

Dear participants of Section RBS at Centraal Beheer Algemeen Pensioen Fonds,

It was only relatively recently that we sent out a newsletter and provided information on the pension fund and our section. There is now a need to get back to you more quickly regarding the transition to the new pension system and specifically the effects and steps for our Section RBS at Centraal Beheer APF.

Broad outline of the Future of Pensions Act

First of all, let's take a step back and summarize where we are now and why we're doing all this. The Future Pensions Act (WTP) came into effect on July 1, 2023. The broad outlines of this are: in recent years, many pension funds have not or hardly been able to be indexed to maintain purchasing power.

In the new pension system, the returns from investments can be used more quickly to increase pensions. It also works the other way around: if things go badly with investments, pensions can also be reduced. The new pension law does however ensure that there are buffers to absorb this as much as possible.

The new pension law also ensures that it becomes clearer and more personal how much pension has been accrued. From now on, a participant's pension will be equal to all premiums paid on behalf of that participant, plus the return this money has generated. What also changes is that the premium that employees pay at any age goes towards their own pension. In the previous system, the pension costs for a participant were the highest, most pension was accrued, at the end of the career and there was an implicit subsidy at collective level from young to old. Changing jobs or becoming unemployed at the end of one's career could therefore have major consequences for future pension accrual. In this way, the new law is more in line with the practice that nowadays workers no longer work for the same employer for 40 years.

Analysis for Section RBS

We have conducted thorough research into the options for Section RBS and it appears that the transition to the WTP can have major benefits for our participants and a flexible pension scheme (FPR) appears to be the best choice. It is expected that the benefits in the new pension system could be significantly higher, the exact percentage of course depends on an individual situation, but the calculations show that this can be higher or even significantly higher in 95% of the scenarios. This increase is mainly based on the high coverage ratio of Section RBS.

The introduction of the Future Pensions Act offers the opportunity to enter into a flexible pension scheme through transferring pension entitlements and use the surplus value in the fund. This means that accrued and incoming pensions are converted into a personal pension account, whereby existing reserves are used. This will be explained in more detail at another time, but for now we are mainly working out the details and also identifying the possible risks.

There is a complicating factor that we have to take into account, and that is that the Stakeholder Body of Section RBS is not entitled by law to request a transfer, this right is reserved to the employer. Former employers must also do this. Steps have now been taken to obtain cooperation from the former employers RBS plc, now NatWest Markets plc, and RBS N.V., now NatWest Markets N.V., to support a request for a transfer.

Since social partners are no longer involved, participants will also have to be consulted in the transition process. The timelines for this step in the process are now scheduled for September 2024. Information sessions will be organized to properly inform participants. Despite the formal role and responsibility of NatWest Markets and the board of Centraal Beheer APF for requesting

and implementing a transition, the Stakeholder Body of Section RBS initiates the activities surrounding the transition.

Refine communication to participants via sounding board group

The Stakeholder Body of Section RBS currently has a specific wish to properly prepare communication for all participants. To this end, we want to further identify the questions that exist among the participants in order to properly shape the information sessions in September 2024. That is why we would like to enlist the help of participants who would like to take part in a sounding board group, which will be set up specifically for this purpose.

So, in concrete terms, we are looking for a broad and diverse representation of approximately 10 participants and/or retirees. [Interested participants can register before July 5 at thom.kegel@centraalbeheerapf.nl](mailto:thom.kegel@centraalbeheerapf.nl). However, the Stakeholder Body reserves the right to make a representative selection if there are too many registrations.

Make sure you stay informed

In the coming months we will continue to share information about the progress in the process regarding the new pension scheme. We plan to hold a number of webinars in September 2024 and organize a physical meeting where you can learn more about your new pension scheme. During these webinars and meeting, we will delve deeper into specific topics, and you will have the opportunity to ask your questions.

Yours sincerely,
Amsterdam, June 2024

On behalf of the Stakeholder Body of the Section RBS at Centraal Beheer APF
Jacco Heemskerk (chair)
Karina van den Berg
Idzard van Eeghen
Eliane Kuiper
Stephen Mathu
Jean-Paul van Oudheusden