1ST QUARTER 2026

QUARTERLY REPORT PGB

Main points

- *Policy coverage ratio 31 March 2026: 126.8% (2.9 percentage points increase compared to the end of 2025).*
- *Present UFR coverage ratio 31 March 2026: 127.7% (3.8 percentage points decrease compared to the end of 2025).*
- *Returns on investments for the first quarter of 2026: -0.1%*
- *Invested assets 31 March 2026: € 34.4 billion.*

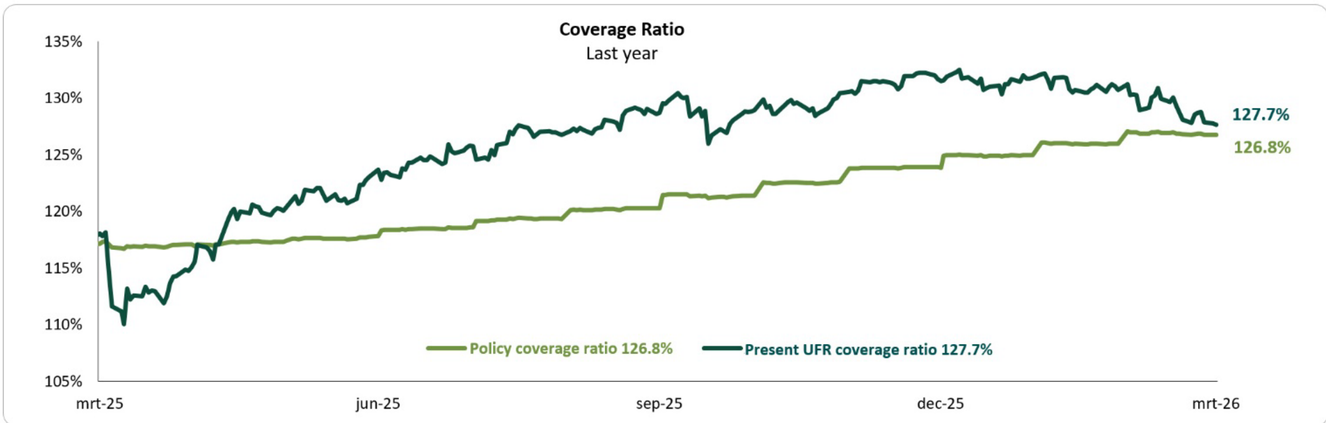
Preface

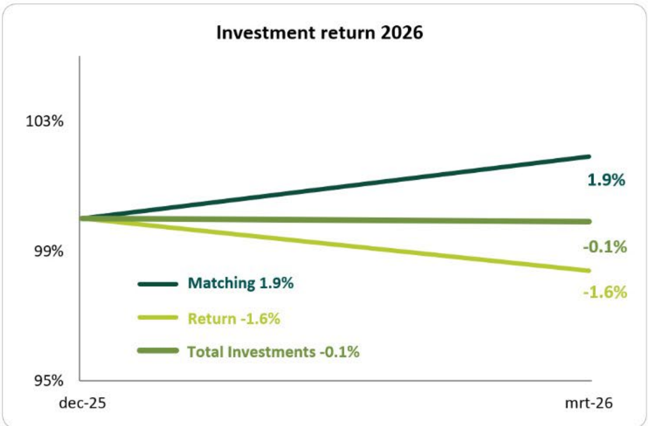
Hans Veltkamp, Chairman of the Board of Pensioenfonds PGB: “There was a lot of unrest in the financial markets in the first quarter of 2026, partly because of geopolitical tensions in the Middle East. This can be seen in many pension funds, including Pensioenfonds PGB. Our policy coverage ratio rose to 126.8%. This means that our fund is still in a good financial position. At the same time, the present coverage ratio fell to 127.7%. This difference exists because the present coverage ratio is a snapshot, while the policy coverage ratio shows an average over 12 months.

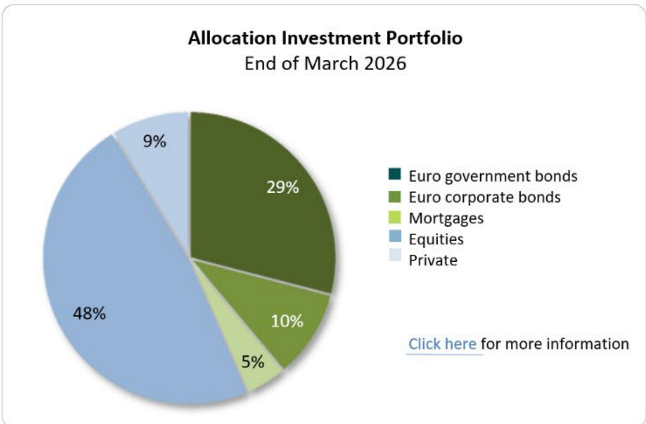
The investment return was -0.1% in the first quarter. Within our investment portfolio, there are differences. Investments that protect us against interest rate changes performed well, while equities were under pressure. This diversification helps us manage changes and limit risks. We always keep an eye on the long term. Our pension fund has a solid foundation, and we make our decisions carefully and in a balanced manner. We look after the interests of all participants. At the beginning of this year, we were able to increase pensions again. This time, with 1.7%. We understand that some participants had hoped for more, but it is a step that fits within what was financially responsible and legally possible.

At the same time, we continue preparing for the transition to the new pension system. We are on course to switch to the new pension rules on 1 January 2027. Until then, we will continue to keep a close eye on our financial position and market developments. In a constantly changing world, our goal remains the same: to ensure a good and reliable pension. Now and in the future."

Overview financial position and investment return







Explanation of financial position and investment return

Financial position
Compared to the end of 2025, the present UFR coverage ratio fell from 131.5% to 127.7% as of 31 March 2026. The policy coverage ratio increased from 123.9 to 126.8% over the same period**.** The two coverage ratios do not move evenly because the present UFR coverage ratio is a snapshot (as of 31 March 2026) while the policy coverage ratio is the average of the present UFR coverage ratios of the past twelve months (using the UFR coverage ratio of the end of the month). The coverage ratios are criteria for any increase or decrease in pensions. Every year, the Pensioenfonds PGB board decides whether pensions will remain the same, be increased or reduced. In October 2025, the board decided to increase pensions by 1.7% with effect from 1 January 2026. The UFR coverage ratio fell in the first quarter. This was because of several factors, including rising interest rates and falling equity markets.

Investment return
The return on the investments was -0.1% over the first quarter of 2026. The investments to cover the interest rate risk (matching portfolio) have a return of +1.9% in the first quarter of 2026. The decreased interest rate has a positive impact on the return of the matching portfolio. The value of the matching portfolio increases when interest rates fall. When interest rates rise, the value decreases. The return portfolio, which mainly consists of equities, achieved a return of -1.6% in the first quarter of 2026. The return on the portfolio is mainly driven by global equity markets. Due to the war in the Middle East, geopolitical unrest increased further. This had a negative impact on equity values in the first quarter. Especially North American investments performed negatively.

Distribution of investments
The value of the pension liabilities rises or falls as a result of interest rate movements. As of 31 March 2026, 74% of the effect of this movement on our financial position will be absorbed (rate hedging) through investments in the matching portfolio, which consists of government bonds from the Netherlands and Germany, 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 is € 34.4 billion as of 31 March 2026. This is a decrease of € 0.2 billion compared to the end of 2025.

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 created 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 by age group	Weight		Return on investment
	MP	RP	2026
Age up to 49	15%	85%	-1.1%
Age 50-55	25%	75%	-0.7%
Age 56-61	35%	65%	-0.4%
Age from 62	45%	55%	0.0%

Pension obligations

Obligations (UFR): The value of the obligations increased from € 26.5 billion at the end of 2025 to € 27.2 billion as of 31 March 2026. The notional interest rate of De Nederlandsche Bank decreased from 3.16% at the end of 2025 to 3.01% as of 31 March 2026. The drop in interest rates increases the market value of the pension liabilities.

Selection of news and developments

- Pensioenfonds PGB and World Wildlife Fund share experiences at Nature-Inclusive Event
- Lonneke Thissen new board member of PGB Pensioendiensten
- Why does Pensioenfonds PGB invest sustainably?
- Blog board member Frans van de Veen: towards the new pension
- How do we protect your pension in uncertain times?
- Fully up to date with your pension administration?
- What is compensation in the new pension?
- Golden Ear recognition for being a good listener

Explanation of the most important terms

Matching (Portfolio)
Investments that mainly depend 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, because governments generally repay their 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 investment category mainly consists of equities (global) and private real assets (property, infrastructure and private equity). 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 is exactly enough money to pay the pensions. How our coverage ratio develops mainly depends on our investment results and interest rates.

Interest rates
The value of the pension obligations and the matching portfolio changes with an interest rate movement. An interest rate increase generally has a positive effect on the coverage ratio. This is because the value of the pension obligations falls more than the value of the matching portfolio. 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.