

To the pension fund participants

Date 22 December 2022
Reference ZZA6500-5/dija3/22-161
Subject Increase in pensions as of 1 January 2023

Dear participant,

The Witteveen+Bos Pension Fund Administration is increasing pensions for all participants by 5 % as of 1 January 2023. The board of the fund decided this on 22 December 2022.

All participants will receive the same increase. If you have already retired, you will receive a higher benefit from January 2023 onwards. This will be paid out for the first time at the end of January 2023. If you have not yet retired, the pension amount to which you are entitled will increase. The implications for your pension will be set out on www.mijnpensioenoverzicht.nl in the course of 2023.

Evaluation and adjustment of supplement policy

We have seen major developments on the financial markets since the beginning of this year. Share prices have decreased significantly and after years of decline, the interest rate has risen rapidly. Despite the lower share prices, coverage ratios have increased substantially because of the higher interest rate. This has been the case at the Witteveen+Bos pension fund as well.

At the General Meeting of Participants in June of this year we indicated that there was no prospect of an increase in pensions at that time. Despite the rise in the coverage ratio, an increase in pensions was not possible based on our fund's supplement policy. This was one of the reasons for evaluating the supplement policy.

It was decided in collaboration with the board of directors and the Works Council to adjust the supplement policy. In concrete terms, this means that it is possible to increase pensions sooner - i.e., at a lower policy coverage ratio.¹ These increases are limited by the statutory framework, however.

The new pension scheme is expected to be introduced in 2025. The rules for increasing the pension have been relaxed in anticipation of the introduction of the new pension scheme. The board decided to avail of these relaxed rules. This is possible because the board of directors and the Works Council have expressed the intention to move all existing pensions to the new pension scheme.

¹ The policy coverage ratio is the average coverage ratio of the past 12 months.

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Balanced decision

The priority in taking this decision was to carefully weigh the interests of all participants. Among other things, the major decrease in purchasing power (at present) of retired participants was taken into account. At the same time, we are alert to the uncertain economic outlook. It is important to the board that the fund remain financially strong enough to keep the likelihood of having to reduce pensions in the coming years to a minimum.

In deciding on the increase for 2023, we did not use all of the latitude afforded by the relaxed rules to increase the pensions. One of the reasons for this is that we must retain sufficient reserves to distribute the assets properly among all participants with the impending transition to the new pension scheme. In addition, times remain uncertain, which means interest rates may decrease again. If the coverage ratio falls too far as a result, pensions may have to be reduced again. We maintain reserves in order to minimise the likelihood of having to reduce pensions.

An explanation of this consideration and the effects between younger and older participants of the fund will soon be posted on our website www.pensioenfondswitteveenbos.nl, under the heading 'news'.

Increase in pensions not guaranteed

There is a chance that inflation could remain high in the coming year. This does not mean, however, that pensions will (or can) be increased again next year. The board will review every year whether it is possible to increase the pensions. Increases are not guaranteed but are conditional and contingent on our financial position and outlook at that moment. We cannot make any promises about the granting of increases in the future.

If you have any questions after reading this letter, please do not hesitate to ask. You can do so by sending an email to secretariaatpensioenfondswitteveenbos.com.

On behalf of the board of the Witteveen+Bos Pension Fund Administration, we wish you the best for the holidays and a happy 2023.

Kind regards,



Jaap de Koning
Chair of the board of Witteveen+Bos Pension Fund Administration

In the long term, your pension depends on many external factors, such as interest rates, inflation, mortality rates, economic developments and legislation over which the Pension Fund has no influence. As such, your pension is not a guaranteed product. However, a conservative policy can ensure limited and acceptable risks.

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