

Pension Fund Lloyd's Register Netherlands

General Meeting of Participants

12 October 2026

Agenda

1. Opening and announcements
2. Minutes of participants' meeting of 13 October 2025
3. Documents received
4. Election of member of the accountability body on behalf of the participants
5. Report financial year 2025
6. Pension fund administration
7. New pension system and future of Lloyd's Register Pension Fund
   (inventory of questions from participants / answers via Newsletter)
8. Communication Survey
9. Any other business
10. Closure

Agenda

1 – Opening and announcements

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2 – Minutes of the participants' meeting of 13 October 2025

The minutes are attached to the invitation to this meeting

Agenda

3 – Documents received

Agenda

4 – Election member accountability body on behalf of participants

- Maarten Veenstra has been a member of the accoutability body since the beginning of 2023 on behalf of the active participants. His term expires in November 2026.
- We are pleased that Maarten is available for a new term of 4 years.
- There are no opposing candidates. Since Maarten is the only candidate, he automatically re-elected by the participants' meeting.

Agenda

5 – Report financial year 2025

Development of participant numbers

- Number of participants has remained almost the same in 2025:

• Active members:	346	(2024: 351)
• Deferred members:	591	(2024: 593)
• Pensioners:	288	(2024: 279)
• Total	1,225	(2024: 1,223)

- Since 2020, the number of active people has decreased by 120
- Since then, 53 pensioners and 126 deferred members have been added

Key figures

	2024	2025	Aug -2026
(amounts x EUR 1,000)			
Total assets	284,311	279,056	284,880
Pension liabilities	239,504	209,886	204,856
Current funding ratio	118.7%	133.0%	139.1%
Policy funding ratio (12-month averaged)	120.3%	126.3%	133.7%
Minimum required funding ratio	104.1%	104.1%	104.1%
Required funding ratio	120.0%	109.5%	111.3%
Contributions (incl. contribution Escrow foundation)	8,562	9,026	
Pension payments	6,919	7,159	

Full annual report can be found on website: www.pensioenfondslr.nl/documenten

Indexation as of 1 January 2026

As of 1 January 2026, indexation for 2025 has been granted to the participants of the pension fund:

- Escrow Beneficiaries: 2.50%
- Other (in)active members: 2.24%

Looking ahead:

As of 1 January 2027, the pension fund can again grant indexation.

The **general wage development** (important for Escrow participants) for October 2025 – October 2026 is not yet known, but will be **approximately 4%** (as of Q3 2026).
The **CPI Index** (general price inflation, important for other (in)active people) from September 2025 September 2026 is **3.4%** (provisional percentage).

Despite the good financial position, full indexation is not yet possible with the current policy funding ratio.

In December, the board will decide on the amount of the indexation as of January 1, 2027.

Agenda

6 – Pension fund administration

Administration

- As of January 1, 2023, we have switched to a new administrator (Visma Idella).
- In 2024 it turned out that the records contained some errors.
- Therefore, the UPO 2024 could not be provided by 1 October 2024
- The administrator was held liable for this and we have worked hard (to this day) to get the administration completely restored
- We have had various additional checks carried out and will soon complete the Data Quality Audit as part of the transition to the new system
- During the period up to now, there have been various issues that have led to incorrect pension statements and thus lead to confusion among participants.
- The most recent UPO (which was sent last week) should be correct. We have already had various checks carried out on this.
- We are currently in talks with Idella about the work until the moment of transition.

Agenda

7 – New Pension System and Future Pension Fund

New pension scheme

- Unfortunately, the transition to the new pension system has already been postponed a number of times. We are now working hard to meet the planned date of 1 January 2028.
- An important reason for the delay is the investigation into the data quality, which took a long time due to the problems at the administrator.
- In addition, the intended new pension provider has also had to postpone the start of the Collective Flexible Circle (and thus the transition date). It is important to us that we can join an already active circle.
- We will submit the files to DNB in early December 2026. This will be followed by an extensive process with DNB to discuss our objectives and the way in which we expect to achieve them.
- DNB has indicated that it aims to issue the decision before 1 July 2027 for all pension funds that wish to move to the new pension system as of 1 January 2028

The road to the new pension system in 10 steps

✓	1. Social partners agree on a new pension scheme	
✓	2. Social partners and pension fund choose a new pension provider	
✓	3. Employers draw up the transition plan	
	4. The pension fund decides to definitively accept the assignment and draws up the implementation plan	expected December 2026
	5. The Dutch Central Bank (DNB) will assess the plans	no later than 31/12/2027
	6. The board decides to wind up the pension fund	Q3 2027
	7. Conversion of pensions to pension capitals	expected 1/1/2028
	8. Collective value transfer	1/1/2028
	9. Start of new pension system	1/1/2028
	10. Winding up of the pension fund	approximately 9 months after transfer

The new pension scheme explained again

The new Pension Scheme

The employers and works councils have opted for the Flexible Premium Scheme (FPR). In 2025, LR EMEA and LRQA employees agreed to this new pension scheme (with the exception of a few employees).

Its main features include:

- Each participant will get a personal pension capital. This is invested according to a life cycle, in which the investment risk is reduced in the period until retirement
- Active participants receive a fixed contribution (as % of the pension base), regardless of age. This is added to the personal pension capital
- The contribution amounts to 20% of the pension base. This is lower than the current contribution. Compensation (in wage sphere) has been agreed for the current employees.
- Upon retirement, you can choose between a fixed pension or a variable pension.
- Existing pensioners will also be given this choice at the end of the first year.
  - **Variable pension**: the amount of the pension benefit depends on the investment return and the interest rate development (if the interest rate risk is not fully hedged). There are mechanisms to limit fluctuations (spreading of returns and Risk-sharing Reserve)
  - **Fixed pension**: the amount of the pension benefit is guaranteed and is therefore no longer dependent on the investment return or interest rate development
- Important risks (life risk, longevity risk and disability risk) are shared or insured with each other

Survivor's pension

Not much will change in the survivor's pension:

- At the start of the retirement pension, a participant chooses whether or not to 'insure' the partner's pension
- This partner's pension commences when the participant dies (i.e. after retirement) and then amounts to 70% of the retirement pension
- For active participants, something will change. The partner's pension in the event of death during employment will be 30% of the last-earned salary.
- During a transitional period, older active participants (who have already accrued partner's pension under the current system) will have a particular advantage. Because their partner will receive **the** accrued partner's pension (until the transition date) **plus** 30% of the last salary earned.
- Of course, the latter does not apply to participants who become participant after the transition to the new pension system.

- The (latent) partner's pension is invested the same way as for pensioners.

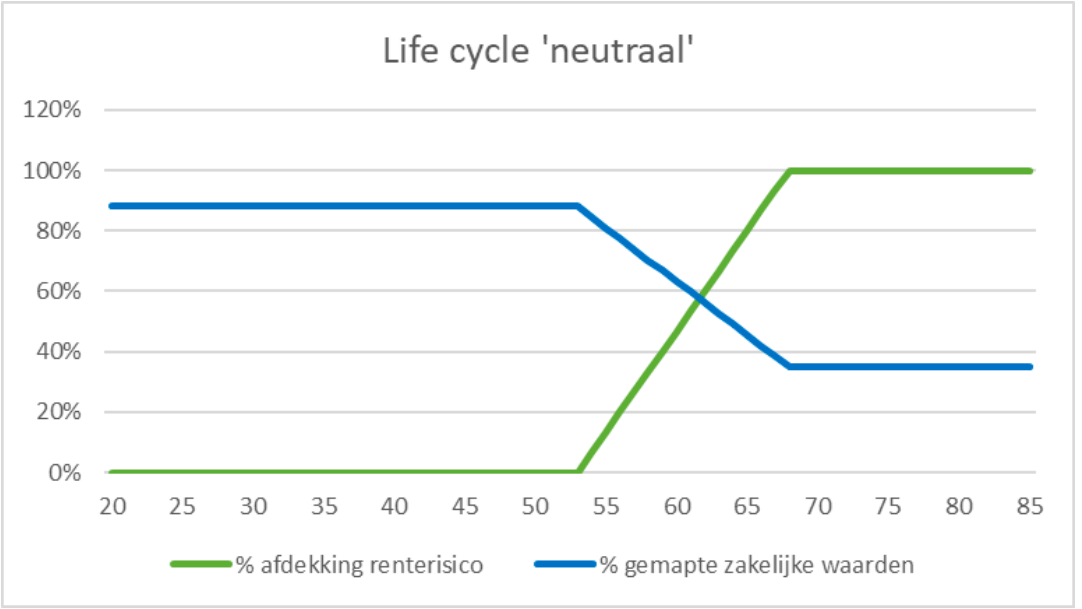
What is a Life Cycle?

- A Life Cycle indicates how much risk is run in the investment portfolio.

- Two portfolios are formed:
  - A protection portfolio:
    for hedging interest rate risk
  - A return portfolio
    (real assets)

- The older someone gets, the less risk is run

- But some risk remains necessary to keep up with inflation



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The new Pension Administrator

- The current pension fund will not implement the new scheme.
- We already found out a few years ago that we are too small and that it is very expensive to keep doing everything ourselves.
- The costs of running the pension fund in 2025 were approximately EUR 1.6 million and that will not become much cheaper for the new scheme (if the pension fund were to administer it).

- A provisional choice has been made by the social partners for an APF where the scheme will be implemented in a Collective Circle (i.e. together with other employers)
- The assets accrued with the Lloyd's Register pension fund will also be transferred to this Circle. After that, the pension fund will cease to exist.

- An APF has an independent and professional board.
- Each Circle has a Stakeholder Body

Transition objectives

- Objectives of the social partners:
  1. Compensation for changing the pension scheme and moving to a flat rate contribution
  2. Increasing personal pension capitals
  3. Keep pension payments at least at the same level
  4. Keeping pension paymens as stable as possible
  5. Limiting the likelihood that pension payments will have to be reduced in the first years after transition
  6. Striving to maintain the purchasing power of pension payments
  7. Differences in transition effects between ages and participant groups should preferably be limited and in any case explainable

- Objectives of the pension fund:
  1. For active people, there may be a limited decrease in pension expectations in less than half of the number of age cohorts
  2. The pension payment of pensioners is right after the transtion date at least as high as before the transtion date
  3. The expected pension for pensioners in the new scheme is at least as high as in the current scheme
  4. Limiting fluctuations in pension payments
  5. Limiting the likelihood that pension benefits will have to be reduced in the first years after transition
  6. The expected increase of the pension payments after the transition date should be at least 50% of price inflation.
  7. Risk-sharing reserve is important for stabilisation. That is why all (in)active people will receive a 2% basic increase to make their contribution to the reserve.
  8. Differences in transition effects between ages and participant groups should preferably be limited and in any case explainable
  9. Increasing personal pension capitals

Criteria for transition objectives

In order to be able to determine whether the objectives are being achieved, the pension fund has set criteria and ranges for this

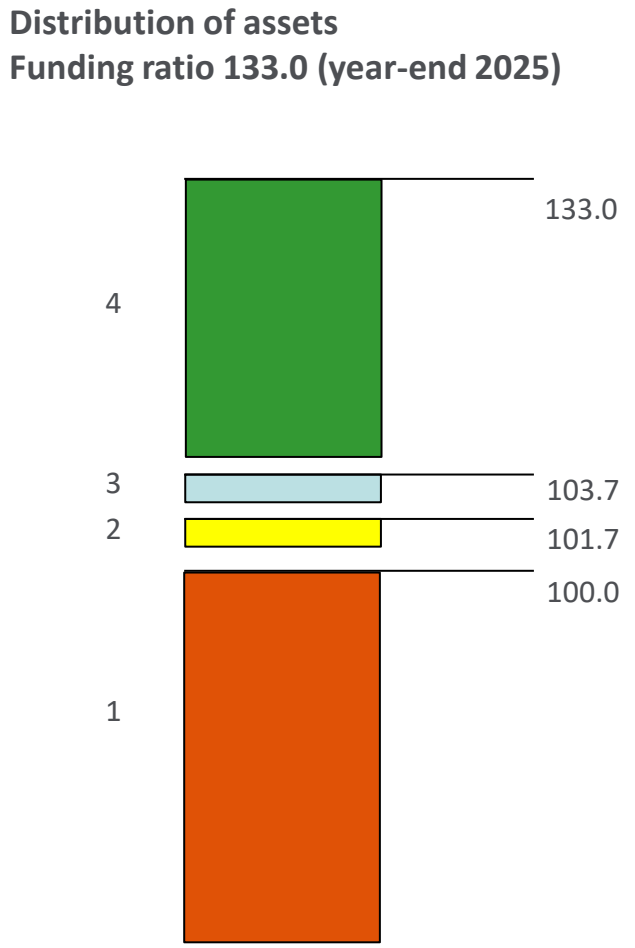
The transition effects must in any case be assessed on the basis of the following legal criteria:

- The **pension expectation** (new compared to current) in bad weather, in the median and in good weather
- **Net benefit** shows the redistribution between generations and participant groups

Priority rules for distribution of assets

- The total assets of the pension fund are distributed at the transition date

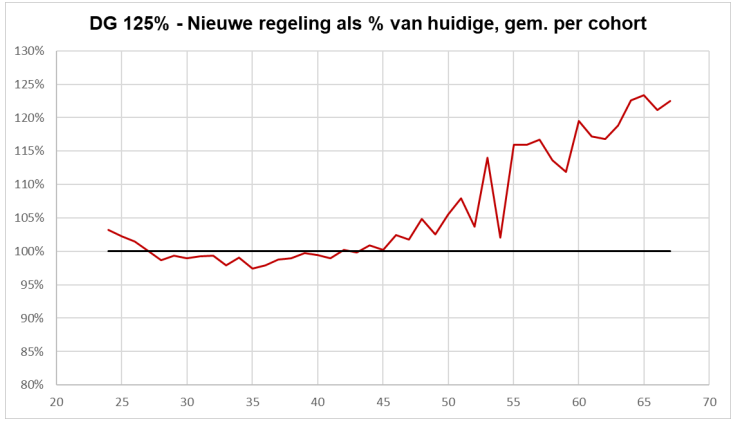
1. Participants will receive the nominal provision (100%)
2. After that, the assets are first used to fill the reserve for operational risks (1.5%) and the contribution to the buffer capital in the case of an APF (0.2%)
3. Subsequently, everyone receives 2% of the provision to be able to contribute to the Risk Sharing Reserve (RDR)
4. The rest of the assets are distributed on the basis of the standard rule with a spread period of 10 years (it is assumed that the surplus would have been distributed in 10 years)



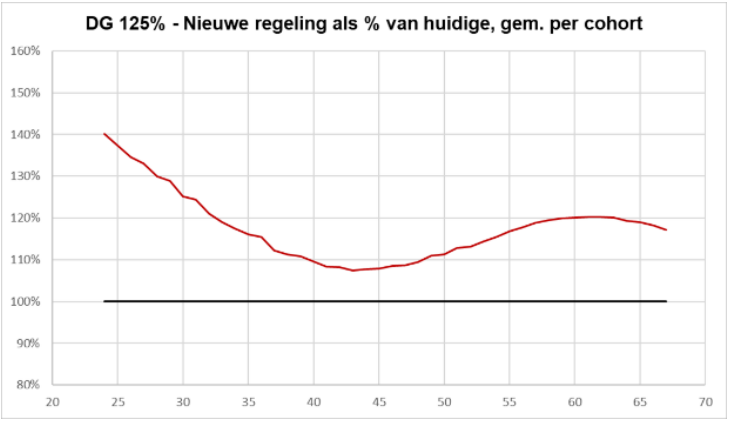
Expected pension:

ratio between the weighted average real benefit in the new and current scheme

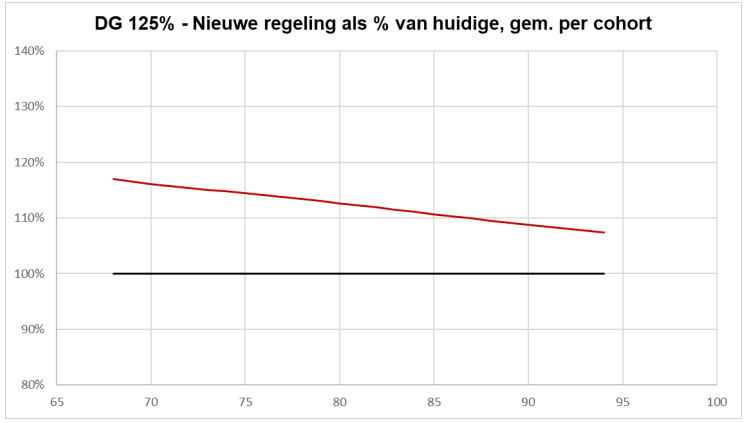
Actives



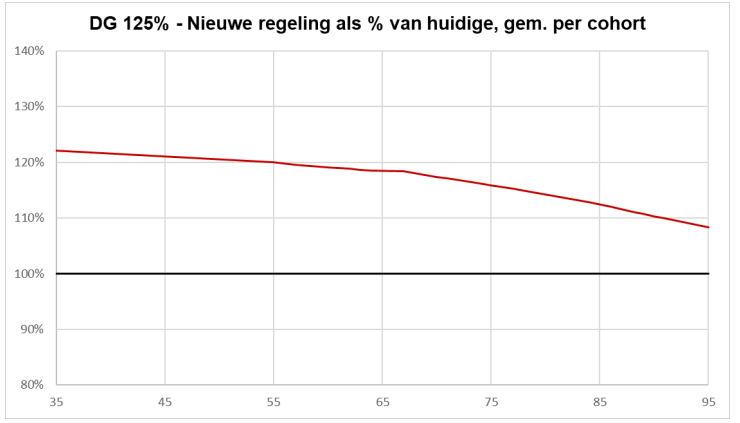
Deferred members



Pensioners

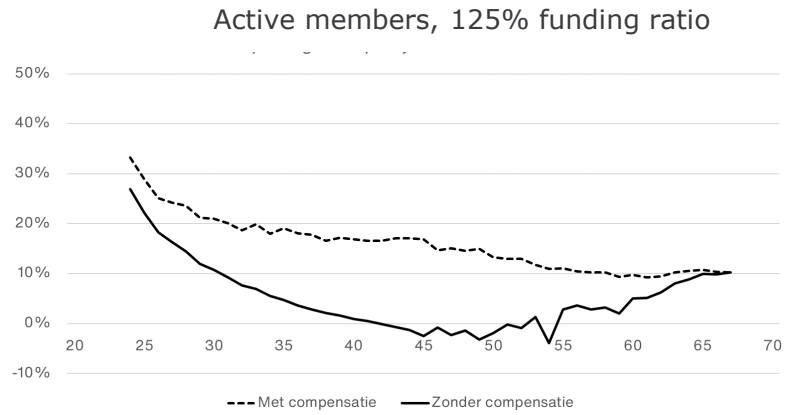


Dependants



Net benefit

- Net benefit shows the redistribution between generations and participant groups
- The graphs show how the value of the pension changes
- Net benefit takes into account not only the expected outcomes but also the risks
  - If the expected pension is the same, but the risk increases, the net benefit effect is negative
- Net benefit for active people not only looks at the pension benefit, but also at the contribution paid for it.
  - If the pension remains the same, but less contribution has to be paid for it, the net benefit effect is positive



Deferred members

Leeftijd	DG 125%
20-29	5,00%
30-34	2,32%
35-39	1,28%
40-44	1,73%
45-49	2,80%
50-54	3,85%
55-59	5,11%
60-64	6,32%
65-69	6,61%

Pensioners

Leeftijd	DG 125%
30-69	6,50%
70-74	6,47%
75-79	6,53%
80-84	6,42%
85-89	6,14%
90-100	5,74%

Escrow scheme

- Active participants who were employed at the end of 2017 receive annual indexation from the (external) Escrow foundation (as long as there are resources available in the Escrow foundation).
- Only if the fund's funding ratio is higher than required, they can possibly receive additional indexation from the fund's resources if the indexation of the other (in)active members is higher.
- Basically, the indexation for Escrow participants is therefore not financed from the fund's resources.
- Due to the conversion of pensions into pension capitals, a solution for the Escrow scheme is needed.

Solution for Escrow Arrangement

- In the current situation, escrow participants receive less indexation from the fund's buffer (the escrow indexation replaces the indexation from the fund's resources).
- In order to allow the escrow participants to share in the pension fund's buffer in the same way when moving to the new pension system (and without disadvantaging the other (in)active participants), part of the escrow funds will therefore first be transferred to the pension fund.
- The part that is transferred is so large that the escrow participants could be granted the same indexation from the fund as the other (in)active members.
- What is left over in the Escrow Foundation is immediately added to the personal pension capitals of the escrow participants, taking into account the remaining service until the retirement date.
- This methodology is in line with the current pension scheme and the applicable legislation.
- Coordination with the Tax Authority takes place to prevent exceeding the fiscal limits.

Choice between Fixed and Variable pension

- Upon retirement, participants can choose between a variable benefit and a fixed benefit
- During the transition, current pensioners will have to make the choice between Fixed and Variable within 1 year after the transition date

- In case of a variable benefit, the personal pension capital is invested in about 35% real assets, the interest rate risk is fully hedged
- In the case of a fixed benefit, the personal pension capital is used to purchase a fixed benefit. This will not change anymore. In the event of inflation, the purchasing power of the pension then decreases.

- If a variable benefit is chosen, participants will deposit 2% of their personal pension capital in the Risk Sharing Reserve (RDR)
- This reserve is used to mitigate or avoid a decrease of the pension payments due to investment returns.

Allocation of results

- In the payment phase, the returns on the investments are spread over a period of five years. As a result, pension paymens do not immediately move in line with developments in financial markets

Jaar	Overrendement	Jaar 1	Jaar 2	Jaar 3	Jaar 4	Jaar 5	Jaar 6	Jaar 7
1	5%	1,0%	1,0%	1,0%	1,0%	1,0%		
2	4%		0,8%	0,8%	0,8%	0,8%	0,8%	
3	-6%			-1,2%	-1,2%	-1,2%	-1,2%	-1,2%
	Verhoging / verlaging	**1,0%**	**1,8%**	**0,6%**				

- In case of negative returns, the risk-sharing reserve can be used to mitigate or avoid a decrease of the pension payments. A maximum of 1/3 of the reserve can be used per year.

Jaar	Overrendement	Jaar 1	Jaar 2	Jaar 3	Jaar 4	Jaar 5	Jaar 6	Jaar 7
1	5%	1,0%	1,0%	1,0%	1,0%	1,0%		
2	4%		0,8%	0,8%	0,8%	0,8%	0,8%	
3	-10%			-2,0%	-2,0%	-2,0%	-2,0%	-2,0%
	Verhoging / verlaging	**1,0%**	**1,8%**	**-0,2%**				

0,2% verlaging uitkering, tenzij dit uit risicodelingsreserve kan worden opgevangen

Who is involved?

- In order to make a well-considered transition possible, the legislator has included a number of provisions to ensure that everything is done properly.

- The board is responsible for the entire process, but:
  - The social partners make the request for the scheme to be changed and the accrued pensions to be converted (employers and works councils)
  - The association of pensioners has a right to be heard
  - The Fund's Key Function Holders (Risk, Actuarial and Internal Audit) must provide an opinion on certain subjects
  - The board must seek advice from the Accountability Body
  - The Visitation Committee has no right of advice or consent, but must be visible included in the process
  - DNB assesses the notification of converting the pensions into pension capitals and the collective value transfer and issues a decision of No Objection
  - AFM assesses the communication plan

  - The liquidation of the fund must be approved by the Participants' Meeting

Development of funding ratio

- The funding ratio has increased in recent years
- The board decided in September 2025 to take out an 'insurance' for a possible decline in share prices until January 2027. This hedge was extended in Sept 2026 until January 2028
- The shares are insured at 95% of the value on that date (Emerging Markets 80%)
- The risk of an interest rate drop is also additionally hedged:
  - 80% was already covered
  - Remainder up to 117% with options hedged for interest rate decline of more than 0.5%-point
- Total costs for this hedge were approximately 3.0% in 2026 and approximately 3.0% additional for 2027.

Year	Funding ratio
2018	102.0%
2019	98.8%
2020	96.6%
2021	107.7%
2022	111.8%
2023	116.7%
2024	118.7%
2025	133.0%
Aug 2026	139.1%

Sensitivity of funding ratio to interest rate and equity shocks

- Starting position 30 September 2026. Funding ratio 139.9%.

Aandelen \ Rente	-2,0%	-1,5%	-1,0%	-0,5%	0,0%	+0,5%	+1,0%	+1,5%	+2,0%
-40%	125,2%	126,3%	127,3%	129,2%	133,1%	137,2%	141,4%	145,7%	150,1%
-30%	125,3%	126,3%	127,4%	129,2%	133,2%	137,2%	141,4%	145,8%	150,2%
-20%	125,4%	126,4%	127,5%	129,3%	133,3%	137,4%	141,6%	145,9%	150,4%
-10%	126,1%	127,2%	128,3%	130,3%	134,3%	138,5%	142,8%	147,2%	151,7%
0%	128,1%	129,4%	130,7%	132,9%	**137,1%**	141,5%	146,0%	150,7%	155,4%
+10%	132,0%	133,7%	135,4%	137,9%	142,6%	147,4%	152,3%	157,4%	162,6%
+20%	136,0%	138,0%	140,1%	143,0%	148,0%	153,3%	158,6%	164,2%	169,8%
+30%	139,9%	142,3%	144,7%	148,0%	153,5%	159,1%	164,9%	170,9%	177,0%
+40%	143,8%	146,6%	149,4%	153,1%	159,0%	165,0%	171,3%	177,7%	184,2%

- Under the shocks applied, the funding ratio will not fall below a level of approximately 125%. Note that potential indexations as of 1 January 2027 and 1 January 2028 have not been taken into account.

Finally: the winding up of the fund

- In order to be able to transfer the accrued pensions to the new pension provider and thus convert the pensions into pension capitals in the new pension scheme, a formal decision to wind up the fund is necessary

- The board takes this decision after it has received approval from the Participants' Meeting and the Accountability Body has issued advice on the intention to wind up the pension fund.

- Subsequently, DNB is notified of the (intended) decision to wind up the pension fund and the Value Transfer

- If DNB has no objection to this, the winding up can be formalised and the Value Transfer can be carried out

Agenda

8 – Communication Survey

Survey is attached to the agenda for this meeting

Agenda

9 – Any other business

Agenda

10 – Closure