coverage ratio is a snapshot (as of end of March 2024) while the policy funding ratio is the average of the present UFR funding ratios of the past 12 month-ends. The coverage ratios are criteria for any increase or decrease in pensions. It is tested annually whether this is the case.

Investment return
The return on the investments was +3.3% over the first quarter of 2024. The investments to hedge the interest rate risk (Matching Portfolio) has a return of -1.2%. This negative result is mainly due to the negative return on government bonds. Increased interest rates in the first quarter also make a negative contribution. The value of the Matching Portfolio decreases when interest rates rise. In contrast, when interest rates fall, the value rises. The Return Portfolio, which mainly consists of equities, achieved a return of +6.6% over the first quarter. Equities performed positively in the first quarter, although emerging market equities lagged slightly behind developed markets after some turmoil surrounding Chinese equities.

Distribution of investments
The value of the pension liabilities rises or falls as a result of interest rate movements. As of the end of March, 71% of the effect of this movement on our financial position will be absorbed (rate hedging) through investments in the Matching Portfolio, which consists of Euro government bonds, among other things. The aim of the Return Portfolio, which largely consists of equities, is to achieve extra return on investments in order to be able to increase pensions. The value of the total investments was € 33.0 billion at the end of March 2024. This is an increase of € 1.0 billion compared to the end of 2023.

Investment Returns Defined Contribution Schemes

Some of the participants have a pension capital through a defined contribution scheme. The details depend on the pension scheme. An appropriate investment portfolio has been drawn up for each age category. In addition, younger participants invest a larger part of their capital in the Return Portfolio (RP). This involves a bigger risk. Older participants invest more in the portfolio with less risk (Matching Portfolio, MP), so their pension capital is better protected against falls in interest rates and falls in share prices.

Result per age cohort	Weight		Return on investment
	MP	RP	2024
Age up to and including 49	15%	85%	5,4%
Age 50-55	25%	75%	4.7%
Age 56-61	35%	65%	3.9%
Age from 62	45%	55%	3.1%

Pension Obligations

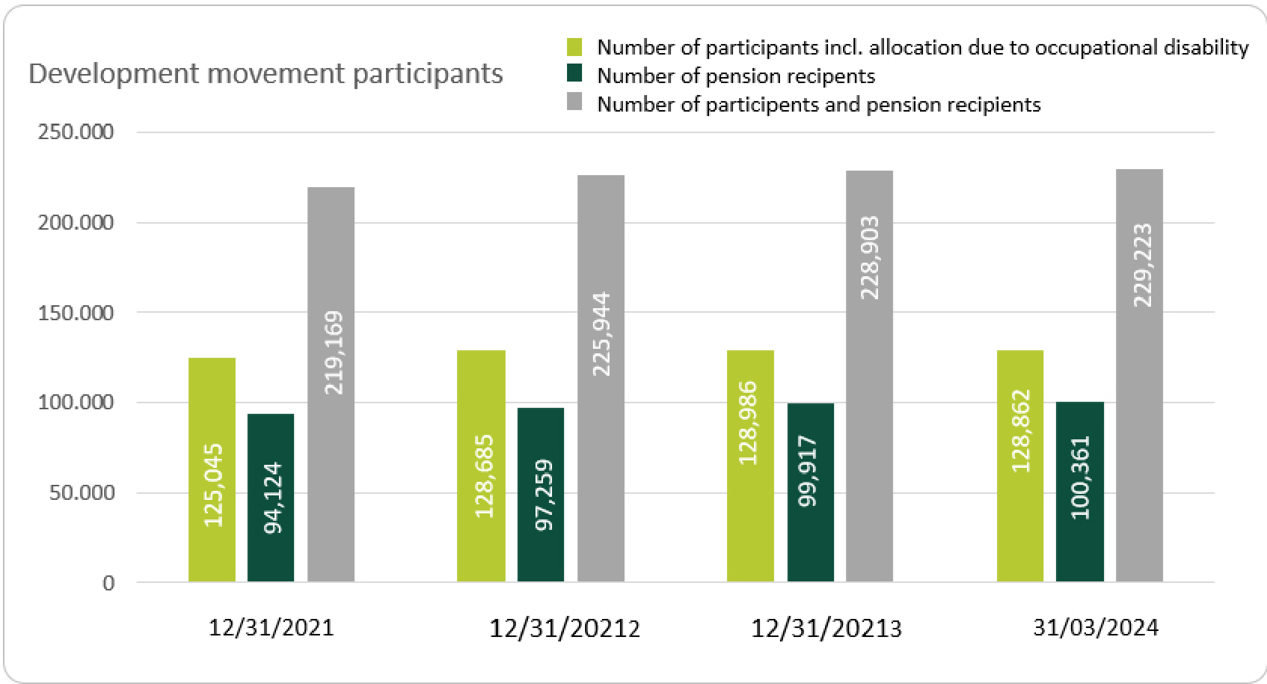
Liabilities (UFR): The value of the liabilities increased from € 28.6 billion at the end of 2023 to € 28.7 billion at the end of March 2024. The notional interest rate of De Nederlandsche Bank increased from 2.32% at the end of 2023 to 2.33% at the end of March 2024.

Developments at Pensioenfonds PGB

- The new pension in 1.5 minutes
- Getting a divorce? Remember your partner's pension!
- PGB Pensioendiensten chooses Macaw as a strategic data partner
- The new edition of our pension magazine PGB Beeld is out
- At Pensioenfonds PGB we take care of each other
- Paul Loven new member of the supervisory board

Development participants

The number of participants accruing pension with Pensioenfonds PGB - including allocation due to occupational disability - decreased by 124 in the 1st quarter, from 128,986 to 128,862. The number of participants receiving a pension increased in the first quarter of 2024 from 99,917 to 100,361, an increase of 0.4%. At the end of March 2024, a total of 229,223 participants were accruing or receiving a pension.



Development of participants from 31 December 2021 to 31 March 2024

The total number of participants - including participants who left their pension with Pensioenfonds PGB (deferred members) after leaving - came to approximately 444,000 at the end of March 2024.

Explanation of the most important terms

Matching (Portfolio)
Investments that depend in particular on interest rate movements, such as Euro government bonds. The Dutch government issues loans and these are financed by, for example, Pensioenfonds PGB. The risk on these investments is limited, as it is customary for governments to repay the loans. Pensioenfonds PGB mainly invests in bonds of the Dutch and German governments. All these investments are in Euros.

Return (Portfolio)
These investments should provide extra returns. This category mainly consists of equities (worldwide), private real assets (mainly immovable property and infrastructure) and high-interest-bearing assets (mainly bonds from emerging countries). These investments are mainly in Euros, US Dollars and British Pounds.

Coverage ratio
The coverage ratio is the ratio between our assets (the investments) and the pensions we have to pay out (our obligations). Is the coverage ratio 100%? Then there will be just enough money to pay for the pensions. How our coverage ratio develops depends mainly on our investment results and interest rates.

Interest rates
The value of the pension liabilities and the Matching Portfolio changes with an interest rate movement. An interest rate increase generally has a positive effect on the coverage ratio, even if the value of the Matching Portfolio decreases as a result, because the obligations fall more sharply in value. It works the other way around when interest rates fall.

Real assets
These are equities and private real assets that are part of the Return Portfolio.

Disclaimer
The figures in this quarterly report are provisional figures, partly based on estimates, and have not been verified by the certifying auditor and external actuary.