



Annual Report PGGM Vermogensbeheer B.V.

2025



Message from the Board

2025 was defined by two major achievements for PGGM Vermogensbeheer B.V. (PGGM Investment Management). The biggest achievement was the preparation for the implementation of the new pension contract. We also took a decisive step from preparation to execution of our joint 3D investment strategy with Stichting Pensioenfonds Zorg en Welzijn (PFZW). We delivered these significant transitions without compromising our operational excellence. These objectives were deeply interconnected and required a fundamental reshaping of the way we invest, work, and use data and technology.

Throughout 2025, significant effort was devoted to adjusting pension and investment management administration in preparation for the new pension contract. We aligned our investment processes, systems and reporting to support individual pension entitlements within a 3D total portfolio approach, ensuring full transparency at participant level. In January 2026, PFZW successfully transitioned to the new pension contract.

To implement our shared 3D investment strategy with PFZW, we reorganised our structure and ways of working. We established a new investment management organisation in which both fiduciary and investment management roles are fully integrated. All steps in the investment process were reassessed and responsibilities reassigned, including the three lines of defence of risk within PGGM Investment Management and the oversight of activities outsourced by PFZW to PGGM Investment Management. PGGM Investment Management now covers the entire fiduciary chain from strategic asset allocation advice up to the investment teams. We started with Total Portfolio Management thereby steering the PFZW portfolio in an integrated manner. Multidisciplinary collaboration across the investment chain has become standard practice, making the journey from policy to portfolio more direct, transparent, and effective. Leadership, behaviour and culture were placed firmly at the centre of this transformation, strengthening ownership, accountability, and confidence in balanced 3D decision-making.

3D investing integrates return, risk, and sustainability at total portfolio level and in 2025 became embedded in everyday investment decisions. Equities, Credits, and Infrastructure now operate fully within the 3D framework, with other asset classes following. This will enable us to move beyond passive exposure towards conscious ownership, with a clear understanding of what we invest in, why we invest in it, and how each holding contributes to performance, resilience, and sustainability. The thematic investments in climate and energy transition, health and welfare, and biodiversity also continued to grow, focusing on companies that are improving and positioning themselves for the future.

Data, AI and analytics are an integral part of this transformation. As sustainability data becomes more detailed and increasingly forward-looking, reliable, and consistent information is vital. In 2025, we strengthened our data foundations and invested in data literacy across the organisation. We also articulated clearly why data, AI and analytics are central to the implementation of our Strategy 2030. At the same time, we started expanding our experimentation with analytics and AI to translate data into insight and we continue to broaden our skills and expertise in this field. Despite the scale of change, investment operations remained stable and well controlled. The Risk control framework was updated to reflect our new way of working. We remained financially sound while continuing to invest in people, technology, and data.

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Part 1 Directors' report

Chapter 1: Organisation

We are PGGM Investment Management

By the end of 2025, PGGM Investment Management managed over € 254 billion¹ in assets. We invest these collective pension assets to achieve strong financial results while creating long-term value for participants.

1.1 PGGM Investment Management as a company

As an investment manager, we provide integrated investment services to PFZW, the pension fund for Dutch social & healthcare workers. We aim for the highest standards in our work to deliver on our joint Strategy 2030 with PFZW.

PGGM Investment Management delivers four distinct products to PFZW. First, we provide strategic asset allocation- and policy advice. Second, we are responsible for total portfolio management. Third, we oversee seven separate 3D investment mandates. Fourth, our internal asset management teams manage various underlying portfolios. Alongside PGGM, nearly 57% of the value of the assets is managed by leading external managers worldwide. These managers are carefully selected, supervised and monitored by our own specialists. Our organisation includes a broad mix of expertise, including Risk Management, Tax, Legal & Regulatory and operational functions such as Investment Reporting.

Our key client and strategic partner is PFZW, whom we offer an integrated fiduciary and investment management service. Additionally, we serve a limited number of other clients through participations in two private market investment funds: the PGGM Infrastructure Fund and the PGGM Private Real Estate Fund.

Assets under management of PGGM Investment Management in 2025		
Pension Fund ²	AUM per 31-12-2025 (in € billion)	AUM per 31-12-2024 (in € billion)
PFZW	252,0	258,6
Other participants in PGGM private market funds	2,4	2,5

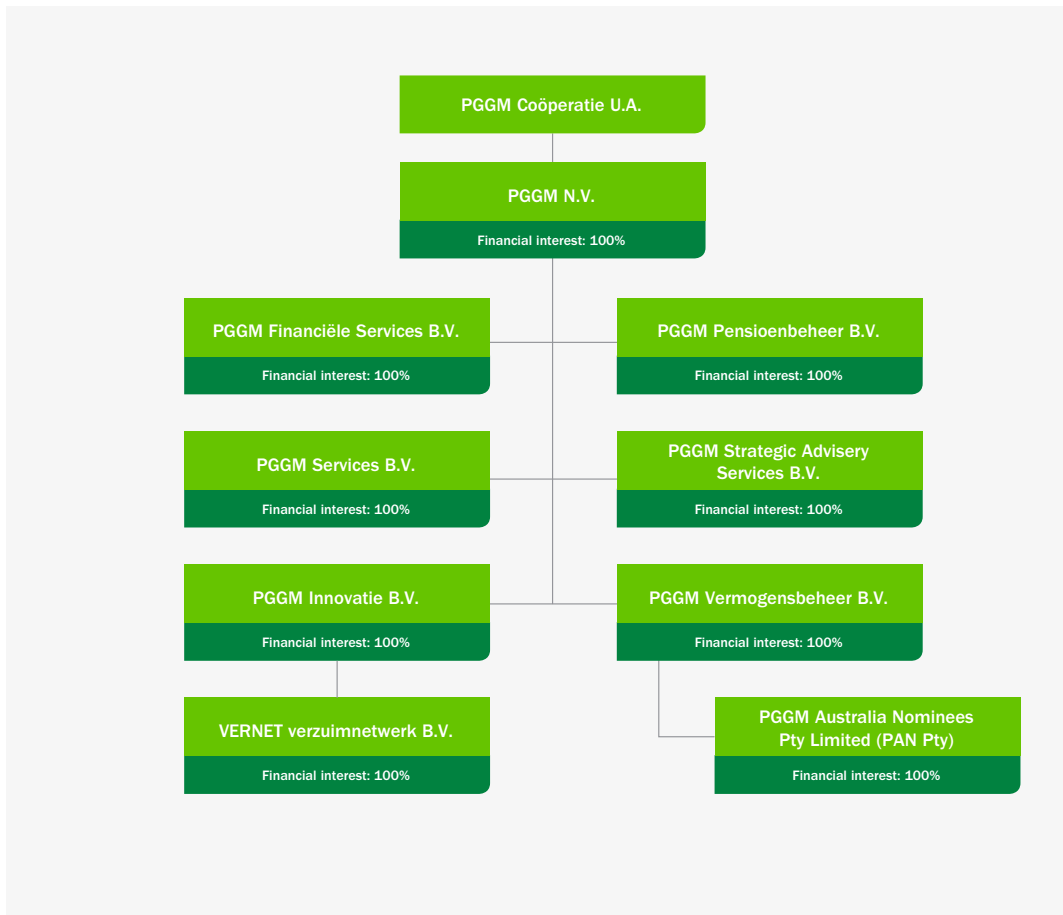
PGGM Investment Management works with a wide range of suppliers to deliver its investment management services. Main suppliers include custodians, brokers, external asset managers, clearing houses, banks, providers of financial and sustainability data, legal and tax advisors, accountants, and suppliers of specific IT systems used in asset management. For more information about PGGM and the investments for PFZW, visit <https://www.pggm.nl>.

¹The Asset under Management of private equity assets is based on valuation of soft NAV's of the third quarter plus cash flows of the fourth quarter, including extrapolation of fourth quarter performance.

²In 2025, PGGM Investment Management managed pension assets for five pension funds: Stichting Pensioenfonds Zorg en Welzijn (PFZW), Stichting Pensioenfonds voor Huisartsen (SPH), Stichting Bedrijfstakpensioenfondsen voor het Schilders-, Afwerkings- en Glaszetbedrijf (BPF Schilders), Stichting Pensioenfonds Smurfit Kappa Nederland (Smurfit Kappa pf) and Stichting Bedrijfstakpensioenfondsen voor de Particuliere Beveiliging (BPF Beveiliging).

Group structure

PGGM Investment Management (PGGM Vermogensbeheer B.V.) is part of a group led by PGGM Coöperatie U.A., which is registered and located in Zeist. All shares in PGGM Investment Management are owned by PGGM N.V., while all shares in PGGM N.V. are held by PGGM Coöperatie U.A. The company's annual accounts are included in the consolidated annual accounts of PGGM N.V. and PGGM Coöperatie U.A., both of which are available on the website of PGGM. The figure alongside shows the legal structure of PGGM Coöperatie U.A., PGGM N.V., its subsidiaries and other participating interests (PGGM group) as of 31 December 2025.



1.2 Our company strategy

Our mission

Our mission is to ensure that PGGM Investment Management is and remains the best 3D investor for PFZW. This means we balance risk, return and sustainability for each investment decision delivering a financially sound return with accompanying risk tolerance and a sustainability profile that fits PFZW's ambitions.

2025 was a year of transition, marked by the implementation of two major changes. First, we prepared for the new pension contract, which required substantial adjustments to the administrative and reporting systems within Investment Management. PFZW successfully transitioned to the new pension contract in January 2026. Second, our joint Strategy 2030 with PFZW culminated in a new way of working. In June 2025, we launched a new integrated investment management organisation delivering four products covering an integrated fiduciary and asset management service to PFZW.

The new pension contract

The necessary adjustments to pension and investment management administration received full attention in 2025. These changes stemmed from a new method of processing contributions within the administration chain and investing them accordingly.

Previously, the strategic investment mix was set annually and rebalanced monthly. Under the new approach, the investment mix is determined each month. This change reflects the more dynamic structure resulting from the transition to personal pension assets and the introduction of age-based cohorts, each with its own investment mix aligned to its specific risk profile.

Investment returns are now allocated to participants on a monthly basis. Collectively, these changes have significant implications for investment policy, system design and operational processes. Intensive and well-coordinated collaboration between Pension Services and Investment Management has therefore become increasingly important.

Strategy 2030

In early 2023, PFZW and PGGM committed to a shared vision for 2030 and introduced new investment beliefs. Since then, PFZW and PGGM have developed a new joint strategy, which required several major changes across our organisation. To effectively implement both Strategy 2030 and the new pension scheme, it was essential to initiate a new investment process, a new organisational structure and a new way of working in 2025.

The new investment process is based on a total portfolio approach, which implies centrally coordinated management of returns, risk, and sustainability across all asset classes. Within the new investment management organisation, fiduciary and asset management roles are integrated in a structure that enables us to deliver four distinct products to PFZW.

We provide strategic asset allocation and strategic policy and advice to PFZW and advice on the Total Portfolio Management mandate which we thereafter monitor. Additionally, through Total Portfolio Management, we manage the overall portfolio and apply PFZW's investment and sustainability policies in a centrally coordinated manner. We are also responsible for managing the strategic asset allocation mandates of PFZW, including the Protection mandate, Equities, Credits, Real Estate, Infrastructure, Private Equity and Alternative Credit. These mandates are executed through the selection and oversight of external and internal managers. Finally, our internal asset management teams manage specific individual portfolios.

The organisation has shifted towards a fully integrated structure built around multidisciplinary teams in which data, reporting and risk assessment processes are aligned. Specialists from across the organisation work together towards the end goal: delivering an integrated 3D investment portfolio. This way of working promotes knowledge sharing, shortens decision-making cycles and ensures that all relevant perspectives are included in investment decisions.

We incorporated our joint 3D strategy into investment policies for the new investment portfolio. We advised on the new strategic asset allocation under the new pension contract. Furthermore, we launched the first version of the Total Portfolio Management Mandate (TPM 1.0), enabling centrally coordinated steering of return, risk and sustainability. The Know-What-You-Own principle is in the process of being applied across all asset classes, which will ultimately result in deliberate choices regarding portfolio inclusion and ensuring a clear understanding of why each holding is included.

The Total Portfolio Management approach will continue to be refined in the coming years. The transition to 3D investing progressed substantially during the year. The integration of the Credit, Equity and Infrastructure portfolios into the 3D framework was finalised, while the transitions of the Real Estate, Private Equity and Alternative Credit portfolios are approaching completion.

1.3 Sustainable investing

The sustainability dimension covers both the positive and negative impact of environmental, social and governance (ESG) characteristics of the investment portfolio on the world (inside-out perspective) as well as the positive and negative impact of ESG effects on the investment portfolio (outside-in perspective). In practice, sustainability is integrated into PGGM's investment process in three ways. First, PFZW sets minimum sustainability requirements for the companies and sectors in which PGGM may invest on its behalf. Investments in entities that do not meet these standards are not eligible for inclusion in the investment universe. Second, PGGM implements PFZW's ambition to contribute positively to society by allocating capital to investments aligned with the Sustainable Development Goals, the Paris Agreement, or that classify as impact investments. For these impact investments, PFZW has defined specific goals on the topics of climate, people & health, and nature & biodiversity. Finally, PGGM incorporates ESG risks into the investment process. This includes material risks such as climate risks and nature & biodiversity risks, which are systematically monitored in order to identify elevated exposures at an early stage.

To further strengthen alignment with PFZW's sustainability ambitions, PGGM translated PFZW's sustainability targets into mandate-level targets. This provides greater steering capability and clearer insight into progress towards these goals. In addition, sustainability objectives have been incorporated into the compensation frameworks of all our investment professionals and management, ensuring that sustainability is consistently weighed alongside risk and return in investment decisions.

Robust integration of sustainability requires continued improvement in the availability and quality of ESG data. Harmonised aggregation of sustainability information at portfolio and mandate level is also needed to track progress and monitor risks. In 2025, PGGM expanded its IT capacity, engaged actively with data vendors and investee companies, and automated sustainability calculations within Snowflake. In addition, PGGM launched an internal Sustainability Portal to ensure consistent data availability across departments and throughout the reporting chain.

In the 3D investment approach, every investment decision is based on the balance between return, risk, and sustainability:

- Return: Achieving a net market return that equals or exceeds the benchmark
- Risk: Incorporating sustainability risks to reduce absolute risk in the long term, should these risks materialise
- Sustainability: Enhancing the sustainability profile and making intentional, measurable impact investments

1.4 Investment returns 2025

PGGM Investment Management manages the assets for PFZW. Even though PFZW reports separately on its investment portfolios, we provide a brief overview of market movements in 2025 and their impact on the PFZW portfolio.

Total Portfolio Management

Total Portfolio Management manages the assets in relation to the liabilities, including the hedging of interest rate risk. The investment portfolio return for PFZW in 2025, excluding the interest rate hedge in the Protection portfolio, amounts to 5.3%, largely driven by strong equity performance. Financial markets were also characterized by a depreciating dollar, included in the aforementioned return. As a result a positive impact of €4.9 billion is achieved in the currency hedge portfolio. Rising European interest rates reduced the value of the interest rate hedge with €18.5 billion, thereby offsetting the positive performance of the underlying portfolio. As a result, the combined total investment portfolio return for 2025 amounted to -3.6%. Despite the negative total return, the increase in European interest rates led to a significant improvement in PFZW's funding ratio, which rose from 109.8% to 126.0% during the year. At the same time, total assets under management declined to €252 billion.

3D mandates

Equities delivered a return of 8%, representing the largest positive contribution. Furthermore, Alternative Credit and Infrastructure generated positive returns of 4.4% and 7.2%, respectively. The rise in interest rates led to a negative return of -18.3% in the protection portfolio, which was the primary driver of the overall portfolio return. However, the Protection Portfolio delivered on its role in the total portfolio, namely: hedging interest rate risk for the pension fund.

3D sub-mandates

Performance across internally managed asset classes was mixed. PGGM Equity delivered a return of 11.7%, providing the largest positive contribution. PGGM Private Equity, PGGM Private Real Estate and Listed Real Estate, on the other hand, generated returns of -3.1%, -3.7% and -5.2%, respectively. Notable positive contributions were also generated by PGGM Credit Risk Sharing within Alternative Credit (+5.9%) and PGGM Infrastructure (+7.2%).

Investment returns PFZW 2025			
	AUM (mln)	Return (%)	Return (EUR)
Total Portfolio Management			
Total investment portfolio	€ 252.035	-3,6%	-€ 9.326
Currency hedge	€ 306		€ 4.912
3D mandates			
Credits	€ 14.924	-1,3%	-€ 164
Equities	€ 53.286	8,0%	€ 4.116
Alternative credit*	€ 24.315	4,4%	€ 1.011
Infrastructure	€ 14.720	7,2%	€ 995
Private equity*	€ 20.890	-3,2%	-€ 743
Real estate *	€ 29.043	-3,6%	-€ 1.172
Protection portfolio *	€ 94.550	-18,3%	-€ 18.280
3D sub-mandates			
Protection portfolio (Euro investment grade)	€ 13.197	2,9%	€ 267
Protection portfolio (Interest rate hedge)	€ 75.089	-22,4%	-€ 18.499
Equities (Internal equity)	€ 4.229	11,7%	€ 445
Credits (Global Credit 1)	€ 538	0,5%	€ 3
Credits (Global Credit 2)	€ 3.190	-0,8%	-€ 27
Infrastructure (Infrastructure)	€ 14.720	7,2%	€ 995
Private equity (Private equity)	€ 20.780	-3,1%	-€ 715
Private equity (Climate & Energy Transition Solutions)	€ 110	-20,4%	-€ 28
Real estate (Private real estate)	€ 17.319	-3,7%	-€ 683
Real estate (Listed real estate)	€ 4.699	-5,2%	-€ 259
Alternative credit (Credit risk sharing)	€ 6.429	5,9%	€ 355
Alternative credit (Insurance)	€ 7.582	-0,6%	-€ 72

*These mandates are still in the process of being finalised as full 3D mandates.

*De 3D-mandaten zijn gestart in de loop van 2025. De rendementen zijn gebaseerd op deels de oude strategie en deels de nieuwe strategie.

**De mandaten zijn nog niet actief; de rendementen bevatten de bestaande submandaten die onder dit mandaat vallen.

5.27% is the return of PFZW excluding RAM (interest rate hedge portfolio).

If they would like to report the "overrendament" return (total- protection portfolio), the YTD return for year 2025 was 5.86%

The return of PGGM Infrastructure fund for year 2025 was 7%.

The return of PGGM Private Real Estate fund for year 2025 was -4.20%

Chapter 2: Our people

Our people are our most valuable asset. At PGGM Investment Management, we aim to create an environment in which employees enjoy their work and feel valued. To attract, retain and develop talent, we continuously invest in an inspiring, innovative and inclusive workplace.

2.1 Our organisation in numbers

PGGM Investment Management does not employ staff directly. Instead, it makes use of staff services provided by PGGM N.V. At year-end 2025, 574 staff were working for PGGM Investment Management, compared with 530 at year-end 2024.⁴

PGGM Investment Management - our people				
Total amount of people employed	2025 Headcount	FTE	2024 Headcount	FTE
PGGM Investment Management	574	598	530	552
Distribution by gender				
Male	426	74%	394	74%
Female	148	26%	136	26%
Total	574	100%	530	100%
Distribution by gender - management				
Male	32	71%	31	72%
Female	13	29%	12	28%
Total	45	100%	43	100%

Our management

Our leadership structure consists of the board of directors, unit managers and team managers. PGGM Investment Management is led by a six-member statutory board of directors, under the leadership of the Chief Executive Officer. The board bears collective responsibility for the entire board of directors, but within this joint responsibility, each board member has their own area of focus.

Board of Directors PGGM Investments	
Name	Function
Geraldine Leegwater	Chief Executive Officer Investment Management (chair)
Erik van de Brake	Chief Transformation Officer
Lars Dijkstra	Chief Investment Officer – Asset Management
Gabrielle Krapels	Chief Policy Officer
Arjen Pasma	Chief Investment Officer – Total Portfolio Management
Danny Slots	Chief Financial & Risk Officer Investment Management

2.2 People Model

As part of Strategy 2030, the Board of PGGM Investment Management launched five business projects to become the best 3D-investor for PFZW by 2030. One of these projects is the People Model. The progress made this year is outlined below.

⁴The total number of FTE exceeds the headcount, as a relatively large proportion of employees work more than 36 hours per week, equivalent to one FTE, while a smaller proportion work part-time.

In line with the People ambitions set out in our Strategic Plan (OGSM: Objectives, Goals, Strategies & Measures), focusing on leadership effectiveness, collaboration and organisational performance, we delivered tangible progress in 2025. We defined and activated our Employer Value Proposition and, in collaboration with INSEAD, articulated our Investment Management values through the Best Stories programme. These values were embedded in a clear Way of Working, supporting effective collaboration within the new organisational structure. We introduced Strategy Dialogues, enabling direct interaction between board members and teams. This generated actionable improvement initiatives and provided substantive input for Strategy 2030. In addition, we accelerated team and cross-team development, further strengthened Leading 2030 as our unit-wide leadership programme, and implemented structural leadership reviews to enhance accountability and sustainable performance.

2.3 Diversity, Equity, and Inclusion

Our diversity policy continues to evolve. Initially focused on diversity and inclusion, we recognised that equality is also crucial for a successful DEI (Diversity, Equity, and Inclusion) policy.

- **Diversity.** Embracing differences in gender, age, experience, neurodiversity, ethnicity and background to enrich perspectives;
- **Equity.** The foundation for inclusion, ensuring fair treatment and equal pay, recognizing values and rights regardless of individual differences;
- **Inclusion.** Creating space for and acknowledging differences to safeguard diversity.

In line with our OGSM ambition to strengthen Diversity, Equity and Inclusion and to build a more balanced and internationally diverse workforce, we advanced several targeted initiatives in 2025. Following the revision of the PGGM-wide DEI policy, we implemented focused actions aligned with our vision, including dedicated workshops and the integration of inclusion themes into management development programmes. As our organisation continues to attract global talent, English has become the internal working language. Throughout the year, documentation, processes and systems were progressively translated, and employees were supported in further developing their English language proficiency.

Gender diversity remains a key priority. Our goal is to increase the representation of women in management to 30% by 2026, with the longer-term ambition of reaching 50% by 2030. At year-end 2025, women represented 26% of the total workforce and 21% of roles at scale 17 (medior) and above. The 2026 management target has therefore not yet been achieved and requires continued focus.

To accelerate progress, we actively target female management talent in recruitment, aim for at least 50% female candidates on management shortlists, and apply the principle that, where candidates are equally qualified, preference is given to a woman. In line with the Dutch Corporate Governance Code, we also strive for a balanced composition of the Board of Investment Management. At year-end 2025, women held 33% of board seats, meeting the 30% threshold we set.

2.4 How we reward our people?

Our remuneration policy aims to promote sound employment practices, which we define as being characterized by prudence, oversight, and sustainability, in alignment with our 3D-strategy and core values. The interests of PFZW are paramount and the long-term interests of PGGM Investment Management, as well as relevant laws and regulations, are considered. The policy complies with the requirements of the Financial Supervision Act (Wft).

Responsible remuneration policy

For employees working within PGGM Investment Management, the remuneration policy is based on the Dutch and European Asset Management Market, which is divided into two sub-markets: Front Office and Back & Mid office. These reference markets enable PGGM to reward employees in line with labour market realities and to attract, retain and engage talent needed to realise our strategic objectives.

Collective Labour Agreement

In the 2025 Collective Labour Agreement, agreed with the trade unions, salaries were increased collectively by 3% in January and 1.5% in July.

Variable Pay

PGGM applies a performance-based variable pay scheme for certain Investment Management Front Office employees, in addition to a fixed annual salary. The level of variable pay depends on achieving or exceeding agreed personal, team and collective targets, with a mix of 40% financial and sustainability criteria and 60% non-financial criteria. Management only has collective targets in order to enhance cooperation and alignment. Payments are made annually and are partly deferred if the variable amount exceeds the applicable legal threshold.

Discretionary bonus

Employees who are not eligible for variable pay may receive a discretionary bonus for exceptional dedication and/or job performance.

Remuneration in figures

The table below presents the remuneration paid to our employees in 2024 and 2025. The full remuneration policy is available on the PGGM Investment Managements' website.⁵

⁵The Wft and the Bgfo Wft (Section 1:120(2)(a)) stipulate that the directors' report must mention any employees who received more than €1,000,000 in remuneration. No employee received more than €1,000,000 in remuneration in 2025.

Variable remuneration paid out in €1,000		
Distribution of variable remuneration per type	2025	2024
One-year variable remuneration paid out *	7,249	6,392
DVI paid out	3,158	2,739
Discretionary bonus paid out	131	139
Total amount of variable remuneration paid out **	10,538	9,270

Number of variable remunerations paid		
Distribution number of variable remunerations paid	2025	2024
One-year variable remuneration	294	284
DVI	55	57
Discretionary bonus	40	42
Total number of variable remunerations paid	389	383

*This concerns paid one-year variable remuneration that relates to the previous financial year. Therefore, one-year variable remuneration paid in 2025 relates to performance year 2024 and one-year variable remuneration paid in 2024 relates to performance year 2023

**Amounts do not include pension and social security contributions.

Average amount of variable remuneration paid out in €1,000		
Distribution per variable remuneration	2025	2024
One-year variable remuneration	25	23
DVI	57	48
Discretionary bonus	3	3

2025					
Amounts paid out in 2025 in €1,000	Fixed remuneration	Employer's share of social insurance and pension costs	Variable remuneration	Total remuneration	Number of employees
Senior management	3,065	245	472	3,782	7
Employees with a significant influence on the risk profile	54,015	9,015	7,777	70,807	254
Other employees	29,498	7,787	2,289	39,574	304
Total remuneration paid out	86,578		10,538	114,163	565

2024					
Amounts paid out in 2024 in €1,000	Fixed remuneration	Employer's share of social insurance and pension costs	Variable remuneration	Total remuneration	Number of employees
Senior management	2,040	204	372	2,616	6
Employees with a significant influence on the risk profile	41,270	8,064	7,141	56,475	234
Other employees	24,482	6,812	1,757	33,051	284
Total remuneration paid out	67,792		9,270	92,142	524

2025 vs 2024					
Amounts paid out in €1,000	Fixed remuneration	Employer's share of social insurance and pension costs	Variable remuneration	Total remuneration	Number of employees
Senior management	1,025	41	100	1,166	1
Employees with a significant influence on the risk profile	12,745	951	636	14,332	20
Other employees	5,016	975	532	6,523	20
Total remuneration paid out	18,786		1,268	22,021	41

Chapter 3: Risk management

PGGM Investment Management's Risk Framework distinguishes between investment-related risks within the investment portfolio and the risks related to PGGM Investment Management's own organisation. This chapter focuses on the latter.

PGGM Investment Management's Risk Framework enables us to monitor risks, both structurally and periodically. This provides insight into the balance between risk and reward, supporting decision making and ensuring transparent reporting. The framework is based on the COSO Enterprise Risk Management methodology and operates in accordance with the widely accepted Three Lines Model, balancing risk profile, risk appetite and risk capacity with performance. The business (first line) is responsible for identifying, owning and managing risks. Enterprise Risk Management (ERM) and Compliance (second line) specialise in risk management, contributing to oversight, monitoring, and reporting, while facilitating and challenging the first line. Internal Audit (third line) provides periodic, independent oversight and assurance.

3.1 Risk appetite and culture

Risk appetite

Our risk appetite is reviewed annually to ensure that the various risks are within the aimed exposure limits. It serves as the foundation for decision-making within our Risk Framework and is embedded in our culture as an active and conscious approach to risk. We recognise that every decision we make carries both known and/or unknown risks and our risk appetite helps us define our risk tolerance and policies for managing those risks. At the end of 2025, only one risk exceeded the established risk appetite: standard compliance, see section 3.3.b concerning Dora and the AI act.

We monitor all risks in a periodic cycle and remain vigilant for emerging risks. Each year, a systematic integrity risk analysis (SIRA) is conducted to assess our risk governance, focusing on potential risks such as fraud, bribery and corruption. Additionally, risk management performs a quarterly risk evaluation to ensure that we stay within established risk tolerances. In the event of operational incidents and/or other disruptions, root cause analyses help identify ways to mitigate losses, improve processes and uncover opportunities for learning and development. These assessments are reflected in the quarterly In Control Statement (ICS), which tracks our annual targets.

Risk culture

At PGGM Investment Management we consider risk culture to be a key factor for adequate risk management. We aim to create an open, honest and risk-aware environment in which employees hold each other accountable for responsibilities and results, while reflecting on behaviours in light of our values, standards, and objectives.

The annual plan developed using the Objectives, Goals, Strategies, Measures (OGSM) method supports the continuous development of our risk culture. The OGSM framework helps translate the values of ownership and accountability into quantitative and qualitative results, improvements, and heightened risk awareness. From the boardroom to business lines and across business units, risk culture and management should be consistent and deeply embedded.

3.2 Key risks 2025

The key non-financial risks in 2025 are outlined below. Financial risks are addressed in Chapter 4.

Cyber risk

PGGM's systems remained secure throughout 2025, successfully preventing ransomware attacks and data theft. We believe that it is important to continuously strengthen our cybersecurity efforts. Key concerns include the risk of hackers stealing and/or destroying data or compromising systems. Our Cyber Management approach includes detection, prevention and response. The enhanced Investments Security Control Framework is fully integrated into our security processes and is actively monitored for effectiveness and maturity. Our cyber and information security measures align with a low-risk appetite, supported by policies and procedures covering cyber security, information security and business continuity. Timely and accurate information sharing, internally and with clients and other stakeholders, forms a key element of the Framework. In 2025, this risk remained within the defined low-risk appetite and no major incidents occurred.

Fraud risk

PGGM defines fraud as any intentional act or omission involving deception to obtain an unlawful advantage or to cause loss or harm to the victim. Fraud risk is managed through preventive, detective and corrective controls. A fraud management policy was developed and established and integrated into the PGGM Risk Framework to protect us against such risks. Additionally, we conduct an annual company-wide systematic integrity risk analysis (SIRA) to identify and assess risks related to fraud, bribery, and corruption.

Fraud risk can arise from actions by individuals within or outside the organisation. To ensure prevention, we continue to raise awareness of fraud risks among employees. Measures include e-learning, signing an integrity declaration, acknowledging and adhering to the insider trading policy, and providing a procedure for reporting (suspected) misconduct. All PGGM colleagues are required to confirm annually that they have read and understood the Code of Conduct.

Suspected misconduct, such as fraud, must be reported to the Risk and Compliance teams, in line with the Incident Policy. In cases of suspected fraud, the Compliance Director and Risk Director are informed. A dedicated fraud desk has been set up with employees from both Risk and Compliance. A 'speak up/just ask' site on the internal network lets employees report (suspected) fraud anonymously. When internal and/or external fraud is classified as a major incident, the CFRO of PGGM N.V. may establish a Taskforce upon recommendation of the Fraud Management Coordinator. The Taskforce, chaired by the CFRO, operates independently and may include additional experts alongside the Risk and Compliance teams. We maintain a low risk tolerance for fraud and integrity incidents. The fraud monitoring activities provide the insight that the risk tolerance was not breached.

Process (run) risk

PGGM Investment Management has structured its processes to ensure full control, issuing Standard 3402 and 3000 reports on its investment management services. Independent auditor PricewaterhouseCoopers Accountants N.V. examined our key controls and issued an unqualified assurance report for 2025. No major incidents occurred during the year.

Incidents are centrally reviewed to determine whether they could have been prevented and how similar events can be avoided in the future. Cross-functional experts assess necessary adjustments to improve prevention.

Given the potential reputational risk and/or business continuity concerns, our risk appetite for process execution and IT processes is low. To mitigate these risks, we maintain a three-line risk management framework, enforce data quality guidelines and implement strict protection protocols for sensitive data. Regulatory compliance also includes the risk of non compliance with reporting requirements and standards, including financial reporting. Financial reporting is controlled through a system of internal controls, the design and operating effectiveness of which are periodically monitored within the first line and considered as part of the annual external audit.

Reputation and stakeholder risk

This involves the risk of negative media coverage affecting PGGM, PFZW or other clients and stakeholders. PGGM N.V. proactively monitors media exposure and manages reputational risks, while also responding to emerging opportunities. To manage these risks comprehensively, we work closely with PFZW. Given our low risk appetite in this area, our approach includes active press relationship management, monitoring and interpreting media exposure, and providing advisory support to relevant stakeholders. In relation to reputation and stakeholder risk, we did not experience any major incidents in 2025.

3.3 Compliance

PGGM Investment Management actively promotes compliance and integrity in line with its core values, recognising the crucial role of culture and behaviour in managing compliance and integrity risks. In the Compliance Monitoring Plan hard controls (tangible measures embedded in processes and systems) and soft controls (factors that influence behaviour) are used to manage these risks and achieve its objectives.

3.3.a PGGM Code of Conduct

PGGM N.V. carries a great responsibility towards society to act with care, transparency and integrity. Clear guidelines on how we interact with one another help us to fulfil this responsibility. Developments within and around PGGM require permanent assessment and, where necessary, updates to our codes of conduct and agreements.

PGGM has combined these agreements and guidelines in the PGGM N.V. Code of Conduct. The PGGM N.V. Code of Conduct is mandatory but set up to be more than a set of rules and instructions and is also applicable to PGGM Investment Management; it is designed to maintain trust in the services we provide. Compliance with the underlying principles and criteria in the Code of Conduct offers guidance in our interactions with clients, suppliers, colleagues and society in general. More information is available at the PGGM website: <http://www.pggm.nl/media/defhmjq/awareness-pggm-gedragcode-eng.pdf>

3.3.b Compliance with laws and regulations

PGGM Investment Management operates within a strict and continuously evolving supervisory framework. PGGM Investment Management is licensed as an Alternative Investment Fund Manager (AIFM) with a Markets in Financial Instruments Directive (MiFID) top-up and is as such under supervision of the Netherlands Authority for the Financial Markets (AFM) and the Dutch Central Bank (DNB). PGGM Investment Management must comply with national and European legislation applicable to AIFMs that also provide discretionary investment management services.

Below is an overview of key regulatory developments in 2025, including developments in the areas of fund manager supervision, sustainability transparency, and digital resilience.

DORA

As of 17 January 2025, the Digital Operational Resilience Act (DORA) applies. DORA aims to raise awareness of ICT risks and acknowledges that ICT incidents and a lack of operational resilience could jeopardise the stability of financial entities and the financial sector as a whole. It seeks to harmonise digital operational resilience provisions across the EU financial sector and sets rules for ICT risk management, incident reporting, operational resilience testing and ICT third-party risk monitoring. PGGM Investment Management falls within the scope of DORA. To ensure alignment with the DORA requirements, PGGM Investment Management has outsourced most of its ICT risk framework activities to PGGM N.V. Part of the implementation of DORA requirements has also been outsourced to PGGM N.V., while the Board of PGGM Investment Management remains responsible for ensuring compliance. DORA was (successfully) integrated into the organisation. In some areas, we were prepared, while in other areas additional measures were needed, particularly around agreements with suppliers and the identification of critical processes. Recently the EC introduced the so-called Digital Omnibus stipulating simplifications of the digital legislative framework.

Sustainable Finance Disclosure Regulation (SFDR)

SFDR sets mandatory disclosure standards for Environmental, Social and Governance (ESG) aspects of investments. As of 1 January 2023, financial institutions needed to implement the more detailed Level 2 requirements of SFDR, particularly for products classified as Article 8. We published our entity-level Principal Adverse Impact (PAI) statement for 2024 in line with SFDR requirements.

On 20 November 2025, the European Commission published its proposal for revising the SFDR. This proposal introduces significant changes to the current regime. Application is not expected before early 2028.

AI Act

The Artificial Intelligence Act (AI Act) came into effect in August 2024. The AI Act establishes uniform rules for AI systems within Europe to improve the internal market and innovation while simultaneously protecting against their (potential) harmful effects. For organisations developing and offering AI systems, the AI Act clarifies the requirements their systems must meet in Europe. Organisations deploying AI systems must ensure that these systems are reliable and of high quality.

By 2 August 2026, all institutions must comply with almost all requirements under the AI Act. In 2025, the AI Act has been implemented within the PGGM Investment Management organisation on those aspects that were already required, such as AI literacy for employees. We expect to be able to comply with all requirements before August 2026.

AIFMD / MIFID II

In 2025, PGGM Investment Management continued to operate under its AIFM licence, with a MiFID top-up, which requires compliance with the applicable legislation. In December 2025, AIFMD II (Directive (EU) 2024/927) was implemented, introducing changes to liquidity management tools (LMTs) for funds. PGGM Investment Management will implement the MiFID II revision once transposition into Dutch law has been finalised.

EMIR III

This update to the European Market Infrastructure Regulation (EMIR) will require market participants exceeding a certain exposure threshold to clear at least part of their over the counter (OTC) derivatives with central counterparties (CCPs) in the European Union (EU). This is known as the Active Account Requirement, which also creates additional reporting obligations. PGGM Investment Management's client, PFZW, falls within the scope of the Active Account Requirement. While EMIR III entered into force in 2025, certain aspects of it require lower legislation in the form of regulatory technical standards (RTS) to specify the detailed requirements. The RTS relating to the Active Account Requirement are yet to come into effect.

PGGM Investment Management already maintains active accounts with a CCP in the EU for PFZW, so the main focus is on the operational and reporting implications of this requirement.

CSRD

On 26 February 2025, the European Commission published a proposal for an Omnibus package to reduce the complexity of existing sustainability legislation and lower the administrative burden for companies. For the PGGM Group, the reporting obligations under the CSRD have been postponed to the 2027 financial year. PGGM Investment Management is no longer independently within the scope of the CSRD. PGGM N.V., as the parent company of a large group including PGGM Investment Management, remains within the scope of the CSRD and will have to report on the consolidated group. This is applicable for both the obligations resulting from the CSRD as well as the obligations under article 8 of the EU Taxonomy. As of the 2027 financial year, sustainability information regarding PGGM Investment Management will be included in PGGM N.V.'s consolidated sustainability report, similar to the financial statements.

Chapter 4: Financial status

In this chapter, we discuss the financial position of PGGM Investment Management in 2025 and explain how we mitigate our financial risks.

Financially, 2025 was a stable year. PGGM Investment Management maintains a healthy financial position. The **financial result** after taxes for the period was €7.2 million (2024: €8.3 million). **Total revenue** increased by €18.7 million, from €203.7 million in 2024 to €222.4 million in 2025. As of June 2025, the services of Investment Management included strategic and policy advise, which resulted in additional revenues of €6.3 million. The remainder of the increase was due to fee adjustments and the expansion of services and price levels compared to 2024.

Operating expenses amounted to €212.5 million (2024: €195.4 million), with the increase largely driven by higher personnel expenses. Expenses were lower than expected due to delays related to the new investment process, which went live in June instead of January. Furthermore, a reorganisation project was postponed to 2026.

Non-operating income, consisting of financial income and expenses and the result from participating interests, decreased by €2.7 million to €0.3 million (2024: €3.0 million). Financial income and expenses in 2025 decreased to €1.5 million (2024: €3.3 million), due to lower interest rates. In 2025, a share exchange at fair values took place concerning a subsidiary, which resulted in a negative financial impact of €1.2 million on the result from participating interests.

In 2025, PGGM Investment Management's **liquidity position** adequately covered all cash outflows from operating, investing and financing activities, and no additional finances were required. Liquidity levels remained comfortably above the required amounts. On 31 December, the liquidity position amounted to €59.8 million (2024: €71.3 million). This decrease was mainly due to the dividend payment to PGGM N.V. Credit risk on receivables is low due to the solid financial position of our clients and applicable supervision requirements. The risk of revenue decline is limited, as revenue is mainly based on annually agreed fees and multi-year agreements with PFZW. Fees from PFZW are not dependent on assets under management and are indexed for inflation and collective labour agreement changes. Potential financial risks were thoroughly evaluated, with risk mitigation measures in place, such as liability agreements with clients, impairment insurance policies and an equity buffer as part of the Own Funds Policy and ICARAP. The effectiveness of these measures has been assessed through scenario simulations. PGGM Investment Management also limits risk by conducting thorough operational due diligence and ongoing monitoring when entering into new and existing business relationships.

As of 31 December 2025, **the solvency** ratio was 92.3% (2024: 93.3%), determined as the ratio of equity to the total assets. Equity amounted to €70.6 million (2024: €95.9 million), and total assets decreased by €26.3 million to €76.5 million. PGGM IM paid a dividend to PGGM N.V. in 2025 of €32.5 million. Available equity exceeded the required equity, being the ICARAP Minimal Capital Requirement, significantly. After the dividend payment, equity is still above the required level.

Continuity

As part of our continuity policy, we maintain a one-year financial buffer to ensure operations can continue for at least a year in the event of a severe calamity. PGGM Investment Management maintains sufficient capital above the required minimum and has no loans on its balance sheet.

The investment portfolios are managed on behalf of, and at the risk of, PFZW and PGGM fund participants. This means that financial risks arising from these portfolios have no direct impact on the financial position of our organisation.

With PFZW we have a long-term contract for services provided by PGGM Investment Management, with renewal scheduled for 2027. We expect this strategic relationship with PFZW to continue for the foreseeable future and the contract to be renewed accordingly. Below are additional strategies and metrics we use to help us maintain our minimum equity level:

- Insurance covers potential claims due to errors in our services, with our financial exposure aligned with the insurance limit.
- Contributions to equity through customer fees are monitored based on minimum margins at both business unit and holding level, which have been positive in recent years.

For 2026, we do not expect any risks that could have a material impact on our continuity.

Chapter 5: Future-proof operations

Despite a demanding change portfolio and significant regulatory and market developments, we continued to successfully deliver our daily operations.

New Pension Contract, preparation, testing and implementation

Throughout 2025, Operations was heavily focused on preparing the investment management organisation for the transition to the new pension contract. The year centred on completing system enhancements, conducting extensive end-to-end testing, informing and training employees on working in the new set-up, and finalising the operational readiness criteria. Key deliverables included the implementation of required SimCorp Dimension adjustments, ensuring readiness of the information flow for managing the protection mandate and total portfolio, and updating the documentation of the changed and new processes. In Q4, there was a final regression test on the implemented changes and a strict change freeze safeguarded stability ahead of the migration weekend, ensuring all data, processes, controls and documentation were fully validated and ready for a controlled go-live. This resulted in a smooth transition to the new pension contract in the first week of January 2026.

Strengthening the data foundation

In parallel with other strategic initiatives, PGGM Investment Management progressed its ambition to become a more data-driven organisation through the implementation of a data mesh architecture. The objective of the data mesh programme is to increase business ownership of data, improve data quality and enable faster delivery of data-driven use cases. As data mesh requires a significant organisational change, the programme prepared the organisation by training employees, designing a new operating model and establishing clear standards.

In addition, the data platform was further developed to align with this way of working, with a strong focus on automation. The programme worked closely with the business to ensure adoption, and several use cases were elaborated to gain practical experience with data mesh principles, with reporting serving as a prominent example. Foundational steps have now been completed, and the next phase will focus on embedding this new way of working more broadly, alongside the development and implementation of additional data use cases.

PFZW reporting dashboard

Throughout 2025, the new Investment Process advanced the development and implementation of a new Reporting Dashboard, designed to reduce the number of reports and become PFZW's central accountability product from the 2026 reporting cycle onward. The year focused on establishing a robust and efficient end-to-end reporting process, including the ingestion and validation of structured and unstructured data from the various teams, and the iterative refinement of the dashboard architecture.

Significant progress was made on data exposure patterns, navigation features and the integration of new metrics, such as Total Portfolio insights and enhanced risk indicators. This ensured that the information was consistent and transparent across different reporting periods. By year-end, the dashboard had matured into a technically stable, multi-page reporting solution that replaces several reports and supports both monthly and quarterly cycles, with the first full delivery planned for early 2026. This transition marks a major step towards streamlined and future-proof investment reporting to PFZW.

Digital Assets

PGGM participated in the first live Distributed Ledger Technology (DLT)-based collateral mobilisation transaction to meet our margin obligations at Eurex Clearing.

The aim is to streamline, automate and optimise settlement processes for all bond-related collateral flows, regardless of their physical location or even without physically moving securities at all. We expect this to reduce the turnaround time for collateral flows from two business days to intraday in the future, while significantly decreasing manual intervention for all parties involved. This innovative solution has the potential to greatly enhance collateral mobility, enabling us to manage collateral needs more efficiently in today's dynamic markets.

2026 will follow the same two transition paths as 2025: the transition to the new pension contract and our transition as a 3D Investment Manager.

In 2026 we will complete the implementation of the new pension contract and start reporting in accordance to the new regulations and guidelines. One major implementation step in 2026 is the actual transfer of the existing pension capital into the new system ('*invaren*').

As we move forward in our ambition to become the best 3D Investment Manager for PFZW by 2030, we have set four major goals for 2026:

- 1 To generate return and impact through high-quality and 3D-aligned advice, total portfolio construction and management.
- 2 To operate as one integrated Investment Management organization, becoming the best 3D investment manager for PFZW through ownership, trust and collaboration.
- 3 To amplify our impact for PFZW through an integrated, efficient and cost-competitive total investment chain.
- 4 To drive scalable and innovative 3D Portfolio insights and steering.

To achieve our first goal, we will provide the best investment advice to empower PFZW to define a clear investment mandate aligned with 3D principles. We will construct a resilient, forward-looking and cost-effective 3D total portfolio that reflects the investment mandate and is responsive to transitions and system risks. We will actively manage the 3D total portfolio with ownership and agility, ensuring transparency, cost awareness and alignment with PFZW's evolving needs.

With our second goal, we aim to achieve a measurable increase in overall engagement, strategic alignment and cross-team collaboration, and to ensure that colleagues consistently feel that their ideas and suggestions are valued.

Third, we aim to steer transparently and cost-effectively on PFZW's total Investment Management costs to maintain a cost-competitive market position for PFZW and its participants. We will do this while completing and refining all organisational transformations to ensure an integrated, effective, and efficient total investment chain. We will implement streamlined and robust controls with shared ownership, ensuring disciplined and efficient execution across PGGM Investment Management's total investment chain.

The fourth goal is to finalise all Data, Analytics and AI priorities initiated in 2025 and to design and develop the 3D Total Portfolio Engine of the future.

To achieve these goals, we will make additional investments in our 3D organisation, including IT capabilities, data and analytics platforms, and our workforce. This aligns with our approach in previous years. We expect total operating revenue to increase in 2026. However, the increase in operating expenses will exceed the rise in operating revenue, resulting in a positive but lower result after taxes. Solvency and liquidity will remain healthy.

On 1 April 2026, the Supervisory Board of PGGM Investment Management was dissolved following an amendment to the articles of association. As of that date, PGGM Investment Management no longer has a Supervisory Board.

Zeist, 7 April 2026

The Board of Directors,

Geraldine Leegwater

Erik van de Brake

Lars Dijkstra

Gabrielle Krapels

Arjen Pasma

Danny Slots

Part 2 Supervisory Board report

In this report, the Supervisory Board sets out how it fulfilled its supervisory and employer responsibilities during the past year and how it supported the Board of Directors through advice. The most important substantive matters in which the Supervisory Board has been involved this year are also discussed. The Supervisory Board looks back on a year in which the focus was on a number of central topics.

Report of the Supervisory Board

Supervision of the policies of the Board of Directors and of the general course of PGGM Investment Management affairs and its business enterprise shall be conducted by the Supervisory Board of PGGM Investment Management. The Supervisory Board shall support the Board of Directors with advice. In fulfilling their duties, the Supervisory Board shall serve the interests of PGGM Investment Management and the business enterprise which it operates.

The supervision of the Board of Directors by the Supervisory Board included:

- Achievement of the objectives
- Execution of the strategy
- Risks associated with the business activities
- Financial reporting process
- Design and operation of the organisation and processes
- Compliance with laws and regulations
- The social aspects of its activities relevant to PGGM Investment Management

In 2025, the Supervisory Board held periodic meetings with the Board of Directors about PGGM Investment Managements' strategy and sustainable long-term value creation, as well as about the main risks, their assessment by the Board of Directors and the operation of the internal risk management and control systems (including integrity risk management and incident monitoring), as well as changes therein. The Supervisory Board also assessed, without the Board of Directors being present, the functioning of the Board of Directors, as well as the functioning of the individual members of the Board of Directors. Finally, the Supervisory Board has a task and responsibility for the annual evaluation of the remuneration policy and supervision of its execution. The annual evaluation took place in consultation with HR. Results of the evaluation were discussed in 2025.

Until the appointment of the independent member of the Supervisory Board of PGGM Investment Management as member of the Supervisory Board of PGGM N.V., as per 14 May 2025, the independent member of the Supervisory Board of PGGM Investment Management had a standing invitation as observer into the Supervisory Board of PGGM N.V. for agenda items concerning PGGM Investment Management. Vice versa, members of the Supervisory Board of PGGM N.V. had a standing invitation as observer into the Supervisory Board of PGGM Investment Management. The independent member of the Supervisory Board of PGGM Investment Management has participated in all relevant Supervisory Board meetings of PGGM N.V. where applicable. In one regular Supervisory Board meeting of PGGM Investment Management a representative of the Supervisory Board of PGGM N.V. has been present.

An Information and Governance Protocol are guiding the activities of both Supervisory Boards to safeguard good governance while maintaining sufficient information sharing in the interest of PGGM Group.

Statutory Board of Directors Composition

The Board of Directors consists of six members:

Chair: Mrs. Geraldine Leegwater, Chief Executive Officer Investment Management (CEO IM) as of June 2, 2025;

Mr. Erik van de Brake, Chief Transformation Officer (CTO), as of May 1, 2022;

Mr. Lars Dijkstra, Chief Investment Officer Asset Management (CIO AM), as of June 2, 2025;

Mrs. Gabriëlle Krapels, Chief Policy Officer (CPO), as of July 1, 2025;

Mr. Arjen Pasma, Chief Investment Officer Total Portfolio (CIO TP), as of April 1, 2022;

Mr. Danny Slots, Chief Financial & Risk Officer Investment Management (CFRO IM), as of June 2, 2025.

Supervisory Board Composition

Chair: Mr. Edwin Velzel, CEO PGGM N.V., first appointed on May 3, 2018, non-independent member;

Mr. Willem Jan Brinkman, CFRO PGGM N.V., first appointed on January 27, 2020, non-independent member; and Mrs. Daniëlle Melis, independent non-executive director in the financial sector, first

appointed on April 1, 2022, independent member.

All the Supervisory Board members have the Dutch nationality.

With this composition the requirements of independence, as referred to in art. 18, paragraph 2 of the Articles of Association, have been met.

Attendance regular meetings

The Supervisory Board met six times in 2025, five of which were regular meetings, and one meeting was called to keep the Supervisory Board informed on strategic developments. The regular meetings of the Supervisory Board are held in the presence of the members of the Board of Directors of PGGM Investment Management. The relationship with the Board of Directors is good and transparent. The suggestions from the Supervisory Board are taken into account. There were constructive dialogues during the meetings, whereby the Board of Directors and the Supervisory Board are receptive to each other's arguments.

In addition, the Supervisory Board held one closed meeting. The topics discussed in the closed meeting included the assessment and remuneration of the Board of Directors.

All appointed Supervisory Board members attended 100% of the Supervisory Board meetings. During the first regular meeting, a Supervisory Board member of PGGM N.V. attended the meeting as an observer. Prior to her appointment as member of the Supervisory Board of PGGM N.V., the independent member of the Supervisory Board of PGGM Investment Management attended the Supervisory Board of PGGM N.V. as an observer for agenda items concerning PGGM Investment Management.

The Supervisory Board has not established any committees.

Next to all these meetings the Supervisory Board of PGGM Investment Management participated in educational sessions. The Supervisory Board held informal individual (mid-term) dialogues with each of the members of the Board of Directors.

Highlights

The most important matters in which the Supervisory Board has been involved this year were:

1. Change trajectories within PGGM Investment Management: Strategy 2030

In 2025 PGGM has further elaborated and implemented Strategy 2030. The Supervisory Board of PGGM Investment Management has regularly discussed the status of the Strategy 2030 program within PGGM Investment Management and the implementation thereof. An important milestone that has been achieved is the establishment of the new Investment Process Model (IPM). As result of the new IPM, a new organisational structure was established on June 2. The Supervisory Board discussed all underlying change regarding the implementation of the Strategy.

2. New Pension Contract (WTP), Project Feniks

On 1 January 2026, PFZW transitioned to WTP. This transition has implications for the working methods of PGGM IM. The transition to WTP has been assigned to Project Feniks, which addresses the implementation of the WTP transition.

3. New Governance model PGGM

There is a desire to simplify PGGM's governance. PGGM has decided to amend its governance model. This amendment to the governance model entails changes to the governance of PGGM Investment Management. The new governance and its implications for PGGM Investment Management, including but not limited to the investigation of a possible dissolution of the Supervisory Board in 2026, were regularly discussed during the Supervisory Board meetings.

4. HR

Strategy 2030 brings a new way of working. The HR implications of the new way of working, including but not limited to performance management, leadership changes, culture changes and employee satisfaction, have been discussed within the Supervisory Board.

Topics regular meetings 2025

Recurring agenda items in every regular meeting are the business update and reports on PFZW, business operations and the regulatory matters. The financial results and the main risks associated with business operations are reviewed, based on the various risk management and performance reports and the quarterly responsible investment report.

The Supervisory Board is regularly informed by the Board of Directors about developments in the financial markets. In this context, the Supervisory Board has been informed about special investments that may have a (positive or negative) effect on business operations or reputation. The business update of PGGM Investment Management is provided by the Board of Directors and comprises of a view on the investment results, the financial status, the risk profile, and employee satisfaction, supplemented with varying topics such as the progress on the annual targets (as derived from our strategic objectives) and findings from Internal Audit.

In addition, so-called in-depth sessions are regularly held in the presence of both the Board of Directors and the Supervisory Board, during which specific subjects are discussed in detail. The subjects may relate to current legal or regulatory subjects for the purpose of maintaining professional competence as well as specific current developments that are relevant to PGGM Investment Management.

Topics of the in-depth sessions that took place in 2025 included: the Money Laundering and Terrorist Financing (Prevention) Act (abbreviation in Dutch: Wwft), insight into a healthy risk culture and criminal implications of economic crimes, such as corruption, money laundering, and sanction violations. The Sustainable Finance Disclosure Regulation (SFDR), insight into regulation on information provision on sustainability (ESG) in the financial sector.

Furthermore, the legislation and regulations and their possible impact on the business of PGGM Investment Management are discussed in each meeting. The training plan (which started in 2020) was continued in the context of the permanent education of the supervisory directors.

As of 1 April 2026, the Supervisory Board was dissolved following an amendment to the articles of association.

The Supervisory Board would like to thank the members of the Board of Directors and the employees of PGGM Investment Management for their efforts in the 2025 reporting year.

Zeist, 7 April 2026

As of 1 April 2026, the company no longer has a Supervisory Board following the amendment to the articles of association.

Part 3 Financial Statements

Company Financial Statements of PGGM Investment Management

Company balance sheet as of 31 December 2025

(before profit appropriation)
(amounts in thousands of euros)

	Ref	31 December 2025	31 December 2024
Assets			
Fixes assets			
Intangible fixed assets	3	61	138
Property, plant, and equipment	4	5	10
Financial fixed assets	5	117	1,022
Total fixed assets		183	1,170
Current assets			
Receivables	6	16,554	30,292
Securities	7	2,002	42,237
Cash and cash equivalents	8	57,773	29,051
Total current assets		76,329	101,580
Total assets		76,512	102,750
Liabilities			
Equity			
Paid-up and called capital	9	100	100
Statutory reserve		-	-
Share premium reserve		34,400	34,400
Other reserves		28,862	53,111
Undivided results		7,229	8,251
Total equity		70,591	95,862
Current liabilities			
Current liabilities	10	5,921	6,888
Total current liabilities		5,921	6,888
Total liabilities		76,512	102,750

Company income statement for 2025

(amounts in thousands of euros)

	Ref	2025	2024
Management fees	12	222,384	203,651
Total operating income		222,384	203,651
Expenses for outsourced work and external hiring	13	19,963	23,148
Personnel expenses	14	144,299	121,924
Depreciation / amortisation of (in)tangible fixed assets	15	1,580	9,520
Automation expenses	16	37,901	32,604
Other operating expenses	17	8,769	8,187
Total operating expenses		212,512	195,383
Operating result		9,872	8,268
Financial income	18	1,821	3,291
Financial expenses	18	-286	-
Result before taxes		11,407	11,559
Taxes	19	-2,943	-2,983
Share of result of participating interests	5	-327	-325
Result on disposal of participating interests		-908	-
Result after taxes		7,229	8,251

Company cash flow statement for 2025

(amounts in thousands of euros)

	Ref	2025	2024
Cash flow from operating activities			
Operating result		9.872	8.268
Adjustments for:			
Amortisation, depreciation, and impairments	3, 4, 15	134	177
Changes in (in)tangible fixed assets	3, 4	-	-
Changes in financial fixed assets	5	-	111
Changes in receivables	6	13,636	-4,217
Changes in provisions		-	-430
Changes in current liabilities	10	-4,196	-3,218
Cash flow from operating activities		19,446	691
<hr/>			
Received interest	18	1,923	3,291
Paid interest	18	-	-
Cash flow from financing activities		1,923	3,291
<hr/>			
Total cash flow from operating activities		21,369	3,982
<hr/>			
Cash flow from investment activities			
Additions and acquisitions of			
Intangible fixed assets	3	-52	-
Property, plant, and equipment	4	-	-4
Participating interests	5	-330	-400
Disposals, repayments, and sales			
Intangible fixed assets	3	-	-
Property, plant, and equipment	4	-	-
Participating interests	5	-	-
Total cash flow from investment activities		-382	-404
<hr/>			
Cash flow from financing activities			
Dividend paid	9	-32,500	-10,000
Total cash flow from financing activities		-32,500	-10,000
<hr/>			
Net cash flow		-11,513	-6,422
<hr/>			
Changes in cash and cash equivalents			
Cash and cash equivalents (incl. securities) at beginning of the period	7, 8	71,288	77,710
Cash and cash equivalents (incl. securities) at end of the period	7, 8	59,775	71,288
Changes in cash and cash equivalents		-11,513	-6,422

Notes to the company cash flow statement

The disposal of the interest in Design Authority B.V. and the simultaneous acquisition of a minority interest in Net Purpose Ltd. were effected through a share-for-share exchange in 2025. This non-cash investing activity is further disclosed in note 5 'Financial fixed assets'

Notes to the company financial statements for 2025

1 General notes

Information on PGGM Vermogensbeheer B.V. (PGGM Investment Management)

PGGM Investment Management was founded on 20 July 2007. PGGM Investment Management has its registered office and principal place of business at Noordweg Noord 150 in Zeist, the Netherlands. PGGM Investment Management is registered with the Chamber of Commerce under registration number 30228490.

In accordance with Article 2.1 of the articles of association, the statutory objectives of PGGM Investment Management are:

- To act as a manager of investment institutions in the widest sense of the word, in any case including portfolio management, risk management, administration, marketing of participations and share and activities related to the assets of investment institutions;
- To provide investment services including discretionary asset management, investment advice and the reception and transmission of orders in relation to financial instruments;
- (to ensure) the safe-keeping and administration in relation to participations or investment institutions;
- To offer and have offered financial instruments to employees who are employed in the care and welfare sector and to their partners, as well as to former employees who in that capacity have been employed in the aforementioned sector and to their partners, as well as to members of the cooperative: PGGM Coöperatie U.A.; and
- To participate in, to take an interest in any other way in, to conduct the management of other business enterprises of whatever nature, and to finance third parties, to grand security in any way, and to bind itself for liabilities of third parties, and finally all activities which are incidental to or which may be conducive to any of the foregoing.

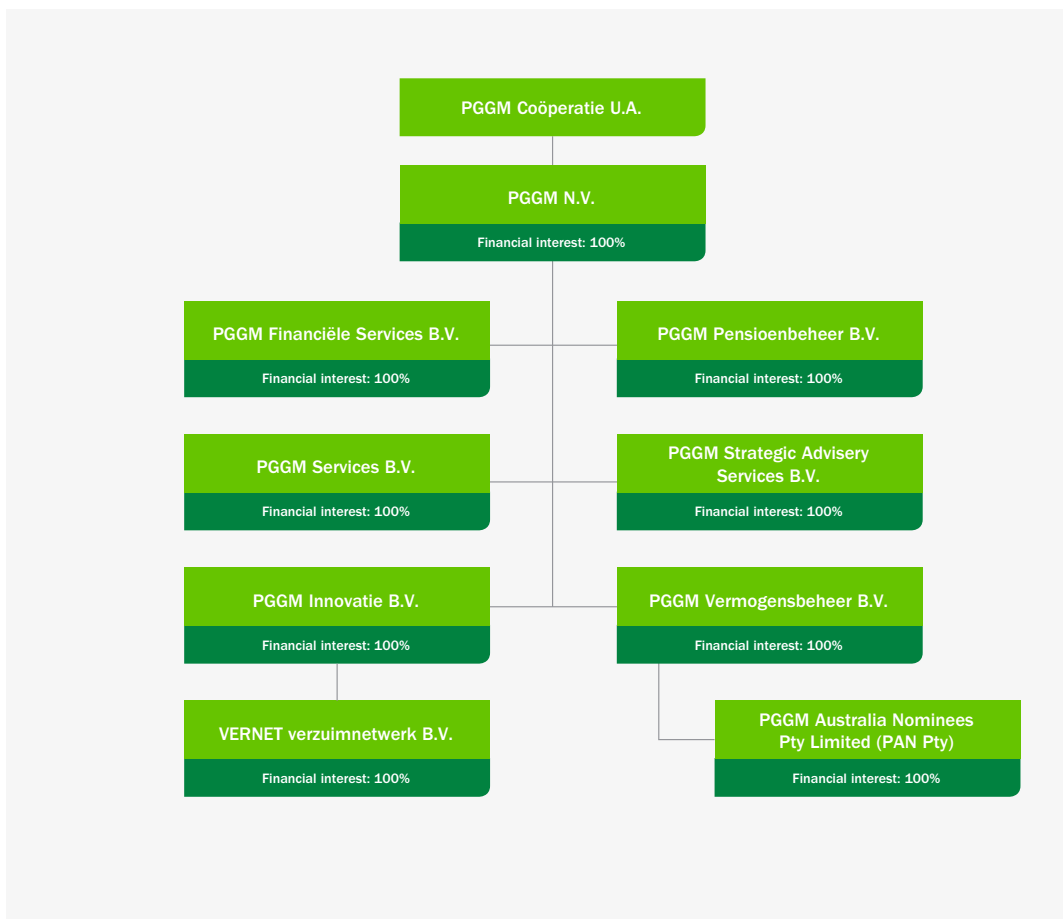
Furthermore, in accordance with article 2.2 of the articles of association, the object of the company also includes to manage and finance its subsidiaries, group companies, and associated companies, and to provide security and guarantees for its own debts and for the debts of its subsidiaries, group companies, and associated companies.

Statement of compliance and accounting standards

The financial statements have been prepared in accordance with the statutory provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards (RJ) as issued by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving'). References have been included in the balance sheet, the income statement, and the cash flow statement, which refer to the notes.

Group structure

The company is part of a group structure headed by PGGM Coöperatie U.A., which is also registered and located in Zeist. All shares in PGGM Investment Management are owned by PGGM N.V., and all shares in PGGM N.V. are, in turn, owned by PGGM Coöperatie U.A. The company's financial statements are consolidated into the consolidated financial statements of both PGGM N.V. and PGGM Coöperatie U.A., which are available on the PGGM website. The figure below illustrates the legal structure of PGGM Coöperatie U.A., PGGM N.V., its subsidiaries, and other participating interests (PGGM Group). The financial data of PGGM Australia Nominees Pty Limited are not consolidated in these financial statements. Reference is made to paragraph 2.1 "Changes in accounting policies", which discloses the application of the consolidation exemption in 2025.



PGGM Australia Nominees Pty Limited

PGGM Investment Management is the sole shareholder of PGGM Australia Nominees Pty Limited. ('PAN'). The shares of PAN were acquired on 13 May 2009.

Design Authority B.V.

Up to and including 27 October 2025, PGGM Investment Management held a 25% interest in Design Authority B.V. This participation was not consolidated in these financial statements, as PGGM Investment Management exercised significant influence but did not have control.

Net Purpose Ltd.

As of 27 October 2025, in exchange for the sale of the shares in Design Authority B.V., PGGM Investment Management acquired a 2.8% interest in Net Purpose Ltd. PGGM Investment Management does not exercise significant influence over the business and financial policies of Net Purpose Ltd. Accordingly, this participation is not consolidated and is accounted for as an investment without significant influence.

AFM licence

Pursuant to Section 2:67 of the Financial Supervision Act (Wft), the Authority for the Financial Markets (AFM) has granted PGGM Investment Management an AIFM licence, effective from 4 April 2014, allowing it to function as the manager of an investment fund as defined in Section 1:1 of the Wft. This licence is limited to offering rights of participation to professional investors.

Pursuant to Section 2:67a(2) of the Wft, PGGM Investment Management is also permitted under the AIFM licence to conduct the following activities or provide the following services:

- Managing individual capital;
- Advice on financial instruments in the context of practising a profession or conducting a business;
- Receive and transfer orders from clients relating to financial instruments in the practice of a profession or operation of a business.

Financial reporting Period

These company financial statements relate to the 2025 financial year, from January 1st, 2025, up until December 31st, 2025.

Going concern

The company financial statements have been prepared based on the going concern assumption based on the reasonable assumption that the company is, and will be, able to continue its normal course of business in the foreseeable future.

Related parties

All legal entities over which dominant control, joint control, or significant influence can be exercised, as well as members of the Board of Directors under the Articles of Association, members of the Supervisory Board, other key officers in the management of PGGM Investment Management, PGGM N.V. or PGGM Coöperatie U.A., and their close relatives, are considered related parties.

Significant transactions with related parties are disclosed to the extent that they have not been entered into on arm's length terms. The nature and extent of such transactions are disclosed, along with any other information necessary to provide insight.

PGGM clients

PGGM Investment Management managed the pension assets of Stichting Pensioenfonds Zorg en Welzijn (PFZW) and invested a portion of the pension assets on behalf of the participants of Stichting Bedrijfstakpensioenfonds voor het Schilders-, Afwerkings- en Glaszetbedrijf, Stichting Pensioenfonds Smurfit Kappa Nederland, Stichting Pensioenfonds voor Huisartsen and Stichting Bedrijfstakpensioenfonds voor de Particuliere Beveiliging.

2 Accounting principles

Comparison to previous year

The accounting principles used for valuations and determining the result have remained unchanged compared to the previous financial year, except for the change in accounting principle as disclosed in paragraph 2.1 "Changes in accounting policies".

Functional and presentation currency

The financial statements are presented in euros, which is also the functional currency of PGGM Investment Management. All financial information in euros is rounded to the nearest thousand, unless otherwise stated. As a result, the rounded amounts may not always add up to the rounded total.

Transactions in foreign currencies

Assets and liabilities denominated in foreign currencies are converted into euros at the exchange rate prevailing on the balance sheet date. This valuation is part of the fair value measurement. Income and expenses relating to transactions in foreign currencies during the reporting period are converted at the exchange rate prevailing on the transaction date. All foreign currency translation differences are recognised in the statement of income and expenses.

Use of estimates

The preparation of the financial statements requires the Board of Directors to make judgements, estimates, and assumptions that affect the application of the accounting principles and the reported value of assets and liabilities and of income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are continuously assessed. Revisions to estimates are recognised prospectively. If it is necessary to provide the true and fair view required under Book 2, article 362, paragraph 1, the nature of these estimates and judgements, including related assumptions, is disclosed in the notes to the relevant financial statement item. No significant estimates were applied in 2025.

Consolidation

PGGM Australia Nominees Pty Limited is wholly owned by PGGM Investment Management, which is a subsidiary of PGGM N.V. PGGM N.V., in turn, is a subsidiary of PGGM Coöperatie U.A. The financial data of PGGM Australia Nominees Pty Limited are not consolidated in these financial statements. Reference is made to paragraph 2.1 “Changes in accounting policies”, in which the application of the consolidation exemption in 2025 has been disclosed.

Name	Place of business	Share in issued capital
PGGM Australia Nominees Pty Limited	Sydney, Australia	100%

2.1 Changes in accounting principles

During the financial year, the consolidation exemption due to immateriality as referred to in Section 2:407 of the Dutch Civil Code and RJ 217 has been applied with respect to PGGM Australia Nominees Pty Limited. Based on a reassessment, it has been determined that including this subsidiary in the consolidation would not have a material effect on the insight into the Group's equity and result. This change qualifies as a change in accounting policy and has been applied retrospectively. The comparative figures have been adjusted accordingly. The application of this exemption does not have a material effect on the Group's equity and result.

2.2 Accounting principles for the valuation of assets and liabilities

Recognition of an asset or liability

Assets and liabilities are measured at historical cost, or at fair value. If no specific valuation principle is stated, valuation is based on historical cost.

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits attributable to the asset will flow to PGGM Investment Management, and the asset has a cost or value that can be measured reliably. A liability is recognised in the balance sheet when it is probable that the settlement of the obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably.

If a transaction results in the transfer of almost all future economic benefits and risks related to an asset or liability to a third party, the asset or liability will no longer be recognised in the balance sheet. An asset or liability will no longer be recognised in the balance sheet when the conditions of probable future economic benefits and reliable measurement of value are no longer met. References are included in the balance sheet, the profit and loss account, and the cash flow statement, which refer to the explanatory notes.

Fair value

The fair value is the amount at which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties who are independent of each other. The fair value of financial instruments recognized on the balance sheet under cash, short-term receivables, and short-term liabilities approximates their carrying amount.

Intangible fixed assets

Software

Software is stated at acquisition price or production cost, less accumulated depreciation, and any impairments. These assets are depreciated on a straight-line basis over their estimated economic life, considering any contractual term. The residual value is zero.

Property, plant, and equipment

Other operating assets

The other operating assets comprise inventory, computer hardware, and other assets. These are stated at acquisition cost, less accumulated depreciation, and any impairments. The assets are depreciated on a straight-line basis over their estimated economic life of five to ten years. The residual value is zero.

Financial fixed assets

Participating interests in which significant influence is exercised

Participating interests over which significant influence can be exercised on business and financial policies are measured using the equity method based on the net asset value. In determining whether significant influence can be exercised over participating interests, all relevant factual circumstances, and contractual relationships (including potential voting rights) are considered. If PGGM Investment Management holds more than 20%, but less than 50% of the shares, it is assumed that significant influence can be exercised. If more than 50% of the shares are held, it is assumed that there is controlling interest.

In determining the net asset value, the accounting principles of PGGM are applied. Results from transactions where assets and liabilities are transferred between PGGM and its participating interests, or between participating interests, are eliminated to the extent that they are considered unrealized.

Participating interests with a negative net asset value are valued at zero. When PGGM is fully or partially liable for the debts of the respective participating interest or has the actual obligation to enable the participating interest (for its share) to settle its debts, a provision is recognized. This provision is primarily charged to the receivables from the participating interest, and any remaining amount is recorded under provisions based on PGGM's share of the losses incurred by the participating interest or the expected payments made by PGGM on behalf of the participating interest.

The initial valuation of acquired participating interests is based on the fair value of the identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles applied in the preparation of these financial statements are used, based on the values at initial recognition.

Participating interests over which significant influence is not exercised

Participating interests over which significant influence is not exercised are valued at acquisition cost or fair value. The dividend declared by the participating interest during the reporting year is recognized as income, with dividends not paid in cash being valued at fair value. If there is an impairment, the participating interest is valued at its recoverable amount; any impairment is charged to the company income statement. In the case of a firm intention to dispose of the participating interest, it is valued at the lower expected sales value.

Deferred tax assets

Deferred tax assets are recognized for deductible tax losses and for temporary differences between the carrying amounts of assets and liabilities under tax regulations, on the one hand, and the accounting principles followed in this financial statement, on the other, if it is probable that there will be sufficient future taxable profits to offset the temporary differences and to compensate for the losses.

Deferred tax assets are calculated using the tax rates applicable at the end of the reporting year, or the rates that are legally established for future years. Deferred tax assets are valued at nominal value.

Impairments of fixed assets

On each balance sheet date, it is assessed whether there are indications that fixed assets are subject to impairment. If such indications exist, the recoverable amount of the asset is estimated. The recoverable amount is the higher of the value in use and the fair value less costs to sell. If the recoverable amount of an individual asset cannot be estimated, it is determined for the cash-generating unit to which the asset belongs. An impairment loss occurs when the carrying amount of the asset exceeds its recoverable amount. The impairment loss is recognized directly as an expense in the income statement, with a simultaneous reduction of the carrying amount of the asset. The fair value less costs to sell is primarily derived from a binding sales agreement. If no such agreement exists, the fair value is determined based on an active market, where the prevailing bid price is generally used as the market price. The costs deducted when determining the fair value are the estimated, directly attributable selling costs necessary to complete the sale. The value in use of an asset or cash-generating unit is determined as the present value of the estimated future cash flows expected to be generated by the asset or unit. The cash flow projections are based on realistic and well-supported forecasts. The present value is calculated using a discount rate that reflects current market assessments of the time value of money and the specific risks associated with the asset or unit.

A previously recognized impairment loss is only reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. In such cases, the carrying amount of the asset is increased to the estimated recoverable amount, but not above the carrying amount that would have been determined (after depreciation) if no impairment loss had been recognized in previous years.

Receivables

Receivables are initially stated at the fair value of the consideration received. After initial recognition, receivables are stated at the amortized cost price. If the receipt of the receivable is deferred on grounds of an agreed extension to a payment term, the fair value is determined with reference to the present value of the expected receipts and interest income based on the effective interest rate is recognized in the income statement. Provisions for bad debt are deducted from the book value of the receivable.

Securities

The securities recognised on the balance sheet relate to investments in money market funds. These investments are measured at fair value upon initial recognition and subsequently. Fair value is determined based on the net asset value published by the fund manager, which is applied for subscriptions to and redemptions from the fund. Changes in fair value are recognised directly in the income statement. The investments are freely available. Interest received during the year is recognised as income in the income statement.

Transaction costs attributable to securities that are subsequently measured at fair value, with changes in value recognized through equity, are included in the initial measurement. When these securities are sold to a third party, the transaction costs are recognized in the income statement. Transaction costs attributable to securities that are subsequently measured at amortized cost are also included in the initial measurement. Securities that form part of current assets have a maturity of less than one year.

Cash and cash equivalents

Cash and cash equivalents consist of bank balances with a maturity of less than twelve months and are measured at nominal value.

Equity

Equity is the difference between assets and liabilities. It is therefore a residual item for which no specific valuation rules apply, but its carrying amount is indirectly determined by the valuation of all other balance sheet items. PGGM Investment Management maintains paid-up and called capital, reserves, and undistributed profit. The undistributed profit is added to the reserves at the annual shareholders meeting. The shareholders can also decide to make a dividend payment.

Current liabilities

Current liabilities are initially recognized at fair value. After initial recognition, they are measured at amortized cost, equal to the nominal value if there are no transaction costs.

Leasing

PGGM Investment Management and its subsidiaries may enter into finance and operating lease agreements. A lease agreement where the risks and rewards associated with ownership of the leased asset are borne entirely or almost entirely by the lessee is classified as a finance lease. All other lease agreements are classified as operating leases. In the classification, the economic substance of the transaction is decisive, rather than its legal form. Lease payments, considering any received incentives from the lessor, are recognized on a straight-line basis in the income statement over the term of the contract.

2.3 Accounting principles for the determination of result

Recognition of income, expenses, and result

Income is recognized in the statement of income and expenses when there is an increase in economic potential, either through an increase in the value of an asset or a decrease in the value of a liability, provided that the value can be reliably measured.

An expense is recognized when there is a decrease in economic potential, either through a decrease in the value of an asset or an increase in the value of a liability, provided that the value can be reliably measured.

The result is determined as the difference between the net realisable value of the delivered performance and the costs and expenses incurred during the year. Revenue from transactions is recognized in the year in which it is realised.

References are included in the balance sheet, the profit and loss account, and the cash flow statement, which refer to the explanatory notes.

Management fees

These are the fees from third parties obtained in connection with fund and asset management services provided. Revenue from the provision of services is recognized in proportion to the services rendered, based on the work completed up to the balance sheet date relative to the total services and projects to be performed, less discounts and taxes on revenue.

Revenue from the rendering of services is recognized for each performance obligation when the amount or result can be reliably determined. Revenue is recognized based on the amount the entity expects to receive in exchange for the transfer of promised services, i.e., the transaction price. This does not include amounts collected on behalf of third parties, such as sales taxes. The transaction price consists of a fixed fee and variable consideration, including discounts and performance bonuses. Credit risk is not considered when determining the transaction price. The transaction price is determined on the assumption that services will be transferred according to the relevant agreement, and that the agreement will not be cancelled, extended, or otherwise modified. The effects of variable consideration are included in the transaction price, based on an estimate of the fees. These estimates are updated at the end of each financial year. Only variable fees that are unlikely to be reversed are considered.

Expenses for outsourced work and external hiring

Outsourced work and other external costs include all external costs related to work performed by third parties. Outsourced work costs are assignments agreed upon for a fixed fee, while external hiring is invoiced based on hours and hourly rates.

Personnel expenses

Salaries, wages, and social security contributions are recognized based on the employment terms, to the extent they are owed to employees or the tax authority. Provisions are made for obligations existing at the balance sheet date for future payments of remuneration (including severance payments) to employees who are expected to be permanently, fully, or partially unable to work due to illness or disability. The recognized obligation is based on the best estimate of the amounts needed to settle the obligation at the balance sheet date. Additions and releases of provisions are recorded as expenses or income in the income statement, respectively. PGGM Investment Management does not have its own employees. The personnel expenses for the employees working for PGGM Investment Management are charged directly to PGGM Investment Management by PGGM N.V.

Amortisation of intangible fixed assets and depreciation of property, plant, and equipment

Intangible fixed assets and property, plant, and equipment are depreciated or amortized from the date of initial use over the expected future economic life of the asset. Future depreciation and amortisation are adjusted if there is a change in estimated future useful life. Gains and losses from the occasional sale of intangible and tangible fixed assets are included in depreciation.

Automation expenses

Automation expenses include costs for hardware and software contracts, data suppliers, software implementation and maintenance, other automation costs, and charged-on automation expenses.

Operational expenses

Other operating expenses include housing costs, printing and mailing costs, audit and supervisory fees, marketing expenses, other operating expenses, and charged-on other operating expenses. These costs are recognised in the period to which they relate.

Financial income and expenses

PGGM and its subsidiaries recognize interest income and expenses related to cash equivalents arising from the interest compensation system. The interest income and expenses are assessed per individual credit institution, and the net position is presented as either interest income or expense. Exchange differences arising from the settlement or translation of monetary items are recognized in the income statement in the period in which they occur. Interest income and expense are recognized on a time-proportionate basis, using the effective interest rate of the respective assets and liabilities. No interest is charged on the current account balances between PGGM Coöperatie U.A., PGGM N.V., and its subsidiaries.

Taxes

PGGM Investment Management, together with its subsidiaries and its sole shareholder, PGGM N.V., and its sole shareholder PGGM Coöperatie U.A., forms a fiscal unity for corporate income tax purposes. Within PGGM, corporation tax on the taxable result is calculated for each legal entity. The tax on the result is calculated based on the pre-tax result in the company income statement, considering available tax-deductible losses from previous years (to the extent not recognized in deferred tax assets), exempt income components, and non-deductible expenses. Temporary differences arising from differences in commercial and tax valuations are reflected in deferred tax liabilities or assets. In addition, changes in deferred tax assets and liabilities due to changes in the applicable tax rate are considered. PGGM Coöperatie U.A. settles the corporation tax with the Dutch tax authorities.

PGGM Investment Management is part of a VAT fiscal unity and is therefore jointly and severally liable for any VAT liabilities of all entities within the unity. The fiscal unity includes PGGM Coöperatie U.A., its subsidiaries, and PFZW. The fiscal unity is entitled to advance VAT deduction, and this right is recognized within PGGM Investment Management.

Result of participations

The share of results from investments reflects the group's share in the results of these investments, determined according to the group's accounting principles. The result is based on the change in net asset value, including any impairments of investments. Results from transactions involving the transfer of assets and liabilities between the group and unconsolidated subsidiaries, as well as between unconsolidated subsidiaries, are not recognized if they are considered unrealized. The results of subsidiaries acquired or sold during the financial year are included in the group's results from the acquisition date or up to the sale date, respectively. The results of participating interests acquired or sold during the financial year are included in the group's results from the acquisition date or up to the disposal date, respectively.

2.4 Accounting principles of the cashflow statement

The cash flow statement has been prepared in accordance with the indirect method. Cash flows in foreign currencies have been converted to euros using the average exchange rates for the relevant periods. Receipts and payments related to interest, dividends received, and income taxes are included under cash flows from operating activities. Dividends paid are included under cash flows from financing activities. The acquisition cost of the increase in participating interests is included under cash flows from investing activities to the extent that payment was made in cash. The cash held by the acquired subsidiary has been deducted from the purchase price.

3 Intangible fixed assets

	Software
Balance as at 1 January 2024	
Acquisition price or production cost	13,998
Accumulated depreciation and impairments	-13,688
Carrying amount as at 1 January 2024	310
Movements	
Investments	-
Divestments	-
Amortisation divestments	-
Amortisation	-172
Balance	-172
Balance as at 31 December 2024	
Acquisition price or production cost	13,998
Accumulated depreciation and impairments	-13,860
Carrying amount as at 31 December 2024	138
Movements	
Investments	52
Divestments	-13.381
Amortisation divestments	13.381
Amortisation	-129
Balance	-77
Balance as at 31 December 2025	
Acquisition price or production cost	669
Accumulated depreciation and impairments	-608
Carrying amount as at 31 December 2025	61

Software

In 2025, a review of the asset register identified certain software items that had exceeded the useful economic life of five years. These assets were written off in accordance with the depreciation policy.

4 Property, plant, and equipment

	Other operating assets
Balance as at 1 January 2024	
Acquisition price or production cost	27
Accumulated depreciation and impairments	-16
Carrying amount as at 1 January 2024	11
Movements	
Investments	4
Divestments	-
Amortisation divestments	-
Amortisation	-5
Balance	-1
Balance as at 31 December 2024	
Acquisition price or production cost	31
Accumulated depreciation and impairments	-21
Carrying amount as at 31 December 2024	10
Movements	
Investments	-
Divestments	-2
Amortisation divestments	2
Amortisation	-5
Balance	-5
Balance as at 31 December 2025	
Acquisition price or production cost	29
Accumulated depreciation and impairments	-24
Carrying amount as at 31 December 2025	5

5 Financial fixed assets

	Participating interest	Deferred tax assets	Total
Balance as at 1 January 2024	947	111	1,058
Movements			
Capital contribution	400	-	400
Disposals	-	-	-
Result participating interests	-325	-	-325
Change in value	-	-111	-111
Balance as at 31 December 2024	1,022	-	1,022

Movements

Capital contribution	330		330
Acquisition	132	-	132
Disposals	-1,040	-	-1,040
Result participating interests	-327	-	-327
Change in value	-	-	-
Balance as at 31 December 2025	117	-	117

Participating interests

In 2025, an amount of €0.3 million was invested in Design Authority B.V. (2024: €0.4 million). The company reported a net loss of €0.3 million for 2025 (2024: €0.3 million loss).

On 27 October 2025, the participating interest in Design Authority B.V. was disposed of as part of a share-for-share exchange. The carrying amount of the investment at the date of disposal amounted to €1.040 million. As part of this transaction, PGGM Investment Management obtained a 2.8% interest in Net Purpose Ltd., which was recognised at a value of €0.1 million. The resulting loss on disposal of €0.9 million has been recognised in the statement of income under result on disposal of participating interests.

The participating interests include the following companies:

Name	Place of business	Share in issued capital
PGGM Australia Nominees Pty Limited	Sydney, Australia	100%
Net Purpose Ltd.	London, United Kingdom	2.8%

6 Receivables

	31 December 2025	31 December 2024
Amounts to be invoiced	10,773	19,271
Prepaid expenses	4,980	4,590
Receivables from group companies	801	6,424
Accounts receivable	-	7
Total	16,554	30,292

All receivables have a remaining term of less than one year. The fair value of receivables approximates their carrying amount due to their short-term nature.

Amounts to be invoiced

The amounts to be invoiced relate to invoices to be send to investment funds and to institutional clients.

Receivables from group companies

	31 December 2025	31 December 2024
PGGM Coöperatie U.A.	787	2,427
PGGM Strategic Advisory Services B.V.	14	-
PGGM N.V.	-	3,997
Total	801	6,424

7 Securities

In the context of liquidity management and the diversification of banking counterparty risk, PGGM has invested part of its available funds in money market funds. These funds are traded on a daily basis and are fully available for unrestricted use.

PGGM Investment Management has invested a portion of its cash and cash equivalents in money market funds. In 2025, in line with PGGM policy, €2.0 million (2024: €42.2 million) was invested in money market funds. The decrease in the position compared to the prior year is primarily attributable to the need to generate liquidity to facilitate the dividend distribution. The investments are freely tradable daily, and all funds are available for immediate use.

8 Cash and cash equivalents

Cash and cash equivalents consist of deposits with major Dutch banks and are part of the balance and interest compensation system within PGGM. As a result of participation in this system, the company is jointly and severally liable for all obligations arising from it. PGGM Investment Management will exit this arrangement as of 1 January 2026. At the end of 2025, the full amount of the €57.8 million (2024: €29.1 million) is freely available.

9 Equity

The movement in equity, including the total result (group result and direct changes), is as follows:

	<i>Paid-up and called capital</i>	<i>Share premium reserve</i>	<i>Statutory reserve</i>	<i>Other reserves</i>	<i>Undivided result</i>	<i>Total</i>
Balance as at 1 January 2024	100	34,400	5	54,880	8,226	97,611
Appropriation of result for 2023	-	-	-	8,226	-8,226	-
Dividend paid	-	-	-	-10,000	-	-10,000
Statutory reserve	-	-	-5	5	-	-
Result for 2024	-	-	-	-	8,251	8,251
Balance as at 31 December 2024	100	34,400	-	53,111	8,251	95,862
Appropriation of result for 2024	-	-	-	8,251	-8,251	-
Dividend paid	-	-	-	-32,500	-	-32,500
Statutory reserve	-	-	-	-	-	-
Result for 2025	-	-	-	-	7,229	7,229
Balance as at 31 December 2025	100	34,400	-	28,862	7,229	70,591

The capital requirement for regulatory capital at year-end 2025 for PGGM Investment Management is €57.474 thousand (2024: €56.130 thousand). As a result, the regulatory capital of PGGM Investment Management as of December 31, 2025, meets the DNB's prudential capital requirements.

Paid-up and called capital

The paid-up and called capital consists of the paid nominal amounts on issued shares. The paid-up and called capital amounts to €0,1 million (2024: €0,1 million), consisting of 100 shares with a nominal value of €1,000 each. As of December 31, 2025, 100 shares have been issued and fully paid-up.

Share premium reserve

Amounts contributed by shareholders above the nominal share capital are recognized as share premium.

Statutory reserve

The assets, liabilities, and income and expenses of subsidiaries with a functional currency different from the presentation currency are translated at the exchange rate on the balance sheet date. The resulting translation differences are directly recognized in equity under the legal reserve for translation differences.

Other reserves

The other reserves consist of the result and the changes in the legal reserve.

Undistributed result

The result for 2024 amounting to € 8.251 thousand was added to the other reserves in 2025.

Proposal for profit appropriation

At the general meeting of shareholders, it will be proposed to add the result for 2025 amounting to € 7.729 thousand to the other reserves (2024: €8.251 thousand).

Dividend Distribution

In 2025, PGGM IM distributed a dividend of € 32.5 million to its shareholder, PGGM N.V. (2024: € 10.0 million).

10 Current liabilities

	31 December 2025	31 December 2024
Accrued expenses	3,716	2,878
Creditors	581	4,010
Amounts owed to group companies	1,624	-
Total	5,921	6,888

All current liabilities have a remaining term of less than one year. The fair value of current liabilities approximates their carrying amount due to their short-term nature.

Creditors

The amount shown in creditors consists of outstanding invoices from regular creditors.

Amounts owed to group companies

	31 December 2025	31 December 2024
PGGM N.V.	1.624	-
Total	1.624	-

11 Off-balance sheet assets and liabilities

Claims

As of the end of 2025, PGGM Investment Management has no outstanding claims.

Liability within a Fiscal Unity

PGGM Investment Management, together with its subsidiaries and its shareholder, PGGM N.V., forms a fiscal unity for corporate income tax purposes and is jointly and severally liable for all obligations arising from it. Additionally, PGGM Investment Management, together with its subsidiaries, along with PGGM N.V. and PGGM Coöperatie U.A. and PFZW, form part of a fiscal unity for VAT purposes, making them jointly and severally liable for any VAT liabilities of the entities within the fiscal unity.

Balance and Interest Compensation System

PGGM Investment Management, together with its subsidiaries and its shareholder, PGGM N.V., participates in of the balance and interest set-off system at one of the Dutch credit institutions. By participating in this system, PGGM Investment Management is jointly and severally liable for all obligations arising from it. PGGM Investment Management will exit this arrangement as of 1 January 2026.

Contract liabilities

The total liabilities amounted to € 38.8 million (2024: € 41.1 million) and relates to contractual obligations under agreements with suppliers for the purchase, maintenance, and support of hardware and software, including license agreements and service contracts. The latest maturity date is in 2030. An amount of € 21.6 million (2024: € 27.1 million) is payable within one year. There are no liabilities longer than 5 years.

12 Management fees

	2025	2024
Management fee institutional	119,269	93,870
Management fee PGGM Funds	103,115	109,781
Total	222,384	203,651

PGGM Investment Management provides asset management services for institutional clients through discretionary mandates and PGGM funds. A gross management fee is charged at both the mandate and fund levels, with the total fee settled after the event, resulting in the net management fees shown above. All management fees are derived solely from Dutch clients.

13 Expenses for outsourced work and external hiring

	2025	2024
External personnel	6,345	7,287
Outsourced work	6,215	7,284
Advisory costs	396	262
Charged-on expenses for outsourced work and external hiring	7,007	8,315
Total	19,963	23,148

External hiring refers to the engagement of personnel from external parties, compensated based on hours worked and an hourly rate. Outsourced work refers to assignments given to external parties for which a fixed fee is paid. Advisory costs include expenses related to investment advice, legal and fiscal consultations, and other services. The charged-on expenses reflect costs incurred by PGGM N.V. for organisation-wide activities, which are allocated to all subsidiaries, including PGGM Investment Management, based on factors such as actual usage of services.

14 Personnel expenses

PGGM Investment Management does not employ its own personnel. Personnel expenses for staff working for PGGM Investment Management are directly charged to PGGM Investment Management by PGGM N.V., amounting to €123.9 million (2024: €105.0 million). Additionally, €20.8 million (2024: €17.7 million) of the personnel expenses relate to supporting services charged by PGGM N.V., and €0.4 million is charged from PGGM Investment Management to other PGGM entities (2024: €0.8 million). This results in total personnel expenses of €144.3 million (2024: €121.9 million). The increase is primarily driven by a rise in personnel at PGGM Investment Management, reaching 598 FTEs in 2025 (2024: 552 FTEs), and by developments in the Collective Labour Agreement, including a 3% pay increase implemented on 1 January 2025 and

Remuneration of Board of Directors and Supervisory Board

PGGM Investment Management has no members of the Board of Directors receiving remuneration for their directorship. The remuneration for the members of the Board of Directors is included in the personnel costs charged from PGGM N.V.

In 2025, the remuneration for the independent member of the Supervisory Board amounted to €34 thousand (2024: €33 thousand). The remuneration for other members of the Supervisory Board is included in the personnel costs charged from PGGM N.V. No loans, advances, or guarantees were provided to members of the Board of Directors or Supervisory Board.

15 Depreciation / amortisation of (in)tangible fixed assets

	2025	2024
Amortisation of intangible fixed assets	129	172
Depreciation of Property, plant, and equipment	5	5
Charged-on depreciation / amortisation costs	1,446	9,343
Total	1,580	9,520

PGGM Investment Management utilizes the building owned by its shareholder, PGGM N.V. The building is recognized as a tangible asset in PGGM N.V.'s financial statements. Direct costs related to the building's usage, along with associated economic gains and losses, are charged-on by PGGM N.V. to PGGM Investment Management in accordance with the intragroup service agreements.

In December 2024, PGGM signed a multi-year lease and cooperation agreement for a new office in Utrecht, confirming its planned departure from Zeist. According to the current schedule, PGGM will relocate to the new office in the beginning of 2028. Due to these developments, the charged-on costs have been subject to a one-time increase.

16 Automation expenses

	2025	2024
Data provider expenses	14,512	14,707
Software implementation and maintenance expenses	4,302	6,224
Hardware and software contract expenses	10,775	4,164
Charged-on automation expenses	8,312	7,509
Total	37,901	32,604

17 Other operating expenses

	2025	2024
Accommodation expenses	175	94
Other expenses	5,131	4,173
Charged-on other operating expenses	3,463	3,920
Total	8,769	8,187

18 Financial income and expenses

	2025	2024
Interest income	1,821	3,291
Interest expenses	-286	-
Total	1,535	3,291

19 Taxes

	2025	2024
Current tax	2,943	2,872
Change in deferred taxes	-	111
Total	2,943	2,983
Nominal tax rate	25.80%	25.80%
Effective tax rate	25.80%	25.80%

Corporate income tax is calculated based on the fiscal result. PGGM Coöperatie U.A. is responsible for settling its tax obligations with the Dutch tax authorities. Any tax liabilities and/or deferred tax assets are accounted for within the fiscal unity at PGGM Coöperatie U.A. and are settled through the current account.

The change in deferred income tax is due to the usage of the provision in 2025. The effective tax rate of 25.80% is calculated by dividing current taxes and changes in deferred taxes by the result before taxes.

20 Transactions with related parties

Transactions with related parties exist when there is a relationship between the company, its participating interests and their board members and management. There were no transactions with related parties which were not conducted at arm's length. Regarding the remuneration of directors, please refer to the notes on personnel expenses.

21 Independent auditors' fees

Pursuant to Book 2, Section 382a (3) of the Dutch Civil Code, reference is made to the financial statements of PGGM Coöperatie U.A. for details regarding the independent auditors' fees.

22 Subsequent events

On 1 April 2026, the Supervisory Board of PGGM Investment Management was dissolved following an amendment to the articles of association. As of that date, PGGM Investment Management no longer has a Supervisory Board. This event has no consequences for the measurement of assets and liabilities as at 31 December 2025.

23 Risk management

PGGM applies the PGGM Risk Framework to systematically identify, monitor, and report risks in a structured and transparent manner. This framework is based on the internationally recognized COSO Enterprise Risk Management framework (COSO ERM 2017). In 2020 the COSO Compliance & Ethics framework has been added as a guideline to recognize, judge and manage the compliance risks. Its implementation ensures a consistent, effective, and efficient approach to risk management. The risk management process is a continuous improvement process that operates according to the PDCA-cycle: plan, do check, act. PGGM measures and evaluates on a daily-, quarterly-, and yearly basis and adjusts the framework if needed.

Risk management within PGGM is structured according to the widely accepted three lines model. The first line of responsibility for risk management lies with line management. The Risk and Compliance departments fulfil a supervisory and reporting role (second line), while Internal Audit assesses whether the risk management framework demonstrably meets the established requirements (third line). The primary financial risks for PGGM are solvency, market, currency, interest rate, credit, and liquidity risks. In addition, we also address fraud and continuity.

Solvency

PGGM applies a methodology in which capital adequacy is determined based on the difference between the equity of the PGGM Group and the sum of the solvency requirements for the individual group entities. Based on this assessment, PGGM complies with the applicable legal requirements. For PGGM Investment Management, a specific solvency requirement is imposed by the regulator. Both the available and required solvency are presented as follows:

Solvency

	2025	2024
Equity	70,591	95,862
Legal requirement	57,474	56,130
Surplus	13,117	39,732

PGGM Investment Management maintains sufficient capital, well above the required minimum, and has no loans on its balance sheet. As of 31 December 2025, the solvency ratio was 92.3% (2024: 93.3%), determined as the ratio of equity to the balance sheet total. Equity amounted to €70.6 million (2024: €95.9 million), and total assets decreased by €26.2 million to €76.5 million.

Market

The value of investments could decline as a result of changes in market factors. In 2025, €2.0 million (2024: €42.2 million) was invested in money market funds. These investments are disclosed under the securities section in the financial statements. Money market funds are characterized by a high degree of liquidity and a low degree of risk.

Currency

As PGGM does not hold foreign investments and the foreign subsidiary is of very limited size, currency risk is minimal.

Interest rate

Since PGGM has not issued any loans, the interest rate risk is negligible.

Credit

The default risk remains low due to both the strong financial position of PFZW and the high requirements of regulatory supervision. Credit risk exposure includes financial fixed assets, receivables, securities, and cash and cash equivalents. To mitigate credit risk on cash, PGGM Investment Management, through its holding company PGGM N.V., participates in a cash pooling structure, ensuring that funds are deposited with both banks and money market funds. PGGM Investment Management will exit this cash pooling structure as of 1 January 2026. Additionally, we minimize credit risk through rigorous operational due diligence and continuous monitoring, both when establishing new business relationships and throughout existing ones.

Liquidity

The cash balance of PGGM Investment Management was € 57.8 million as of 31 December 2025 (2024: € 29.1 million). In 2025, in accordance with the policy, totalling €2.0 million (2024: €42.2 million) were invested in money market funds. Investments in money market funds are freely tradable daily. All funds from the securities are freely available. In 2025, PGGM Investment Managements' liquidity position was sufficient to cover all cash outflows from operating, investment and financing activities and there were no additional finances required. The liquidity risk is therefore perceived to be limited. While PGGM VB does not maintain a separate credit facility, it has access to the €150 million credit facility that PGGM N.V. has in place with PFZW. PGGM VB is part of the PGGM N.V. group, and liquidity management is performed at a group level.

Fraud

Fraud risk is managed through preventive, detective, and corrective controls. We maintain a low risk tolerance for fraud and integrity incidents. In 2025, a fraud management policy was developed and established, integrating the PGGM risk framework to protect us against such risks. Additionally, we conduct an annual company-wide systematic integrity risk analysis (SIRA) to identify and assess risks related to fraud, bribery, and corruption. Fraud risk can arise from actions by individuals within or outside the organisation. To ensure prevention, we continue to raise awareness of fraud risks among employees. This includes education (e-learning), signing a moral-ethical declaration, agreeing to the insider trading policy, and providing a procedure for reporting (suspected) misconduct. All PGGM colleagues are required to confirm annually that they have read and understood the Code of Conduct.

Suspected abuses, such as fraud, must be reported to the Risk and Compliance teams, in line with the Incident Policy. In cases of fraud, the PGGM Compliance Director and Risk Director are informed. When internal and/or external fraud affects multiple participants, this is classified as a major incident. If necessary, the CFRO can establish a Taskforce, based on the recommendation of the Fraud Management Coordinator. The Taskforce operates independently and impartially in investigations. The CFRO chairs the Taskforce and may hire additional experts alongside the Risk and Compliance teams. In 2025, no cases of internal fraud were detected within PGGM Investment Management.

Continuity

Our risk framework is designed to scope the effectiveness and efficiency of managing continuity risk in a clear manner. As part of our continuity policy, we have a one-year financial cushion to ensure operations can continue for at least a year in the event of a severe calamity. While the risk of needing these reserves is low, we aim to maintain this minimum equity level to meet capital requirements. The investment portfolios are managed on behalf of and at the risk of our clients. This means that the financial risks from these portfolios have no direct impact on the financial position of our organisation.

With PFZW we have a contract for services provided by PGGM Investment Management. We expect this strategic relationship with PFZW to last significantly longer and anticipate positive financial margins in our multi-year forecast. Below are additional strategies and metrics we use to ensure our minimum equity level:

- Insurance covers potential claims from our clients due to errors in our services, with our financial exposure aligned with the insurance limit.
- Contributions to equity through customer fees are monitored based on minimum margins at both business unit and holding level, which have been positive in recent years.

For 2026, we do not expect any new or significant risks that could have a material impact on our continuity.

Zeist, 7 April 2026
The Board of Directors,

Geraldine Leegwater,

Erik van de Brake

Lars Dijkstra,

Gabrielle Krapels,

Arjen Pasma,

Danny Slots,

Part 4 Other information

Provisions of the Articles of Association governing appropriation of the result

Profit appropriation takes place in accordance with Article 30 of the Articles of Association:

- 30.1 The general meeting shall be authorised to allocate the profits that have been determined through the adoption of the annual accounts, as well as to declare distributions from the profits or the reserves to the extent the company's equity exceeds the reserves which must be maintained pursuant to the law.
- 30.2 A resolution to make a distribution shall require the approval of the management board. The management board shall only withhold the approval if she knows or should reasonably expect that following the distribution the company will not continue to be able to pay its debts due.
- 30.3 Shares which the company holds in its own share capital shall not be counted when determining the division of each amount to be distributed on shares.
- 30.4 A loss may only be applied against reserves maintained pursuant to the law to the extent permitted by law.



Independent auditor's report

To: the board of directors of PGGM Vermogensbeheer B.V.

Report on the audit of the financial statements 2025

Our opinion

In our opinion, the financial statements of PGGM Vermogensbeheer B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2025, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of PGGM Vermogensbeheer B.V., Zeist.

The financial statements comprise:

- the balance sheet as at 31 December 2025;
- the income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

PricewaterhouseCoopers Accountants N.V., Fascinatio Boulevard 350, 3065 WB Rotterdam, P.O. Box 8800, 3009 AV Rotterdam, the Netherlands, T: +31 (0) 88 792 00 10, www.pwc.nl

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of PGGM Vermogensbeheer B.V. in accordance with the ‘Wet toezicht accountantsorganisaties’ (Wta, Audit firms supervision act), the ‘Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. Therefore, we do not provide separate opinions or conclusions on information in support of our opinion, such as our findings and observations related to the audit approach to address fraud risk and going concern.

Audit approach fraud risks

We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of PGGM Vermogensbeheer B.V. and its environment and the components of the internal control system. This included the board of directors’ risk assessment process, the board of directors’ process for responding to the risks of fraud and monitoring the internal control system. We refer to section '3.2 key risks 2025' of the directors' report and section '23 risk management' in the financial statements for management's fraud risk assessment.

We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, incident registration, the systemic integrity risk assessment and the insider trading policy, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.



We performed inquiries with a selection of members of the board of directors and senior management to evaluate their fraud awareness, the internal control environment in relation to fraud, the ‘tone at the top’ and entity-level controls.

We asked members of the board of directors as well as the internal audit department, the head of the compliance department and representatives of the finance department whether they were aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
<p>The risk of management override of controls</p> <p>The board of directors is in a unique position to perpetrate fraud because of the board of directors’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:</p> <ul style="list-style-type: none"> • The appropriateness of journal entries and other adjustments made in the preparation of the financial statements. • Estimates. 	<p>We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries, making estimates, and monitoring projects. We also paid specific attention to the access safeguards in the IT system and the possibility that this will lead to violations of the segregation of duties.</p> <p>We performed our audit procedures in a mix of controls and substantive procedures.</p> <p>We selected journal entries based on risk criteria and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation.</p> <p>We did not identify any significant transactions outside the normal course of business.</p> <p>We also performed specific audit procedures related to important estimates of the board of directors. We specifically paid attention to the inherent risk of bias of the board of directors in estimates.</p>



Identified fraud risks	Our audit work and observations
<ul style="list-style-type: none"> Significant transactions, if any, outside the normal course of business for the entity. <p>We pay particular attention to tendencies due to possible bias of the board of directors.</p>	<p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.</p>
<p>Extensive access rights within the financial system system could undermine the effectiveness of segregation of duties</p> <p>Functional administrators had extensive access rights in the payment process. This is why we identified a risk of fraud in outgoing payments.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> We evaluated the design and implementation of internal control measures in the process of evaluating the use of extensive access right in the monitoring of roles and rights in the payment process for functional administrators as well as supplier standing data such as the supplier and account numbers and supplier names. We performed data-analysis on the detailed listing of creditor master data and verified that no adjustments were made by a functional administrator during the fiscal year. We performed data analysis and determined that no improper use of roles in relation to the outgoing payment process occurred by a functional administrator during the fiscal year. <p>Our audit procedures did not lead into any irregularities in respect to the identified extensive access right in the monitoring of roles and rights in the payment process for functional administrators .</p>

We incorporated an element of unpredictability in our audit. We reviewed lawyer’s letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud.

Audit approach going concern



As disclosed in section '23 risk management' in the financial statements the board of directors performed its assessment of the Company's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern (hereafter: going-concern risks).

Our procedures to evaluate the board of directors' going-concern assessment included, amongst others:

- Analysing the capital and liquidity position of PGGM Vermogensbeheer B.V., and comparing these positions with the minimum regulatory required capital and liquidity;
- evaluating the board of directors' current budget (including cash flows for at least 12 months from the date of preparation of the financial statements) taken into account current developments in the industry, current developments in the contract portfolio and all relevant information of which we were aware as a result of our audit;
- performing inquiries of the board of directors as to its knowledge of going-concern risks beyond the period of the board of directors' assessment.

Based on our procedures performed and evidence obtained, we concluded that the board of directors' use of the going-concern basis of accounting is appropriate, and that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Compliance with the requirements of the Regulatory Technical Standard of SBR, including the XBRL mark up, not audited

The audit includes the verification that the prepared financial statements comply with the legal provisions in Part 9 of Book 2 of the Dutch Civil Code. Our audit opinion is issued on the prepared financial statements and will be included in the digitally filed annual report. The compliance with all requirements of the Regulatory Technical Standard of the SBR domain Trade Register, including the applied eXtensible Business Reporting Language (XBRL) mark ups, was not subject to our audit.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.



Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.



- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rotterdam, 8 April 2026

PricewaterhouseCoopers Accountants N.V.

Original has been signed by:

R.N. Walinga RA

General Information

Address details

PGGM Vermogensbeheer B.V.
Noordweg Noord 150
3704 JG Zeist

PO Box 117
3700 AC Zeist

Telephone +31 (0)30 277 9911
www.pggm.nl
Commercial Register registration number 30228490

Management Board

Geraldine Leegwater, chair
Erik van de Brake
Lars Dijkstra
Gabrielle Krapels
Arjen Pasma
Danny Slots

Supervisory Board

Edwin Velzel, chairman
Willem Jan Brinkman, deputy chair
Daniëlle Melis

Independent auditor

PricewaterhouseCoopers Accountants N.V.
PO Box 90357
1006 BJ Amsterdam

Thomas R. Malthusstraat 5, 1066 JR Amsterdam
Telephone +31 (0)88 792 00 20

Retirement schedule for executive and supervisory positions.

Name	Date of appointment	End of term of appointment
Edwin Velzel	3 May 2018	1 April 2026
Willem Jan Brinkman	27 January 2021	1 April 2026
Daniëlle Melis	1 April 2022	1 April 2026

Ancillary positions held by Board of Directors

Geraldine Leegwater

Nationality: Dutch

Primary position: *Chief Investment Management PGGM Vermogensbeheer B.V.*

Management and supervisory positions:

- Board member Dutch Fund and Asset Management Association
- Board member Stichting Insituut GAK
- Chair of Supervisory Board Amvest Vastgoed B.V.
- Member of Supervisory Board Stichting Bartiméus Fonds (as of September 1, 2025)

Erik van de Brake

Nationality: Dutch

Primary position: *Chief Transformation & Operations Officer PGGM Vermogensbeheer B.V.*

Management and supervisory positions: None

Lars Dijkstra

Nationality: Dutch

Primary position: *Chief Investment Officer PGGM Vermogensbeheer B.V.*

Management and supervisory positions:

- Board Member Stichting Training for Life (ended November 30, 2025)

Gabrielle Krapels

Nationality: Dutch

Primary position: *Chief Financial & Risk Officer Investment Management PGGM Vermogensbeheer B.V.*

Management and supervisory positions: None

Arjen Pasma

Nationality: Dutch

Primary position: *Chief Investment Officer – Total Portfolio PGGM Vermogensbeheer B.V.*

Management and supervisory positions:

- Member of Supervisory Board Pensioenfonds SNS Reaal (ended April 1, 2025)

Danny Slots

Nationality: Dutch

Primary position: *Chief Financial & Risk Officer Investment Management PGGM Vermogensbeheer B.V.*

Management and supervisory positions: None

Ancillary positions held by members of the Supervisory Board

Edwin Velzel, Chairman

Nationality: Dutch

Primary position: *Chief Executive Officer (CEO) PGGM N.V.*

Management and supervisory positions:

- Executive Board Chairman at PGGM N.V.
- Chair of Supervisory Board at PGGM Vermogensbeheer B.V. (until April 1, 2026)
- Chairman of the Board Nederland Zorgt Voor Elkaar (NLZVE)
- Member of Supervisory Council at Gelre hospitals (ended December 31, 2025)
- Member of the Supervisory Board of Radboud University Medical Center Foundation (as of April 1, 2025, including ex officio board membership of the Reinier Post Foundation as of April 1, 2025); Chair of the Supervisory Board (as of December 1, 2025).
- Board member Stichting Healthcare4Ukraine

Willem Jan Brinkman, deputy chair

Nationality: Dutch

Primary position: *Chief Financial & Risk Officer (CFRO) PGGM N.V.*

Management and supervisory positions:

- Member of Executive Board at PGGM N.V.
- Member of Supervisory Board at PGGM Vermogensbeheer B.V. (until April 1, 2026)
- Member Economic Board Utrecht
- Member of Supervisory Board Stichting Beweging 3.0

Daniëlle Adriana Maria Melis

Nationality: Dutch

Primary position: *Owner of Aequinova*

Management and supervisory positions:

- Member of Supervisory Board at PGGM N.V. (as of May 14, 2025)
- Member of Supervisory Board at PGGM Vermogensbeheer B.V. (until April 1, 2026)
- Member of Supervisory Board Triodos Bank N.V. (ended on May 23, 2025)
- Member of Supervisory Board at Blue Sky Group Holding B.V. (ended on March 1, 2025)
- Board Member at Stichting Algemeen Pensioenfonds Stap
- Member of the Supervisory Board Stichting DSI
- Member of the General Board of Stichting Eumedion (ended on March 17, 2025)
- Member of the Board of Stichting Hanarthfonds (as of February 1, 2025)
- Board Member of Achmea Investment Management (as of March 1, 2025)
- Board Member of Achmea Real Estate (as of March 1, 2025)
- Member Monitoring Commission Corporate Governance Code (as of March 17, 2025)

Information

If you have any questions regarding the content of this Annual Report, please contact us via:
www.pggm.nl/jaarverslag