

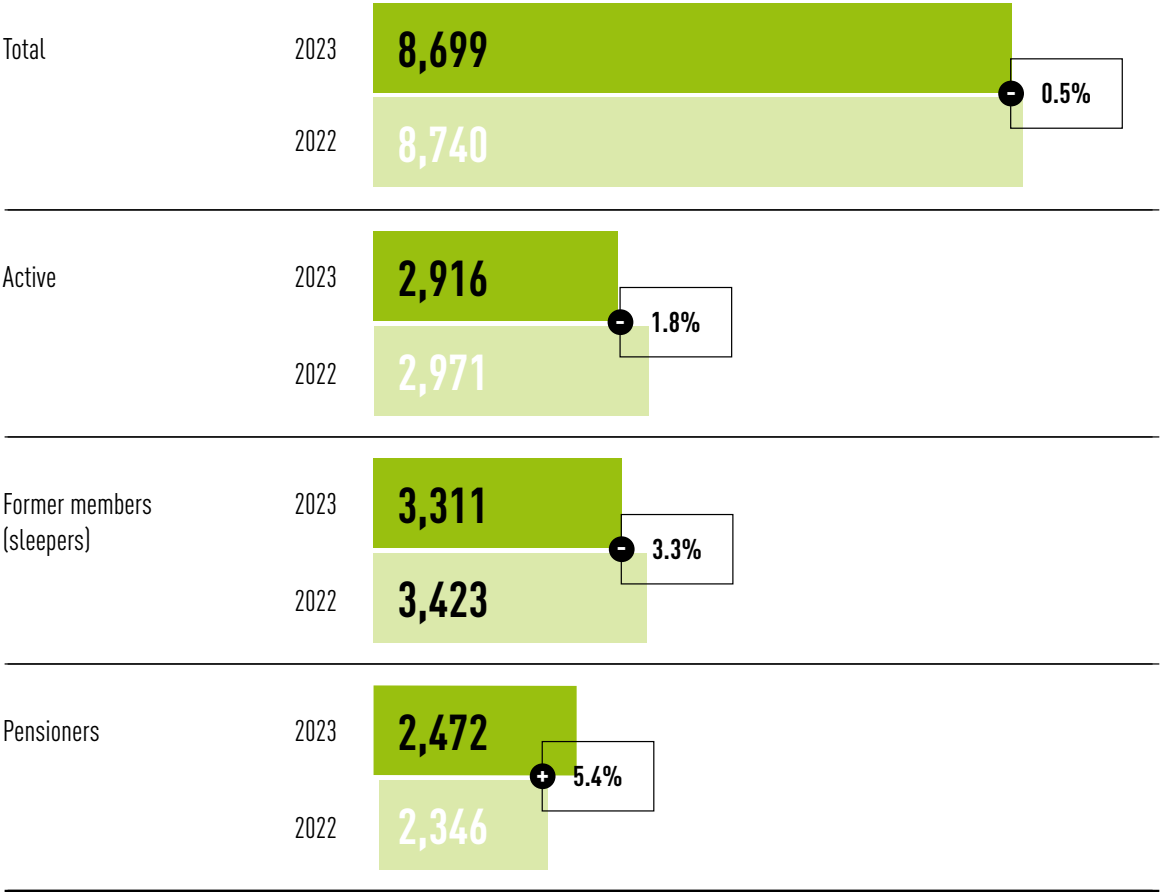
Welcome to the SPF 2023 Annual Report

We've made a visual summary of 2023 for you. In this annual statement, we present the most significant developments and figures for SPF and highlight the main points. What has SPF done with your pension money? How did the funding level develop and what about the investment returns?

If you read this annual statement, you will be aware of what's going on with your own pension fund. [Click here](#) for a printer-friendly PDF of the annual statement 2022. For more detailed information about SPF in 2023, please see the full annual report (PDF, in Dutch only), which can also be downloaded from SPF's website.

The year 2023 in key figures

Members



Pension liabilities SPF

Pension liabilities SPF at year-end 2022

2,235 MLN euro

Changes in pension liabilities in 2023



Benefit payments to pensioners

-72.2 MLN euro



New pension entitlements accrued by members

+49.8 MLN euro



Change in liabilities due to higher interest rate

+76.2 MLN euro



Indexation

+116.8 MLN euro



Other changes

+74.4 MLN euro

Pension liabilities SPF at year-end 2023

2,480 MLN euro

Invested capital SPF

Invested capital SPF at year-end 2022

2,682 MLN euro

Changes in invested capital in 2023



Pension benefit payments

-72.2 MLN euro



Pension contributions received

+57.1 MLN euro



Income from investments

+244.3 MLN euro



Other (incl. administration costs)

-0.2 MLN euro

Invested capital SPF at year-end 2023

2,911 MLN euro

SPF FUNDING LEVEL 2023

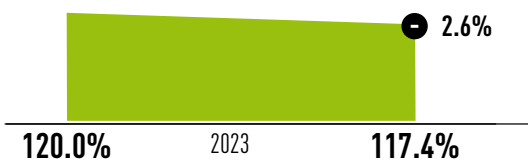
117.4%

The financial position of SPF

The funding level is an important yardstick for judging the pension fund's financial situation. It indicates to what extent the pension assets are high enough to meet all future pension obligations (including, in particular, the pension benefit payments).

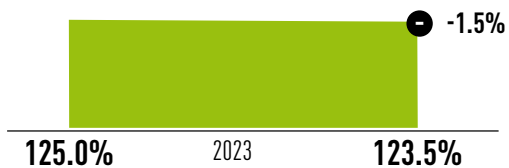
Besides the funding level, a pension fund must calculate the "policy funding level," being the average of the last twelve months of monthly funding levels. The policy funding level can be used to determine whether a pension fund needs to curtail accrued pensions and pensions that have commenced payment.

Funding level



Funding Level: A yardstick for judging the financial position of a pension fund, expressed as a percentage. This percentage is the ratio between the pension fund's capital and all current and future pension commitments. The certainty that a fund can pay the granted pensions increases with its funding level.

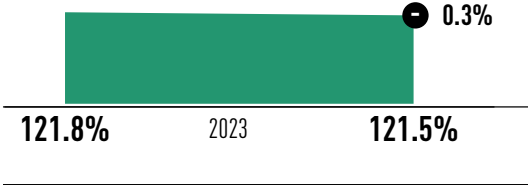
Policy funding level



Policy funding level: The policy funding level is the average of the twelve most recent monthly funding levels.

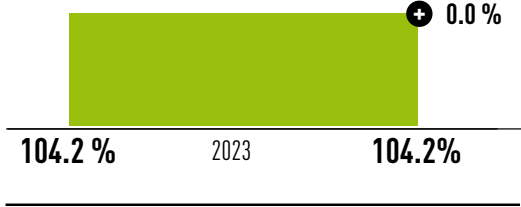
The policy funding level can also be used to determine whether a pension fund is in a deficit situation, in which case the pension fund would be required to submit a recovery plan to the Dutch central bank, DNB (De Nederlandsche Bank). The recovery plan outlines how a pension fund aims to achieve a higher funding level in the coming years. The policy funding level plays a decisive role in the fund's decision on whether to index.

Required funding level



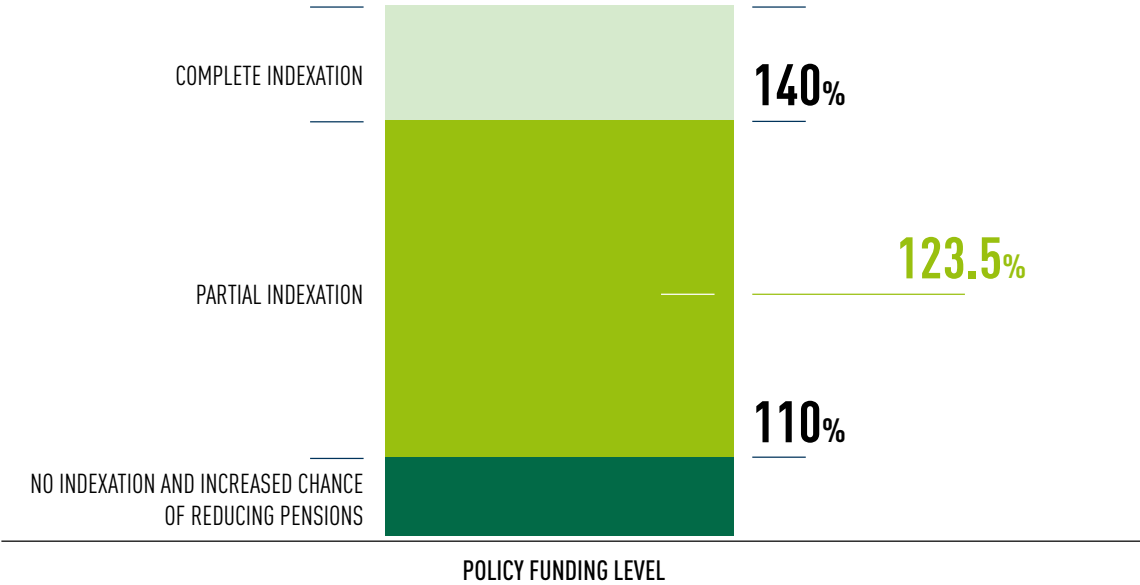
The required funding level indicates the legal level of SPF’s policy funding level. If the policy funding level falls below the required funding level, SPF must submit a recovery plan.

Minimum required funding level



The minimum required funding level indicates the absolute lower limit. If SPF’s policy funding level falls below this level, there is a funding shortfall. SPF will then have insufficient capital to be able to pay future pensions. If the policy funding level remains below the minimum required funding level for five years, SPF must reduce (curtail) the accrued pensions.

Indexation



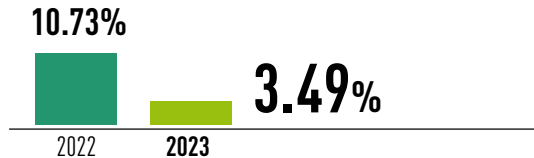
Members were awarded indexation of 4.53% as of 1 January 2023, while deferred members and pensioners were awarded indexation of 10.73%. The reason for this was that, in contrast to inflation, wage growth at the employer was limited in 2022. This was reversed in 2023, when inflation was low and wage growth was high.

The Board therefore decided to assess indexation over two years. Members, deferred members and pensioners were awarded 100% of the benchmark over that period, resulting in an increase of 8% for members as of 1 January 2024 and an increase of 3.49% for deferred members and pensioners.

SPF tries to increase pensioners' and deferred members' pensions annually in order to bring these in line with price increases. We also aim to increase active members' pensions to bring these in line with wage increases. This is SPF's ambition and is called indexation. However, we can only index if our financial situation is strong enough.

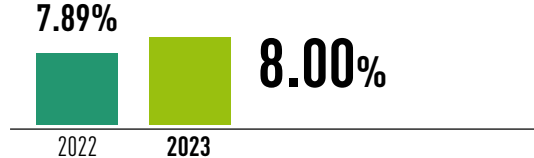
Please consult [SPF's website](#) for more information about pension increases and decreases.

Indexation for pensioners and deferred members



SPF aims to increase your pension every year and to allow it to grow in line with inflation or wage rises. We refer to this increase as "indexation."

Indexation for active members



How we invest the money

To be able to pay pensions every month, pension contributions alone do not suffice. A pension fund must invest. By investing, we make a profit. That is the return. In the long term, investments yield more return than a savings account. The return indicates what the investment yielded and is expressed as a percentage.

	2023	2022		
Total invested assets (in mln. €)	2,909.7	2,680.8		
Composition of investments 2023	mln. €	weighting	2022	
Matching portfolio	1,295.7	44.5%	1,111.8	41.0%
Government bonds (swaps incl.)	580.1	44.8%	476.2	42.8%
Inflation-linked bonds	164.8	12.7%	160.8	14.5%
Credits	259.6	20.0%	231.9	20.9%
Mortgages	294.0	22.7%	282.8	25.4%
Interest rate hedging	-2.8	-0.2	-39.9	-3.6
Return portfolio	1,615.5	55.5%	1,551.2	58.0%
Valuta overlay	7.2		5.7	
Shares	773.4	48.1%	786.2	50.9%
Bonds	361.0	22.4%	341.4	22.1%
Real estate bg	214.5	13.3%	193.8	12.5%
Real estate nbg	72.7	4.5%	73.3	4.7%
Infrastructure	184.2	11.5%	148.4	9.6%
Private Equity	2.5	0.2%	2.4	0.2%
Cash	-1.5	-0.1%	17.8	0.7%
Totaal	2,909.7	100.0%	2,680.8	100.0%

SPF has split the investments into a matching portfolio and a return portfolio.

Matching portfolio

The objective of the matching portfolio is to achieve a favorable risk/return profile with bonds that have a high credit rating, thus pursuing a high degree of certainty. This covers part of the interest rate risk.

Return portfolio

The objective of the return portfolio is to realize a sufficient return in order to achieve the indexation ambition. Through an active policy, we try to achieve additional returns after costs or a lower risk profile within the permitted risk margin.

To reduce risk, SPF spreads its investments over various categories, including:

- **Inflation-linked bonds**

In these loans, which are mainly made to governments, the interest rate and repayments are linked to inflation. This means you are compensated for actual inflation and a real yield is thus recorded.

- **Investment grade credits**

The normal term of these loans, which are made to businesses with a good credit rating, is relatively short (4-5 years). Because of the good credit rating, the chance that the loans will be repaid with interest is very high and the risk is low.

- **Bonds and loans (fixed-yield securities)**

Money is lent in this way to governments and businesses worldwide. The return (so-called interest payment) is generally stable. SPF also invests in Dutch private mortgages.

- **Shares**

This is a worldwide interest in the capital of a company. Although higher returns can be expected in the longer term than on bonds, the risk is relatively high.

- **Alternative investments**

This is an asset class from which an attractive return is expected in the medium term. The investments within this sub-portfolio therefore aim for an attractive return without being dependent on so-called benchmarks (market indices, such as the AEX), and include investments in microfinance, infrastructure, and commodities.

- **Real estate**

Investments in real estate can be made in two ways: directly (houses, shops, and offices) and indirectly (shares in real estate funds). SPF only invests in indirect real estate worldwide.

- **Currency overlay**

The above investments are made in different currencies. As the value of the currency may rise or fall against the euro, the return on the internationally diversified portfolio consists partly of currency returns. To limit the impact of currencies on the fund's performance in euros, we use currency overlay, by which the fund hedges itself against exchange rate movements.

- **Interest rate overlay**

The interest rate sensitivity of the pension commitments differs from the investments, resulting in an interest rate risk. To limit this risk, part of the interest rate risk is hedged. For this purpose, investments are made in fixed-income securities and we use derivatives. The interest rate overlay also determines part of the fund's return.

Investment return (in %)

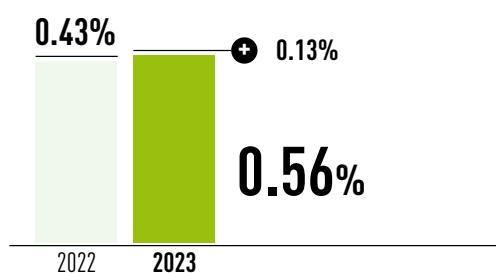
	2023	2022	
Total portfolio	9.4%	-19.5%	
Matching portfolio	8.0%	-31.6%	
Return portfolio	10.3%	-9.4%	

Although we much prefer seeing positive returns, there is no need for you to worry about negative returns. SPF invests with a long horizon. Fluctuations are expected to be compensated over the years.

At the end of 2023, the five-year average return was 3.2% annualized. At the end of 2023, SPF's ten-year average net return was 4.3% annualized.

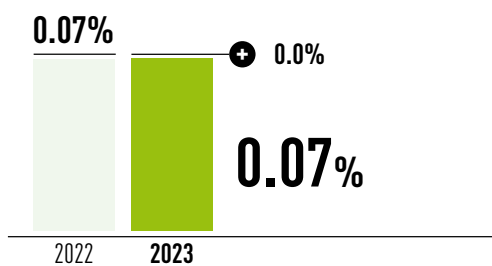
Asset management costs

in % of average invested assets



Transaction costs

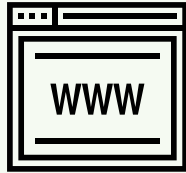
in % of average invested assets



Transaction costs are costs that have to be incurred to make and then administratively settle purchases and sales.

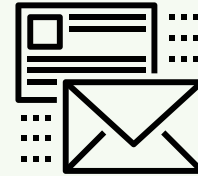
Various channels to communicate with its members

www.spf-pensioenen.nl



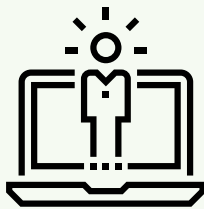
Number of visits (average)	38,839
Visits per day (average)	106

Electronic newsletter



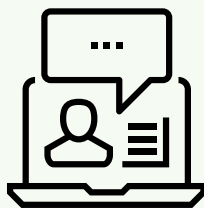
Number of subscribers	1.654
Sent → Opened	4 → 78%

My SPF Pension



Number of visits (average)	29,051
Number of visits per day (average)	80
Number of users of Digital Mail	85.6%
Evaluation	
NL planner	8.1
My SPF Pension	8.3

Pension journeys



Q2 Pension journey Employed

44 sent, number of visits 32

Q4 Pension journey 60-year olds

180 sent, number of visits 140

General questions

419



Number answered in a timely manner (average)

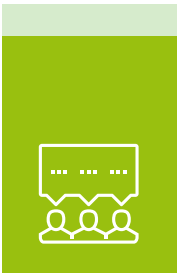
96.0%

Questions which can and have to be answered within three business days.

Appreciation General questions: **8.4**

Specific questions

374



Number answered in a timely manner (average)

93.0%

More complex questions which have to be answered within ten business days.

Appreciation Specific questions: **8.7**

Evaluation



Granting of retirement pension

8.4

Granting partner's pension

9.5

Value transfer

8.5

Evaluation of personal conversations

9.5

- 15 with 40-year olds
- 26 with 50-year olds
- 91 with 60-year olds

The opinion of the Accountability Council

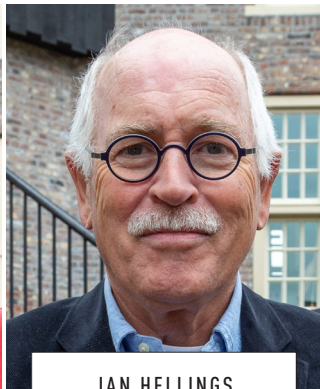
The Accountability Council (AC) has the authority to evaluate the Board's performance, policy decisions, and policy implementation. A positive evaluation depends on whether interests were considered equally. The Council is made up of six members.

The Accountability Council



ROLF VAN KOUWEN

Chairman



JAN HELLINGS

Vice Chairman



TOINE JANSEN



HERMAN POLDERMAN



JACQUES SLABBERS



RENE WITJES

Summary Evaluation

The AC's assessment is positive. Important elements that determine that assessment are:

- The Board has been proactive in taking initiatives to prepare for the introduction of the Future Pensions Act (Wtp). Major steps were taken with respect to data quality, preparing a balancing framework, determining the risk appetite and making agreements with the administrator regarding the future IT infrastructure.
- The Board also acted decisively in securing the pension administration until after the transition to the new pension contract: a new service level agreement (SLA) was concluded with DPS on time, which offers both contracting parties even more clarity regarding the service content and costs.

- Governance is in good shape. Vacancies that occurred in 2023 were filled effectively. In the context of succession planning, the AC emphasised the importance of ongoing consultation with the employer.
- The Board further developed the sustainability policy by setting concrete, measurable targets. In terms of policy, the engagement policy was refined and a decision was taken on the second focus theme of 'Circularity'.
- The administration costs were on average comparable with other pension funds.

The AC and the issued advice

The Board requested the AC's advice on various decisions in 2023:

Governance

The AC issued positive advice regarding the profile for Supervisory Board members and regarding a one-off, extra remuneration for SPF Board members appointed on a non-parity basis.

Complaints and disputes regulation

The regulations with respect to handling Complaints and Disputes has changed in connection with the Future Pensions Act. In two advice rounds, the AC issued positive advice regarding changes to the regulations.

Changes to administration agreement

The AC also issued positive advice regarding two proposals to adapt the administration agreement. The first advice concerned the continuation of the administration agreement for a period of five years or until the date of the transition to a new pension contract. The second change concerned the designation of F&S B.V. as an affiliated company. SABIC plans to sell F&S B.V. during 2024, with the understanding that current members will continue to accrue pensions with SPF.

The Accountability Council's priorities for 2024

The AC formulated the following priorities for the coming year:

The Future Pensions Act

The AC aims for careful monitoring of all relevant aspects of the Future Pensions Act, especially as the AC is expected to be asked to give its opinion by end 2024 on the fairness and balance of choices made.

IT policy and developments

2024 will be a challenging year, with both the separation of DPS from the dsm-firmenich organisation taking place, while existing systems need to be prepared for the Future Pensions Act.

Balanced decisions

The third AC priority concerns how balanced management decisions are made. The developed Assessment Framework is an important anchor point for the AC.

The AC will also schedule topics based on the annual agenda, and the Executive Board will be asked to address these in the periodic consultation. The complete AC evaluation and the SPF Board's response to this can be read in the SPF annual report (PDF).

The conclusion of the Supervisory Board

The activities of the Board are monitored by the Supervisory Board. The Supervisory Board monitors for example the policy, adequate risk management and a well-balanced evaluation of interests. The Supervisory Board consists of three members.

Composition



Chairman

Effective Board performance, internal supervision and accountability are essential for good pension fund management.

The Supervisory Board appreciates the commitment, dedication and extremely professional way in which the Board managed the DPS sale's impact on SPF over the past year. Preparations for the transition to the Future Pensions Act also continued and important steps were taken with respect to socially responsible investing. The Supervisory Board concluded that the decision-making process is both careful and balances the various interests involved.

Pension Fund Code

Societal developments impact the standards for good pension management. The Pension Fund Code needs to be modified and updated from time to time. The updates in the new code mainly concern the following three topics: prioritising stakeholders, sustainability, and diversity and inclusion. The 2024 Pension Funds Code arranges various standards into five themes:

1. Taking good care of stakeholders' pensions
2. Good governance
3. Implementing effective internal supervision and monitoring
4. Organising accountability and participation
5. Effective performance fund bodies

The full text of the Supervisory Board's findings and recommendations and the SPF Board's response can be read in SPF's full annual report (PDF).

Members of the board

The Board of the fund consists of ten voting members, all of whom are appointed by the Board. The employers (SABIC Europe BV, SABIC Limburg BV, SABIC Capital BV, SABIC Innovative Plastics BV, SABIC Global Technologies BV, SHPP BV, SHPP Sales BV en SHPP Global Technologies BV) collectively nominated four members. The Works' Councils at SABIC nominate two members, while retirees nominate another two members (themselves retirees). The two external Board professionals and the external independent Chairman are appointed by the Board.

Executive Board

The Executive Board is made up of the Chair and the Deputy Chair. The Executive Board takes care of the day-to-day issues relating to implementation and other aspects arising from policy choices within the Board's framework.

Passing of Stuf Kaasenbrood

In August, Stuf Kaasenbrood died as a result of a fatal accident. Stuf was not only a board member but also deputy chairman. Stuf's death took a heavy toll on the board. Not only was he a board member who put his heart and soul into the proper implementation of the pension scheme, he was also closely involved in important files such as the sale of the pension administrator DPS by dsm-firmenich.

The Board has taken note of the findings and recommendations in the Review Committee's and the Accountability Council's evaluations. Some of the findings and recommendations will inform the Board's actions in 2024.

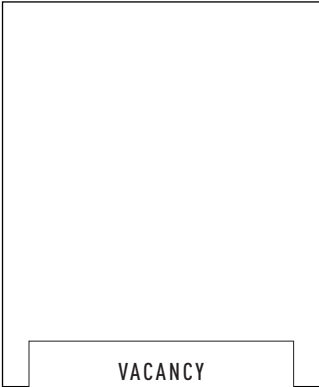
The Board's full response to the Supervisory Board and Accountability Council's evaluations, as well as the text of the evaluations, can be read in SPF's full 2023 annual report (PDF, in Dutch only), which is also available on SPF's website.

Board composition



**ARNOUT
KORTEWEG**

Chairman
External independent Chairman



VACANCY



**JOS
VAN GISBERGEN**

Nominated by
employer



**MATH
PEETERS**

Nominated
by retirees



**JOHN
VAN MOORSEL**

Nominated by
employer



**GISELLE
VERWOORT**

Nominated by
the Works' Councils



**RUDGER
SCHIEWER**

Nominated by
the Works' Councils
Deputy chairman



**ARTHUR
SMIT**

Nominated by
retirees



**ANGELA
PETERS**

Nominated by
the Board – Board professionals



**KIM
HAASBROEK**

Nominated by
the Board – Board professionals



**MAURICE
PELSERS**

Nominated by
employer

SPF's sustainability policy

SPF considers sustainability to be a major aspect of the investment philosophy and an integral component of its investment principles. SPF is convinced that the sustainability policy is a way of contributing to sustainable development in the world without necessarily putting pressure on the portfolio's risk and return profile. The complete sustainability report (PDF) is also included in the SPF 2023 annual report.

In 2023, SPF decided to aim for a carbon reduction of 55% by 2030 compared with the benchmark and scope 1 and 2 carbon data as at 2016. This goal applies to the share, investment grade credit, and high yield US investment categories. SPF also aims to achieve net zero (100% reduction) in carbon emissions by 2050.

In line with European sustainability legislation, the Sustainable Finance Disclosure Regulation (SFDR), the fund also decided to report on a set of twenty different sustainability indicators from the second quarter of 2024. In 2023, SPF also chose for the opt-in regarding the 'Unfavourable Sustainability Factor Effects Disclosure' in accordance with SFDR article 4. This is a statement that financial institutions must formulate in accordance with European legislation if they include the most important unfavourable sustainability factor effects, as defined in the SFDR, when taking investment decisions.

Based on the member survey from 2022, SPF further developed the policy in 2023. A second focus theme of 'Circularity' was chosen and the exclusions policy was further refined with guidelines concerning companies involved in tobacco production, coal mining and oil extraction from tar sands.

SPF also refined its engagement policy in 2023, by establishing an escalation policy when companies do not respond satisfactorily within the prior set period, which can lead to disinvestment in that company.

We explain the various pillars of the sustainability policy briefly below.

1. Climate and circularity

SPF endorses the OECD guidelines for multinational companies and the UN's Guiding Principles on Business and Human Rights. The fund focuses on specific social developments that are important to members and that form a high risk for the investment portfolio. Against this background, SPF aims to work particularly on the sustainability theme of climate change, focusing on two SDGs, namely: SDG 7 (affordable and clean energy) and SDG 13 (climate action). For the 'Circularity' theme, the focus is on two SDGs, namely: SDG 6 (clean water and sanitation) and SDG 12 (responsible consumption and production). The 'Circularity' theme will first be set out in more detail before being implemented in the portfolio.

2. Sanctioning Policy

Where possible, SPF manages and evaluates investments according to ESG factors. ESG stands for Environmental, Social and Governance. The fund integrates ESG aspects in the various investment categories in which SPF invests and includes them when making investment decisions.

3. Engagement

SPF has an active engagement programme. The fund aims to encourage companies to take steps with respect to social and sustainability issues. This is done in two ways: proactively and reactively.

The objective for proactive engagement is to simultaneously encourage multiple companies (often within a given sector) to make further improvements. Reactive engagement focuses on influencing one company. For companies that do not respond within the prior set period, SPF has established an escalation policy, which can result in disinvestment in the company concerned.

SPF has outsourced engagement to Columbia Threadneedle Investments (CTI), which acts as an engagement party on behalf of several institutional investors. The SPF engagement programme focuses on holdings in real estate and other shares and holdings in the company bond portfolios investment grades and high yields.

In 2023, CTI held discussions with companies from SPF's portfolio in 27 countries. This led to positive changes (achieved milestones) 74 times. CTI achieved these milestones on topics including climate change, employment conditions, company governance and health.

4. Voting Policy and Corporate Governance

SPF uses a specific voting approach to monitor material affairs of all listed companies and real estate companies in which the fund invests. Material affairs are affairs that will probably have a considerable effect on the company's capacity to create long-term value. SPF's policy for good governance focuses on protecting interests as a shareholder while at the same time living up to its responsibility in that role. Like the engagement policy, CTI also implements SPF's voting policy.

5. Exclusion

In total, SPF voted at 930 meetings in 2023. The fund voted some 68 times on climate-related proposals, of which 14 concerned proposals regarding the transition as a consequence of climate change.

SPF does not invest in companies that fail to act in accordance with the United Nations' Ten Global Compact principles. The fund also excludes producers of controversial weapons such as nuclear, biological and chemical weapons, depleted uranium munitions and white phosphorus munitions. SPF also excludes companies that are involved in tobacco production (turnover limit >0%) and companies involved in coal mining and extracting oil from tar sands (turnover limit >5%). SPF also excludes companies and countries that conduct activities that the United Nations, the European Union or the Dutch government deem unacceptable. These are mainly issues concerning human rights and weapons. To identify companies and countries for exclusion, Morningstar Sustainalytics carries out screening on behalf of the fund to establish the companies and countries in which the fund should not invest. Morningstar Sustainalytics screens both developed and emerging markets on the above criteria for SPF.

At end 2023, SPF excluded 174 companies and 14 countries from its investment universe. At end 2022, 106 companies and 14 countries were excluded. The increase in the number of excluded companies was a result of the expansion of the exclusion policy as explained above.

6. Transparency

SPF publishes an Annual Report to ensure transparency about the sustainability policy and how it is implemented. The report indicates how the fund handled sustainability that year and the fund's achieved results in this area. SPF also publishes an annual overview of the outcomes of the total investment portfolio on its website as well as the results of votes at shareholder meetings and the engagement policy. The SPF sustainability policy can also be found there. To conclude, the SPF Newsletter and the website regularly feature items on the sustainability policy.

SPF signed the Covenant on International Socially Responsible Investment (IMVB-covenant in Dutch) in 2018. In doing so, SPF pledged to anchor the OECD guidelines and UN Guiding Principles within the

pension fund policies, as well as when outsourcing to external service providers and when monitoring and reporting on this topic. SPF does this via this annual report.

Remuneration policy for Board members

The Board operates a controlled and sustainable remuneration policy. SPF checks and compares this remuneration policy with external parties as much as possible. The remuneration policy is based on the Standards for Remuneration Act (Wet normering topinkomens). This is becoming increasingly common in the pension sector.

The external Board members, the members of the SB, and the external investment and risk advisor receive remuneration in line with prevailing market standards. The pensioner members of the Board and the AC receive expenses. SPF does not provide performance-related remuneration or severance payments. The fund also does not provide loans to current or former Board members, nor are any amounts due from members or former members of the Board. The pension fund does not have any employees.

Since 2023, SPF has made annual remuneration adjustments in line with the increase in the so-called remuneration ceiling, which is based on the Standards for Remuneration Act.

Looking ahead to 2024

Market expectations

Following a period of sharp increases in official interest rates by central banks, it appears that the end of the steepest cycle of interest rate increases in decades has been reached. The first rate cuts are even expected in 2024, although central banks are trying to limit optimism regarding fast and sharp rate cuts.

The major economies demonstrated surprising resilience in 2023, with particularly the American economy performing better than expected. There is considerable uncertainty about economic developments in 2024. In certain parts of the world, such as the eurozone, the economy is recovering slowly. Geopolitical tensions are also increasing, for example in the Middle East. Central banks will closely monitor inflation developments.

The International Monetary Fund (IMF) is anticipating a global growth of 3.1% in 2024, an increase of 0.2% compared with earlier forecasts and equivalent to growth in 2023. Regarding growth prospects for the Netherlands and other European countries, the IMF is less optimistic. According to the IMF, the European economy fared significantly worse than expected in the final months of 2023 but the chances of a 'soft landing' have however increased. The IMF is warning of ongoing risks, such as the above-mentioned geopolitical tensions, which could disrupt commodity prices and supply chains. Other risks include setbacks related to the development of the Chinese economy, for instance due to ongoing problems in the Chinese real estate market. China's economy has so far relied heavily on the real estate sector, but this sector is facing a significant drop in demand for new homes. It is therefore important that we remain cautious, as a sudden reversal in sentiment does not seem unrealistic.

Financial position

The funding level increased slightly in early 2024, partly due to interest rate increases. The funding level was 119.1% by end March and the policy funding level stood at 122.7%.

Future Pensions Act

The Board anticipates that important steps will be taken in 2024 towards the new pension contract. Social Partners have opted to present the new pension scheme to SPF in the summer. The new pension contract no longer primarily focuses on a 'fixed' pension payment that increases with inflation, which is an ambition that has proved to be not entirely feasible for many years. The pension payment will become more variable. This offers less assurance for members and pensioners, and SPF can also increase pensions earlier. On the other hand, negative results also increase the likelihood of pension cuts. The accrual of pension will now take place via personal pension capital.

In parallel with the Social Partners' efforts, SPF will develop a Balancing Framework and will determine the risk appetite. The final decision regarding data quality is also being prepared.

In the autumn, fund bodies will consider the Social Partners' Transition Plan and prepare preliminary decisions on the scheme's introduction, communication and implementation.

Other regulations and legislation

Collective Act regarding the Future Pensions Act

A Collective Act in respect of the Future Pensions Act is expected during 2024. Several technical changes are being introduced to fulfil previous commitments made in the Senate and House of Representatives. It is not expected that there will be any issues with major implications for the design of the new scheme based on the Future Pensions Act or its implementation. The Board is of the opinion that clarification on this is needed quickly and hopes that there will be no major legislative changes for some time so that it can focus on a careful transition and on the design and implementation of the scheme.

Digital operational resilience regulation for the financial sector - DORA

This regulation harmonises the minimum digital resilience requirements for financial institutions and sets rules to better manage digital risks at outsourcing parties. Pension funds must meet the requirements from 2025. Pension funds are already confronted with DNB Good Practices Information Security, which will be supplemented and/or modified as a result of DORA. This will require considerable focus in 2024.

Sustainability policy

The sustainability policy is now a fixed item on the Board agenda. The Board will be taking further steps in 2024 with respect to sustainability and ESG. Topics in the planning for 2024 include:

- Drafting an SRI framework with the aim of making the premise of a 'good pension' integral to a 'liveable world', and vice versa.
- Determining the ESG risk policy.
- Investigating the possibilities of impact investments.
- Determining the country policy in the context of ESG.
- Evaluating the achieved carbon reduction in 2023 and assessing whether the carbon reduction objective can be extended to other investment categories.

Information technology and cyber resilience

The introduction of the Digital Operational Resilience Act (DORA) in 2025 means that the Board will have to make preparations in 2024, together with the administrator. This not only demands further knowledge development within the Board but also effective monitoring of the management measures by and through

DPS.

Communication

The fund will conclude the update to the fund strategy in 2024. The reviewed SPF strategy will form the basis for the new communication strategy. The communication strategy indicates the frameworks and starting points for the communication policy. Derived from this, the Future Pensions Act Communication Plan will be shaped as part of the implementation plan.

In 2024, the fund will determine its ambition with respect to guiding choices, based on the communication strategy. The fund will then use this ambition to adjust the resources linked to communications.

Pension administration

The sale of DPS by dsm-firmenich in late 2023, started a process of making the pension administrator independent. This means a process of separation from the dsm-firmenich organisation. In PDN, DPS has obtained a new shareholder. For SPF, it is important that not only the new governance is designed effectively, but also that DPS arranges all processes in such a way that its operations retain their integrity and robustness. SPF is closely monitoring ongoing developments. The Board will take action to safeguard SPF's interests, should this be necessary.

Contact

**If you have any questions about your pension, visit www.spf-pensioenen.nl
Or contact the Pension Desk.**

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