



Annual Report

2025

Stichting Mars Pensioenfonds
Established in 1964

Statutory seat in Meerijstad
Trade Register of the Chamber of
Commerce number: 41081174

CONTENTS

REPORT OF THE PENSION BOARD

	INTRODUCTION BY CHAIRMAN	7
1	KEY FIGURES	8
2	GENERAL INFORMATION	10
	2.1 Legal structure	10
	2.2 Statutory objectives	10
	2.3 Organization	12
3	FINANCIAL INFORMATION	17
	3.1 Funding Ratio	17
	3.2 Policy Funding Ratio	17
	3.3 Other relevant ratios	17
	3.4 Feasibility test	18
	3.5 Contribution policy	18
	3.6 Costs	19
	3.7 Pension plans	21
	3.8 Actuarial	22
	3.9 Administrative and Financial Agreement	23
4	RISK SECTION	24
	4.1 Risk management framework	24
	4.2 Main risk categories and control measures	27
	4.3 Risk attitude Final Pay plan	30
	4.4 Risk attitude ARP/ASP plan	31
	4.5 Integrity risks and fraud risk	32
	4.6 Going concern risk	32
5	INVESTMENT SECTION	33
	5.1 Investment policy and strategy	33
	5.2 General financial market developments 2025 and outlook 2026	33
	5.3 Return on investments	34
	5.4 Sustainability (ESG)	36
	5.5 Financial position and Investments	36
6	PENSIONS	37
	6.1 Developments in legislation and regulations	37
	6.2 Final Pay plan	37
	6.3 ARP/ASP plan	38
	6.4 Indexation policy and interest addition	39
	6.5 Reinsurance	40
7	GOVERNANCE AND COMPLIANCE	41
	7.1 Governance and governance committees	41
	7.2 Duty of care (Zorgplicht) ARP/ASP plan	42
	7.3 Communication	42
	7.4 Legal	43
	7.5 Supervisory authorities	43
	7.6 Pension funds code	43
	7.7 Compliance function	45
	7.8 Privacy Counsel	46
	7.9 Complaints/Incidents	46

7.10	Diversity	47
7.11	Outsourcing	47
7.12	Pension Administration	47
7.13	IRM	48
8	ACTUARIAL SECTION	49
9	LOOKING FORWARD	51
9.1	A Clear Path Forward: Outlook for 2026-2027	51
10	REPORT BY THE SUPERVISORY COUNCIL	52
10.1	Report	52
10.2	Response Pension Board on report of the Supervisory Council	53
11	REPORT BY THE ACCOUNTABILITY COUNCIL	55
11.1	Report	55
11.2	Response Pension Board on report by the Accountability Council	57
ANNUAL ACCOUNTS		
12	FINANCIAL STATEMENTS	60
12.1	Balance Sheet as at 31 December 2025	60
12.2	Statement of income and expenditure for the year ended 31 December 2025	61
12.3	Statement of cash flow for the year ended 31 December 2025	62
12.4	General	63
	Activities	63
12.5	Accounting policies	63
12.5.1	General	63
	Continuity Assumption	63
	Related parties	63
	Changes in accounting policy	63
	Estimation changes	63
	Rounding off	64
12.5.2	Accounting policies for assets and liabilities	64
	Recording of assets and liabilities	64
	Foreign currency	64
	Investments for risk pension fund	64
	Investments for risk members	66
	Reinsurance	66
	Receivables and prepayments	66
	Cash and cash equivalents	66
	Foundation capital and reserves	66
	Actuarial accrued liabilities for risk MPF	66
	Provision for pension liabilities for risk MPF	66
	Provision for operating costs for risk MPF	67
	Provision for future disability for risk MPF	67
	Actuarial accrued liabilities for risk members	67
	Provision for pension liabilities for risk members	67
	Current liabilities	67
12.5.3	Accounting policies for income and expenditure	67
	General	67
	Contributions for risk MPF	67
	Contributions for risk members	68
	Investment results for risk MPF	68
	Investment results for risk members	68

	Benefits payment	68
	Execution- and administration costs	68
	Movement in provision for pension liabilities for risk MPF	68
	Movement in provision for operating costs for risk MPF	69
	Movement in provision for future disability for risk MPF	69
	Movement in provision for pension liabilities for risk members	69
	Transfer of pension rights	69
	Other income and expenses	69
12.5.4	Statement of cash flows	69
12.6	Notes to the balance sheet	70
1	Investments for risk MPF	70
2	Investments for risk members	71
3	Other receivables	72
4	Cash and cash equivalents	72
5	Foundation capital	72
6	Other reserves	72
7	Provision for pension liabilities for risk MPF	73
	Indexation	74
	Addition of interest	74
8	Provision operating costs for risk MPF	74
9	Provision for future disability for risk MPF	74
10	Provision for pension liabilities for risk members	74
11	Current liabilities	75
12.7	Rights and obligations not included in the balance sheet	75
	Legal procedure	75
	Long term contracts	75
	Related parties	75
12.8	Risk management	76
12.8.1	Interest rate risk (S1)	76
12.8.2	Market risk (S2)	77
12.8.3	Currency risk (S3)	77
12.8.4	Commodity/price risk (S4)	77
12.8.5	Credit risk (S5)	78
12.8.6	Technical insurance risk (S6)	78
12.8.7	Liquidity risk	79
12.8.8	Concentration risk	79
12.8.9	Active risk	79
12.8.10	Systemic risk	80
12.9	Notes to the statement of income and expenditures	81
	12 Contributions from employers and employees	81
	13 Contributions for risk members	81
	14 Investment results for risk MPF	82
	15 Investment results for risk members	82
	16 Benefit payments	83
	17 Execution- and administration costs	83
	18 Reinsurance	83
	19 Transfers of pension rights for risk MPF	83
	20 Transfers of pension rights for risk members	84
	21 Other expenses	84
12.10	Allocation of the balance of income and expenditure	84
12.11	Subsequent events	85

OTHER INFORMATION

13	OTHER INFORMATION	87
13.1	Articles of association governing profit appropriation	87

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

13.2	Actuarial Statement	88
13.3	Independent auditor's report	90
13.4	Terminology	100

REPORT OF THE PENSION BOARD

INTRODUCTION BY CHAIRMAN

A year of dedication and milestone achievements

In our 2024 Annual Report, we anticipated that 2025 would require "All hands on deck." Looking back, this proved to be something of an understatement, given the challenges we faced and, more importantly, what we ultimately achieved. I am proud to report on a year of significant progress, made possible by the continuity and dedication of our Pension Board and its governance bodies.

Navigating unforeseen changes

This year presented us with two material disruptions, both of which we successfully navigated.

First, our pension administrator, Blue Sky Group (BSG), informed us that our intended conversion date of January 1, 2027, was no longer feasible. To ensure a controlled and careful conversion process, BSG proposed postponing the date to January 1, 2028. After negotiations and receiving certain assurances from BSG, the Pension Board agreed. While this extension has potential financial consequences, it reinforces our commitment to protecting the fund's financial health through our investment policy.

Second, in April, the US Administration's announcement of wholesale tariffs on "Liberation Day" caused capital markets to react instantaneously and negatively. While equity markets stabilized, our overall performance was affected by the more permanent increases in interest rates. As we have almost completely hedged our interest rate risk, these movements impacted our assets and liabilities. Despite this, we were successful in stabilizing our financial position. As anticipated given our contribution and indexation decisions, our funded status moved from 138.9% at the end of 2024 to a very strong 135.4% at the end of 2025 — a level at which we can comfortably convert to the new pension plan in 2028.

Completing our 2025 commitments

The Pension Board, alongside the WTP Project organisation, the Pension Office, and our advisors, focused on completing several "must-haves" for 2025. I am delighted to confirm we have completed them all.

- We established a framework for a balanced transition, confirming that the move to the new plan will produce balanced outcomes for all stakeholders.
- An assessment of our member data showed its quality to be excellent.
- The investment policy for the new plan was designed and approved.
- The Transition Communication Plan was completed, ensuring you will be kept fully informed throughout this process.

Following positive advice from the Accountability Council (AC) and formal approval from the Supervisory Council (SC), the Pension Board submitted the full conversion file to DNB and the Transition Communication Plan to AFM on April 30th, 2026.

Looking forward with confidence

The completion of the conversion file was a gargantuan task, and I can truly say it is the most complex project I have ever worked on. On behalf of the Pension Board, I would like to thank everyone who contributed. Now, our focus shifts to obtaining approval from DNB and preparing for a successful implementation. We move forward with great confidence, knowing the hard work of the past year has set us on a secure course for the future.

1 KEY FIGURES

	2025	2024	2023	2022	2021
Members and retirees					
Active members	1,557	1,531	1,448	1,380	1,294
- Final Pay Plan	299	342	367	409	467
- ARP/ASP scheme	1,258	1,189	1,081	971	827
Deferred members	1,517	1,468	1,439	1,412	1,299
Retirees	1,431	1,389	1,370	1,345	1,420
Retirees per type					
Old age pension	1,113	1,071	1,051	1,036	1,107
Partner- and orphan pension	318	318	319	309	313
Pensions					
Cost covering contribution	30.8%	38.8%	27.4%	36.1%	32.8%
Smoothed cost covering contribution	25.0%	29.7%	24.9%	25.7%	21.6%
Actual contribution*	14.6%	13.9%	12.7%	25.8%	25.0%
Execution- and administration costs	5,816	4,520	4,477	4,439	3,866
Benefit payments	43,643	41,679	39,937	38,450	37,457
Indexation ARP					
Active members (year+1)	4.10%	3.69%	10.14%	9.16%	4.50%
Inactive members (year+1)	4.10%	1.99%	0.00%	9.16%	2.45%
Indexation Final Pay plan					
Deferred members and retirees (year+1)	2.46%	2.62%	0.16%	3.00%	1.75%
Deferred members and retirees (retained target)	0.00%	0.00%	0.00%	0.27%	0.00%
Deferred members and retirees (catch-up)	0.00%	0.00%	0.00%	0.49%	0.00%
Additional pension entitlements actives (year+1)	4.44%	6.51%	7.23%	3.11%	1.75%
Additional pension entitlements actives (2015/2018)	4.44%	6.51%	7.23%	3.11%	1.75%

* In 2025, 2024 and 2023 a contribution discount was applicable.

	2025	2024	2023	2022	2021
Assets and solvency					
Required general reserve	215,500	253,700	238,700	215,900	284,300
Minimum general reserve	39,300	43,100	41,000	39,000	54,400
Regulatory own funds	410,000	465,200	458,700	526,800	534,100
Profit/loss in year	-55,150	6,470	-68,116	-7,229	246,600
AAL at the risk of MPF	899,605	1,010,996	971,064	930,871	1,286,800
Funding ratio	136.5%	138.9%	140.9%	150.0%	138.1%
Policy Funding Ratio	136.5%	140.3%	145.9%	150.7%	130.0%
Market Value of assets	1,534,259	1,661,808	1,581,490	1,580,213	1,937,400
Investment returns	-97,338	109,735	32,948	-337,631	179,000
Investment portfolio					
Investment property	100,067	124,194	117,170	100,163	108,200
Shares	314,004	433,355	396,994	509,709	807,500
Fixed-income securities	641,907	731,930	606,363	575,867	624,400
Other investments	362,955	271,421	346,865	419,299	327,000
Investment results					

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

	2025	2024	2023	2022	2021
Total portfolio	-7.3%	6.6%	1.4%	-17.5%	10.0%
Benchmark Return	-8.2%	5.1%	1.6%	-19.4%	7.1%
Average return per year					
Last 5 years	-1.9%	1.0%	2.1%	1.9%	6.9%
Last 10 years	2.2%	3.6%	4.6%	5.6%	9.0%
Investments for risk of the members (ASP)					
	120,263	96,541	75,069	58,073	64,723

2 GENERAL INFORMATION

2.1 Legal structure

Stichting Mars Pensioenfonds (hereinafter: MPF) was established in 1964 and has its statutory seat in Meerijstad, Taylorweg 5, Veghel. MPF is registered in the Trade Register of the Chamber of Commerce under number 41081174. The Articles of Association were last changed in July 2021.

MPF is a company pension fund as referred to in the Pension Act (*Pensioenwet*).

The members of MPF accrue pension benefits for (early or late) retirement, disability and death, based on a final pay scheme or a defined contribution scheme depending on their service commencement date.

2.2 Statutory objectives

MPF provides old age pensions to current and former associates of Dutch Mars companies, after retirement, as well as surviving dependents' pensions to their partners and children in the event of death before or after retirement. Carefully tailored to meet their objectives, the policies adopted by MPF have been recorded in several documents. MPF executes the Administrative and Financial Agreement (AFA, *Uitvoeringsovereenkomst*) as agreed upon with the Dutch Mars companies and according to the plan rules. The most important tasks are related to governing an adequate administration of both pension liabilities and investments, determining the investment policy and managing the investments, setting a proper contribution schedule and deliver clear communication to members.

The mission, vision and the strategy are part of the "Actuariële en Bedrijfstechnische Nota" (ABTN), a summary of each follow hereafter.

Mission

MPF executes the pension arrangements which the sponsoring company has agreed with its (former) associates and has entrusted to MPF. MPF executes these pension arrangements adhering to the following core values::

- Quality
- Responsibility
- Mutuality
- Efficiency
- Freedom

Vision

In the coming years MPF will get ready for the transition to the new pension system. MPF will become responsible for the management of the new pension plan after the transition date. Even before the actual transition we see MPF working towards and operating under the following vision:

- We will go – together with Social Partners – through an efficient decision making and implementation process for the new pension system, that will lead to a balanced transition at or above the desired target funded status.
- We will execute a DC plan without unrewarded complexities.
- We strive for excellent quality in our services, supported by excellent expertise from internal and external resources.
- The new Pension Plan will present great challenges towards effective communication. Our communication efforts will be clear, transparent and timely, providing consistent messages to our plan members.
- We want to continue the good relationship with the sponsoring company and the trust the members have in MPF.
- At all times the Pension Board will consider the interests of all stakeholders in the plans in a balanced way.

Strategy

In this paragraph we describe our Strategy to deliver the Vision. This within the framework of our Mission and considering the strengths, weaknesses, opportunities and threats defined in the Mission, vision and strategy document.

Financial structure

Until the start of the new pension system MPF will continue the sound financial structure of the fund with a solid contribution policy and quick recovery from a funding deficit. An integral part of the strategy is to protect the funded status such that a balanced transition remains possible. The funded status protection is delivered through the implementation of interest rate and

inflation hedges. The hedges are mainly derivative based, such that the hedges can be removed quickly, in case the investment policy for the new plan requires this.

Investment risk

Until the start of the new pension system:

- MPF will adjust the de-risking policy for the Final Pay plan if necessary to protect the desired target funded status, within the boundaries of the short term and long-term risk attitude and with consideration of any derisking on the optimal investment policy after transition. The de-risking policy considers the change in characteristics of MPF due to the closed nature of the Final Pay plan and the increasing size of the ARP and ASP plan.

Given the de-risking policy the ability to provide a crediting rate of CPI+3% becomes stressed. Therefore, MPF will strive to create a separate crediting reference rate for the ARP Plan.

- MPF will use the outcomes of the Risk Preference Survey to define a basic life cycle portfolio that will be used in an ALM study to define and refine an overall investment policy that is compliant with the proposed risk attitude.
- MPF will monitor the expected pension results for the combination of ARP and ASP plan to use this in communication with social partners and to include the difference between actual and aspired result in our balanced interest framework.
- MPF will further evaluate the content of the ESG-policy for the Final Pay plan, and the new Plan Design, and in line with the ESG preferences that plan members have demonstrated in the Risk Preference Survey.

Pension administration

MPF will execute the pension plans in an adequate, cost efficient and future proof way with specific attention in the coming years for:

- the impact of the new pension design on the required infrastructure for pension and investment administration.
- the appropriate division of responsibilities and timelines of actions and communications between pension administrator, investment administrator, fiduciary advisor and the relevant MPF functions.
- The quality and resilience of the operating systems used by the parties mentioned directly above.
- The compliance with Cybersecurity and DORA requirements of all our outsourcing partners.

Business operations

- MPF will continue to develop the Talent Pool to be prepared for succession in the various governance bodies, to sustain our Parity Board structure.
- MPF will continue to operate the Pension Board and a professional Pension Office, supported by external experts.
- MPF will optimize the Integral Risk Management (IRM) within MPF.
- MPF will continue to improve the communication strategy to maintain, and possibly improve, the trust of the members in MPF. MPF will apply particular focus to the choice guidance communication process and to the WTP Transition Communication plan.
- MPF will use the learnings from the complaints of our members to improve our services.
- MPF will further improve the capability and suitability of all the relevant officers within MPF.

Compliance

- MPF will endeavor to retain the trust of the members in MPF.
- MPF will comply with all laws and regulations.

Strategic

- MPF will regularly discuss all relevant aspects of the current and future execution of the pension plans with the employers through regular Steering group meetings.
- MPF will monitor the development of the new pension plan design, will proactively discuss the implications with the employers and will prepare its administration, investments and processes for the transition to the new pension system. A project management structure has been developed for this.
- MPF will negotiate the terms and conditions regarding the new transition date with the pension administrator to obtain the highest level of assurance on timely implementation of the new pension plan.

Risk attitudes and affiliated employers

The objectives, policy principles and risk attitudes of MPF are results of the mission, vision and strategy of the pension fund. Besides the risk attitude of the Final Pay plan, MPF has also defined a risk attitude for the Associate Retirement Plan (ARP) and Associate Selection Plan (ASP). The risk attitudes describe the risk appetite and risk tolerance as agreed with the stakeholders by MPF and is part of the ABTN and the AFA. The AFA specifies mutual responsibilities, authorities, entitlements and financial and other obligations between MPF and the companies listed below:

Companies	Place of Seat
Mars Nederland B.V.	Veghel
Mars Food Europe C.V.	Oud-Beijerland
Wrigley Europe B.V.	Amsterdam
Direct2Pet Europe B.V.	Amsterdam
Champion Petfoods Europe B.V.	Amsterdam

Plan rules

The pension promises are documented in the plan rules. Current active members can be a member of either “Pension Regulations Final Pay” or “Pension Regulations ARP/ASP”. “Pension Regulations ARP/ASP” is a combined defined contribution scheme and “Pension Regulations Final Pay” is a defined benefit scheme.

Actuariële en Bedrijfstechnische Nota (ABTN)

The ABTN, one of the most important documents of a pension fund, provides insight into the operation of MPF and gives a description of the policies pursued by the pension fund. The ABTN was last modified on 12 December 2025. The most important changes are:

- The new investment policy
- The update of the ERB
- The exemption for the feasibility test
- The stop of the reinsurance as from 1 January 2026

2.3 Organization

2.3.1 Pension Board

As of 31 December 2025, the Pension Board has the following members:

On behalf of employers:

Name	Job title in Pension Board	Job title	Year of appointment	Year of stepping down
Mr. F. Nieuwland (1965)	Chairman of the Board	Chief Investment Officer	2023	2027
Mr. P. van Bree (1974)	Board member	European Risk & Compliance Manager Pensions	2018	2026
Mrs. R. Steenbergen (1969)	Board member	Investment Manager EMEA	2016	2028

On behalf of members:

Name	Jobtitle in Pension Board	Job title	Year of appointment	Year of stepping down
Mr. H. van Heesch (1964)	Secretary of the Board	Process Operator	2018	2026
Mr. P. van Beek (1974)	Board member	Global Technology Principal Engineer Chocolate	2022	2026

On 26 June 2026 Mr. P. van Beek was reappointed for a period of 4 years. The term of Mr. H. van Heesch ended on 19 June 2026. His successor Mr. H.F.M. van Deijck was appointed on 26 June 2026 for a period of 4 years.

On behalf of the pension beneficiaries:

Name	Jobtitle in Pension Board	Job title	Year of appointment	Year of stepping down
Mr. W. van de Laar (1959)	Board member	Retiree, former Technology Manager Bars Global Scale Team	2022	2026

On 20 March 2026 Mr. W. van de Laar was reappointed for a period of 2 years.

2.3.2 Key functions

MPF has set up key functions under the IORP II legislation. Mr. P. van Bree, who is a board member, is the key function holder for Risk Management, and he is assisted in this task by WTW on operational risk monitoring and risk dashboard and Cardano for WTP related options.

As from 23 March 2021 Mr. R. de Waard -insourced from BDO- is appointed as the key function holder Internal Audit. He is assisted by BDO as performer of the Internal Audit function.

The Actuarial key function is performed by Mr. R. van de Meerakker, WTW, who is also the certifying actuary.

Executive Board

The Fund's day-to-day policy shall be determined by at least two (co-)policymakers, being natural persons to be designated by the Board. This is the Executive Board.

The Executive Board consists of:

Name	Job title
Mr. F. Nieuwland	Chairman of the Pension Board
Mrs. J. Vermeulen	Director of MPF

2.3.3 Pension Office

The Pension Board has delegated the operational duties to the Pension Office which is led by the Director of MPF. The Pension Board has specified that the Suitability Policy also applies to the Director. The responsibilities of the Pension Office are documented in the document "Regulations of the Pension Board of MPF". The Pension Office is supported by various professionals. Their tasks, authorities and responsibilities are also documented in the before mentioned document.

The member of the Pension Office and the support are part of the Mars Benefits Team or Mars Investments Team. A service level agreement has been agreed between the Fund and Mars for the services of the Pension Office. The Pension Office manages its responsibilities by frequent meetings and the use of a dashboard, annual activity calendar and a condensed reporting and decision tool, with professional advice from several consultants such as WTW and BVZA.

The Pension Office consists of:

Name	Job title
Mrs. J. Vermeulen	Director of MPF

2.3.4 Accountability Council and Supervisory Council

Accountability Council (Verantwoordingsorgaan)

The role of the Accountability Council (AC) is to critically review the Pension Board's range of policies. It focusses specifically on the stakeholders' interests and whether these interests are adequately balanced by the Board.

On 20 June 2025 Mr. D. Ammermann was reappointed as member of the AC for a term of four years.

At the end of 2025 the AC consists of:

Name	Job title	Year of appointment	Year of stepping down	On behalf of
Mr. D. Ammermann (1976)	Global Benefits Director	2025	2029	Employer
Mrs. S. Kleijbeuker (1985)	Associate Relations Manager	2024	2028	Employer
Mr. D. Kaijser (1985)	Inbound Materials Planner	2024	2028	Members
Mr. E. van Deijck (1961)	Global Technology Manager and Secretary of the AC	2022	2026	Members
Mr. A. van Gestel (1961)	Retiree and Chairperson of the AC	2014	2028	Beneficiaries
Mr. H. Faassen (1951)	Retiree	2022	2026	Beneficiaries

On 20 March 2026 Mr. E. Van Deijck and Mr. H. Faassen were reappointed until 1 January 2028.

A separate section is included in the Annual Report that reflects the Accountability Council's findings for the year 2025.

Talent Pool

To find adequate, available and motivated (future) members for the various governance bodies, the Pension Board has set up a Pension Talent Pool, with identified talents who are developed (through training, aspiring membership, etc.) to create succession options.

Supervisory Council (Raad van Toezicht)

MPF have appointed a Supervisory Council (SC, Raad van Toezicht), who supervises the policies of the Pension Board and the general position and governance of MPF, with a special attention to risk management both short and long term, as well as to the balanced consideration of interests. The Council is a legal requirement, and its members need to be independent from the Mars Fund, so these are external experts. The council members need (together) to cover the entire MPF management spectrum. A separate section is included in the Annual Report that reflects the Supervisory Council's findings for 2025.

On 26 September 2025 Mr. F. Valkenburg was reappointed as member of the Supervisory Council starting 1 January 2026 for a term of two years.

At the end of 2025 the Supervisory Council consists of:

Name	Year of appointment	Year of stepping down
Mr. P. de Koning (Chairman)	2021	2028
Mr. F. Valkenburg	2019	2027
Mrs. E. Wiertz	2022	2026

2.3.5 Administration

As from 1 January 2022 Blue Sky Group (BSG) is responsible for the full administration, including the member administration, the investment administration, the financial administration and retiree payroll of the Final Pay plan, ARP and ASP.

In chapter 7.12a summary of the performance of the pension administration is provided.

2.3.6 Custody and performance measurement

The custodian for the Defined Benefits assets and the ARP Defined Contribution plan is Bank of New York (BNY). BNY is responsible for custody accounting for all segregated accounts of the Plan, as well as record keeping accounting of all assets held outside BNY. Amongst others with administrators of the various pooled funds that the Plan invests with, as well as the operational cash account of the Plan. A subsidiary of BNY, called Global Risk Solutions, is appointed as Performance measurer. The investment options in the ASP plan are managed by Vanguard and Brown Brother Harriman Fund Administration Services is responsible for record keeping.

2.3.7 Investment committee

The Pension Board has established an Investment Committee for the assets. Committee members are appointed by the Pension Board.

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

As from January 2012 the Investment Committee of the Mars European pension plans have been harmonized. From that date, MPF's Investment Committee includes the same members as the other six Investment Committees in Europe. For the Netherlands an external investment expert is added as a member of the Investment Committee. The Investment Committee's responsibilities are to advise the Pension Board on all investment matters and to appoint and monitor investment managers and performance for the final pay plan and the ARP plan. The responsibilities have been documented in an Investment Committee Charter, which has been reviewed and actualized in December 2024. A resignation and reappointment schedule has been added to the Investment Committee Charter.

On 20 June 2025 the Pension Board reappointed Mr. S. Anthoons as Investment Committee member for a term of four years starting 1 July 2025.

On 26 September 2025 the Pension Board reappointed Mr. J. Price as Investment Committee Chairman for a term of four years starting 1 January 2026.

At the end of 2025 the Investment Committee was composed of the following members:

Name	Job title	Details	Year of appointment	Year of stepping down
Mr. J. Price	Retiree (before: VP Operations Europe Mars Petcare and Main Meal Food)	Chairman IC	2012	2029
Mr. F. Nieuwland	Chief Investment Officer		2015	2026
Mr. A. Parton	Retiree (before: Commercial VP)		2012	2028
Mr. H. Fleige	Finance Implementation Lead		2016	2028
Mr. S. Anthoons	Retiree (before: Organizational change S&F Director)		2020	2029
Mrs. R. Steenbergen	Investment manager EMEA		2023	2027
Mr. B. Veninga	Former Mars associate (before S&F Director)		2023	2027
Mr. H. Radder	External expert		2023	2028

In the spring of 2026 Mr. Price has indicated that for personal reasons he will resign from all of his governance roles for Mars Pension Plans as from 15 May 2026. The PB agreed to nominate Mr. Veninga as temporary Chairperson for the Investment Committee.

2.3.8 Investment managers

The main investment managers, ranked by value, are SECOR, PIMCO, SPES, Nomura and Blackstone. The investment manager for the Associate Selection Plan is Vanguard. All available funds for investment by members are index funds.

2.3.9 External Advisors

MPF has several external advisors:

Advice	Third party
Advisory Actuary	WTW, Eindhoven
Tax Advisor	PricewaterhouseCoopers Belastingadviseurs N.V.
Legal Advisors	BVZA , Rotterdam/Utrecht Stibbe N.V., Amsterdam Hogan Lovells, London
Monitoring and Controls	SECOR Investment Advisors (UK) LLP, London
Communication Advisor	Blue Sky Group, Amsterdam
IT Advisor	Ortec Finance
ALM Advisor	WTW, Amsterdam
Integral Risk Advisor	WTW, Eindhoven
Strategic Asset Allocation	WTW, Amsterdam Cardano (WTP advisor) SECOR Investment Advisors (UK) LLP, London
Tactical Asset Allocation	SECOR Investment Advisors (UK) LLP, London

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

Advice	Third party
Manager Selection	SECOR Investment Advisors (UK) LLP, London

Both SECOR and Cardano have been acquired by Mercer (part of Marsh McLennan).

3 FINANCIAL INFORMATION

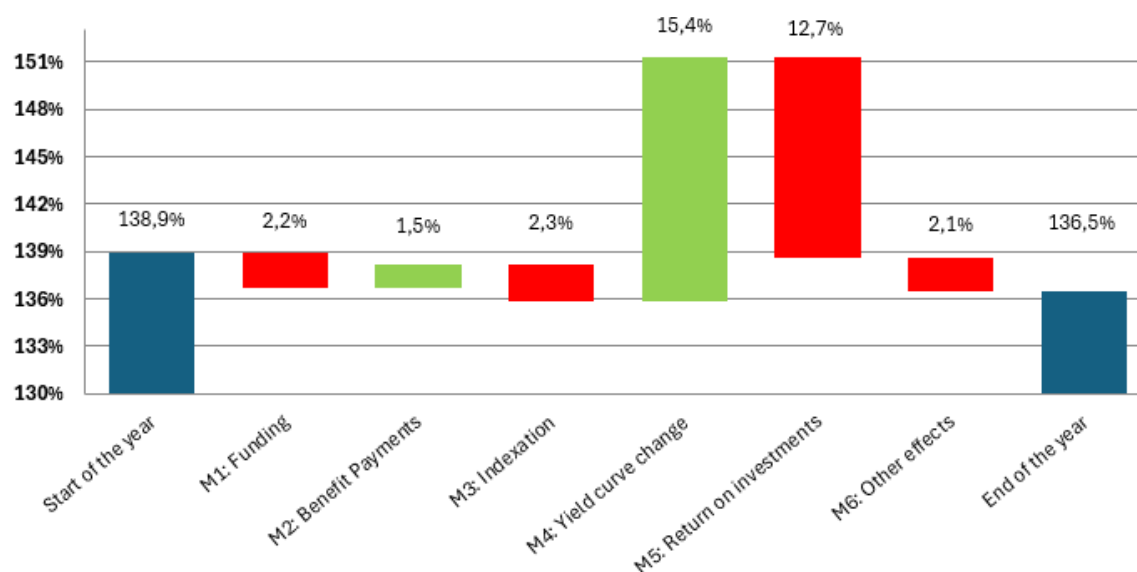
3.1 Funding Ratio

An important indicator of the financial position is the Funding Ratio (FR). This is the ratio between the assets and the liabilities of the MPF. The FR of MPF at year end 2025 is 136.5%. The Policy Funding Ratio (PFR) is the average of the Funding Ratios over the past twelve months.

The historical development of the (nominal) (P)FR of MPF is presented in the table below:

Date	Funding Ratio	Policy funding ratio	Ongoing Solvency Margin Ratio
31-Dec-2016	125.0%	116.6%	131.3%
31-Dec-2017	132.2%	132.3%	132.1%
31-Dec-2018	126.0%	133.3%	123.4%
31-Dec-2019	122.4%	123.3%	123.1%
31-Dec-2020	119.3%	113.2%	122.4%
31-Dec-2021	138.1%	130.0%	120.3%
31-Dec-2022	150.0%	150.7%	120.5%
31-Dec-2023	140.9%	145.9%	121.3%
31-Dec-2024	138.9%	140.3%	121.2%
31-Dec-2025	136.5%	136.5%	119.3%

During 2025 the FR decreased with 2.3 percent points, due to a decrease in the Actuarial Accrued Liabilities (AAL) (because of a higher applied interest rate) and negative investment returns. The Ongoing Solvency Margin Ratio (OSMR) is explained in chapter 3.3. The impact of the developments in 2025 is shown in the next figure:



3.2 Policy Funding Ratio

The Policy Funding Ratio (PFR) is relevant to determine if MPF is allowed to index or to execute transfers of pension rights. Due to the development of the Funding Ratio during the year 31 December 2025 the PFR decreased from 140.3% to 136.5%.

3.3 Other relevant ratios

As part of the introduction of the Financial Framework (FTK) in 2015 MPF has introduced several indicators. In this section a brief overview of these indicators and their relevance is set out:

- The **funding ratio for future proof indexation** as at 31 December 2025 is approximately 122.5%. The new FTK determines that pension funds are only allowed to give full indexation according to their indexation policy if the Policy Funding Ratio (PFR) is more than the funding ratio for future proof indexation. Below that level only partial indexation is allowed.
- The **Ongoing Solvency Margin Ratio (OSMR)** at 31 December 2025 119.2%. This ratio depends on the strategic risk profile of MPF. The OSMR is an important ratio for the financial position of MPF. If the PFR is below the level of the OSMR, the pension fund has a deficit. This is not the case at the end of 2025.
- The **Target Indexation Limit (TIL)** is the maximum of the funding ratio for future proof indexation and the OSMR and equals 122.5% at year-end 2025. When the PFR is at or above this limit, MPF will give a full indexation according to the indexation policy of MPF.
- The **Lower Indexation Level (LIL)** is also relevant for indexation. If the PFR is below this level, indexation of pension rights is not allowed anymore. The LIL is equal to 110.0% at the end of 2025.
- The **Minimum Technical Reserve (MTR)** is 103.5%. A reduction of pension rights is required if a pension fund has a PFR that is for a consistent period of five years lower than the MTR.
- The **100%-threshold** is significant for transfers of pension rights. If the PFR is below this level, pension funds are not allowed to pay amounts to or receive amounts from other pension funds. Although the PFR of MPF is beyond this level, other pension funds can be in a situation that transfer of rights cannot take place.
- The **Contribution Cut Limit (CCL)** is the maximum of the funding ratio for future proof indexation and the OSMR plus 5% and equals 127.5% at year-end 2025. When the PFR is at or above this limit, MPF is allowed to reduce the contribution to be paid by the employer.

In the next scheme an overview of all relevant ratios is set out (as at 31 December 2025):

Policy funding ratio	
> 122,8%	Pension possibly fully indexed (including catchup indexation)
110% - 122,8%	Pension possibly partly indexed
103,6% - 110%	Pension cannot be indexed
100% - 103,6%	Pension possibly discounted in the future
< 100%	No transfers of pension allowed and pension possibly discounted

3.4 Feasibility test

The feasibility test provides insight into the expected pension result at fund level and the risks concerned, given the financial structure of MPF. According to the regulations pension funds are obliged to perform an annual feasibility test. This test should show that the expected pension results are within the financial limits for the long term as defined in the risk attitude (see 4.3). This risk attitude including the financial limits for the long term is developed by MPF together with the stakeholders.

In 2025 the feasibility test does not need to be carried out because MPF is going to convert. This follows from the ministerial regulation of 25 April 2025 that was published in the Staatscourant.

3.5 Contribution policy

The contribution policy, as a management tool, will be employed depending on the Policy Funding Ratio. The contribution policy is set up according to the requirements of the Pensions Act.

The contribution policy is agreed between the Company and MPF in the Administration & Financial Agreement. The actual employer contribution is equal to the structural contribution of 20% of pensionable salaries and is at least equal to the smoothed cost-covering (employer) contribution for that year as calculated in November of the preceding year. If the Policy Funding Ratio is below the OSMR as per the calculation date, the actual contribution is increased to a maximum of 25% of the pensionable salaries. The maximum of 25% does not apply in this scenario if the resulting actual contribution would not be cost-covering or would be insufficient for timely recovery according to the recovery plan. In that case the actual contribution will be equal to the smoothed cost covering contribution.

In case the Policy Funding Ratio is lower than the MTR, the maximum percentage of 25% is also not applicable and the annual contribution will be the maximum of 20% and the smoothed cost covering contribution plus one fifth of the extra contribution necessary to recover to at least 103.6% (MTR). On the other hand, if the Policy Funding Ratio is above the CCL and MPF complies with the relevant legal conditions, then the Pension Board may decide to lower the actual contribution. The Pension Board may decide to deviate from the contribution policy and can decide to increase or reduce the actual contribution. More

details are provided in the actuarial section (Chapter 8). For 2025 and previous years the Pension Board has not deviated from the contribution policy.

The guidelines for the adjustment of the contribution are described in the ABTN.

3.6 Costs

The Federation of Dutch Pension Funds has made some recommendations about how execution costs should be published. The costs to run MPF can be split into execution-and administration costs, and investments related costs.

3.6.1 Execution- and administration costs

The execution- and administration costs are specified in the statement of income and expenditures(see 12.9).

The following table shows the execution- and administration costs in total and per member:

	2025	2024	2023	2022	2021
Annual execution- and administration costs in thousands of euros	5,816	4,520	4,477	4,439	3,866
Costs per member in euros: active members and retirees	1,946	1,548	1,589	1,629	1,424
Costs per member in euros: active members, retirees and inactive members	1,291	1,030	1,052	1,073	963

As MPF has high standards on plan governance, risk management, member administration and communication, it results in relatively high costs compared to other pension funds. This is caused by the relative low number of members and complexity of the pension plans. The costs for 2025 include VAT. The main reason the costs increased relative to 2024 are the costs related to the preparation of the WTP conversion. An evaluation of the cost took place during the Pension Board meeting of 20 March 2026.

The costs related to the preparation of the WTP are EUR 2,487 thousand (2024: EUR 1,352 thousand) in total:

	2025	2024
Annual execution- and administration costs (excluding transition costs) in thousands of euros	3,329	3,168
Costs per member in euros: active members and retirees (2024: 2,920 – 2023: 2,818)	1,114	1,151
Costs per member in euros: active members, retirees and inactive members (2024: 4,388 – 2023: 4,257)	739	762

In 2025 the execution and administration costs excluding WTP costs were lower than in 2024. The annual execution and administration costs are part of the SCCC as paid by the employer.

3.6.2 Investment costs

The table below shows the investment related costs, in percentage of the average amount of investments during 2025 (EUR 1,473 million), incurred by the Pension Fund in 2025.

	Costs outside the funds	Costs inside the funds	Total costs 2025	Total costs 2024
Management fees	0.10%	0.15%	0.25%	0.27%
Advisory fees	0.11%	0.00%	0.11%	0.11%
Other fees	0.03%	0.09%	0.12%	0.14%
Performance fees	0.00%	0.10%	0.10%	0.05%
Total	0.24%	0.34%	0.58%	0.56%
2 nd layer costs	0.00%	1.17%	1.17%	1.10%
Total 1st and 2nd layer	0.24%	1.51%	1.75%	1.67%
Transaction costs			0.31%	0.37%
Total Investment costs			2.06%	2.04%

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

The percentages in the table represent all investment-related costs (EUR million) with the exclusion of transaction costs. The investment cost percentage excluding transaction costs in 2025 is 1.75%.

The costs are reported on a so-called look-through basis: all direct costs (invoices paid by the Pension Fund) as well as all costs charged indirectly through the funds that the Pension Fund invests in. These include all costs related to management fees, advisory fees, performance fees and other fees (which include custody fees, legal fees, administrative and audit costs). These costs differ from the costs reported in the annual accounts, where a disclosure is given of the direct costs only, based on invoices.

Transaction costs are estimated. These costs are invisible to the Pension Fund and generally not yet recorded and available from the custodian records. Based on the directions provided by the Federation of Dutch Pension Funds, an estimation of the transaction costs has been made by SECOR, which is adopted in this report. Including transaction costs, the investment costs ratio is 2.06%.

The investment managers have provided data for the so-called second-layer costs within Fund of Funds structures (costs charged to the underlying funds). For those funds where final audited accounts are not yet available¹, a best estimate was included. A best estimate is included based on 2024 actual costs data.

The increase of total investment costs from 2.04% in 2024 to 2.06% in 2025 is mostly driven by the increase of the performance fees in the 2nd layer costs of fund of fund managers.

The table below shows the investment related expenses, including 2nd layer cost per asset category as % of Total Plan NAV.

Actual invoiced amounts represented in the Annual accounts are different since most of the investment manager fees are not invoiced to the fund, instead these costs are netted in the results. The total Fees invoiced of EUR 3.7 million represents the actually invoiced fees which are represented in the Annual accounts in Note14.

	Investment property	Shares [*]	Fixed Income Securities	Hedge funds	Other ^{**}	Total
Fees (K EUR)	2,406	9,385	1,185	10,035	2,776	25,787
Of which fees invoiced (K EUR)	144	10	737	0	2,822	3,713
Fees (%)	0.16%	0.64%	0.08%	0.68%	0.19%	1.75%
Transaction costs (K EUR)	0	220	797	0	3,521	4,539
Transaction costs (%)	0.00%	0.01%	0.05%	0.00%	0.24%	0.31%
* Shares includes Public and Privaty Equity						
** Other consist of cost of Overlay (LDI and TRH); advisory (Secor); Custody (BNY) and other legal, governance and advisory cost						

MPF has a relatively high investment costs structure; however, one should always consider this together with the Risk profile, Investment strategy (diversification) and performance of the Pension Fund. Investment returns are provided net of fees.

The relatively high investment costs can be explained by the way the Pension Fund has defined the investment principles and advisory structure as described in the ABTN.

The key drivers that MPF believes to drive investment success are:

- Expert outsourcing: MPF seeks to contract with best-in-class expert advisors. It is the belief that MPF will benefit from specialized advice and specialized management, and there is not one external organization that is best-in-class in every service area.
- Careful implementation: Even intelligent investment advice is not very useful without the proper and timely means of implementation.
- Four guiding investment principles:
 - Exploit risk, illiquidity and time premiums. MPF has used and will use the benefit that it is a long-term investor, to collect risk premiums that are only available to the patient investor.

¹ These funds are Blackstone, PEM and GCM

- In general, MPF approaches investment ideas from an added value perspective. The structural reward should be clear from the outset.
- A firm belief in active investment management. Investors create structural/ behavioural inefficiencies in capital markets. MPF seeks to employ investment managers who have shown the capability to exploit these inefficiencies and who are modest enough to continuously challenge their own investment approach.
- A firm belief that innovations in investment management or investment opportunities lead to first mover advantages which MPF would like to exploit.

As a result of these principles the Investment Portfolio of MPF has the following cost characteristics:

- MPF has a relatively small internal team and pays relatively high fees to obtain strategic advice.
- Assets of MPF are 100% externally and for a large part actively managed, which is the costliest solution, but which the Board believes will provide the highest outperformance in the longer term and net of costs.
- MPF has a high allocation to risk seeking assets, including alternative (illiquid) investments, and these managers generally charge higher fees.
- Some of the illiquid investments are within fund of funds structures, which involve an extra layer (second layer) of costs, including a performance-based compensation.

Every few years, MPF undertakes a cost benchmarking exercise to understand its cost structure and performance in relation to its peers. In 2023 MPF participated in cost benchmarking (performed by the Institutional Benchmarking Institute (IBI)) related to the 2022 figures. The IBI benchmark report showed that MPF has a very diversified and a very active portfolio, which is in line with the investment principles. MPF has significantly higher asset management costs for risk seeking assets compared to the peer group, however this is justified by more than significant excess net of fees performance on the risk seeking assets. The risk seeking assets consist of all asset classes that MPF is invested in, except for Matching Swaps and Overlays.

The Pension Board believes that the costs involved with implementing MPF's investment strategy are justified by the longer-term excess performance.

3.7 Pension plans

The current pension plans (Final Pay Plan and ARP/ASP plan) became applicable as of 1 January 2022. For those members who were already a member of the pension plan before 1 January 2004 the "Final Pay Plan" applies. For those members who became a member on or after 1 January 2004, the defined contribution plan called "ARP/ASP plan" applies.

The distribution of the active members (including disabled members) at 31 December is:

	2025	2024	2023	2022	2021
ARP/ASP plan	1,258	1,189	1,081	971	827
Final Pay plan	299	342	367	409	467
Total	1,557	1,531	1,448	1,380	1,294

More information about the pension plans can be found in chapter 6 (Pensions).

Stichting Bedrijfstakpensioenfonds voor de Zoetwarenindustrie (BPF Sweets)

MPF has dispensation for the mandatory participation by Mars Veghel in the pension plan of BPF Sweets. In the past BPF Sweets has requested updated tests of equality to justify maintaining the dispensation. The result was always that both the Final Pay plan and the ARP/ASP plan were actuarially equivalent to the pension plan of BPF Sweets.

3.7.1 Indexation

Below the indexation granted as per 1 January 2026 in the Final Pay plan and the interest addition in 2025 in the ARP plan are described. More information about the indexation policy itself can be found in chapter 6).

Note that the indexations as per 1 January 2026 have already been included in the AAL year-end 2025.

Indexation of the accrued pensions of the members of the Final Pay plan

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

The fund was able to meet its indexation ambition and granted an indexation of 2.46% as of 1 January 2026. The decision for the indexation was made on 24 November 2025 based on the PFR at the end of September 2025 (137.0%). The indexation per 1 January 2026 is included in the AAL year-end 2025.

Indexation for retirees and deferred members

The PFR at the end of September 2025 was above the Target Indexation Limit of 121.0%. Therefore, a full indexation of 2.46% was granted, which is in line with the indexation policy. This is based on the following: The CPI as published by the CBS is 3.27%. The target indexation is 75% of this CPI with a maximum of 3.0%.

Unconditional indexation EOP and EPP 2006 and 2014 for active members

This indexation is unconditional and is based on the CBS wage index for Food & Beverage industry private sector and was 4.44% on 1 January 2026, based on the reference period of September 2024 - September 2025. This is corrected for differences between tentative CBS numbers and definitive CBS numbers in the past. This results in the indexation EOP and EPP of 4.44%.

Conditional indexation EOP and EPP 2015 and 2018 for active members

This indexation is conditional (depending on the PFR) and based on the CBS wage index for Food & Beverage industry private sector based on the full period of September-September. The corrected index is 4.44%. Based on the PFR, a full indexation of 4.44% could be granted per 1 January 2026.

Interest ARP/ASP plan

For both the active and inactive members in the ARP/ASP plan, the (annualized) interest on the ARP Plan is conditional and depending on the means available. These means consist of the so-called 'buffer' and the realized investment return in the previous year. MPF strives for an annual return accrual (interest) equal to CPI plus 3%, capped by a level of 13%.

In the first half of 2025, the actual return on assets was not sufficient to give active and inactive members the target interest of CPI plus 3% (6.50%) on a yearly basis. Therefore, the interest given in the period 1 January 2025 until 30 June 2025 was limited to 1.53% on an annual basis for active and inactive members.

For the second half of 2025 the actual return on assets was enough to grant the active and inactive members a yearly interest of CPI plus 3%. Therefore, the interest for the active and inactive members in the period 1 July 2025 until 31 December 2025 was equal to the target interest of 6.69% on an annual basis.

For active and inactive members the total annual interest was 4.08% for 2025.

3.8 Actuarial

This section contains a summary of the actuarial report.

	31-Dec-2025	31-Dec-2024
Market Value of Assets at risk of MPF	1,309,635	1,476,177
Market Value of Assets at risk of the members	224,624	185,631
Market Value of Assets Total	1,534,259	1,661,808
Reserve for pension obligations	877,695	986,337
Reserve for operational costs	21,910	24,659
Actuarial Accrued Liabilities at the risk of MPF	899,605	1,010,996
Actuarial Accrued Liabilities at the risk of the members	224,624	185,631
Actuarial Accrued Liabilities Total	1,124,229	1,196,627
Actual Funding Ratio	136.5%	138.9%
Policy Funding Ratio	136.5%	140.3%
Ongoing Solvency Margin Ratio	119.2%	121.2%
Minimum Technical Reserve	103.5%	103.6%

During the financial year 2025 the Actuarial Accrued Liabilities at risk of MPF (AALPF) decreased with 111.4 million. An important reason for this change is the yield curve change (decrease in AALPF).

The profit and loss account (P/L) shows a negative result of 55.2 million leading to the general reserve decreasing from 465.2 million to 410.0 million at the end of 2025. The Funding Ratio decreased during 2025 from 138.9% to 136.5%. At year-end 2025 the Funding Ratio is above the minimum Technical Reserve and the Ongoing Solvency Margin Ratio of 119.2%.

The cost covering contribution at market value is determined at 37.6 million. The smoothed cost covering contribution equals 30.5 million. The actual contribution was 17.8 million. Based on the premium policy, the board has decided to reduce the employer's premium for 2025. As a result, the actual contribution is 12.7 million lower than the smoothed cost covering contribution. For more information we refer to Chapter 8.

The structural contribution for the employers is equal to 20.0% of the pensionable salary sum of all active members. The estimated smoothed cost covering contribution (SCCC) for the employers (%) before the start of 2025 was 25.4%. This is higher than the structural contribution. In the Affiliation Agreement it is agreed that the contribution is set at the SCCC when the SCCC is higher than the structural contribution. Based on the Policy Funding Ratio, the contribution reduction is 15.1%. This makes the total employer contribution 10.3% of the pensionable salary sum (2024: 9.7%).

3.9 Administrative and Financial Agreement

The Administrative and Financial Agreement (AFA) was most recently updated in 2020. On 14 December 2022 an addendum to the AFA has been signed. In this addendum to the AFA the following has been agreed:

- remove the cap on the wage index cap in the indexation policy;
- amend the risk attitude for the short term. The risk term for the short term is expressed in bandwidths for the OSMR as defined in the AFA based on the strategic asset mix. In the new risk attitude for the short term the minimum OSMR as defined in the AFA is equal to 115% and the maximum OSMR is equal to 130%;
- the Company will reserve the contribution reduction as a corporate commitment.
 - If the actual funding ratio of the MPF as per the day of easing in is below the target funding ratio 3 as defined in the transition plan a corporate commitment will be paid to MPF for as far as necessary to arrive at target funding ratio 3.

4 RISK SECTION

This section describes the risk management framework, the most important risks and mitigation actions within MPF and the risk attitude of both pension plans. The risk attitude of MPF considers that MPF executes a Final Pay Plan and a DC pension plan with specific features (ARP/ASP plan).

4.1 Risk management framework

The IORP II legislation took effect on 13 January 2019. MPF since then designed, documented and implemented an IRM framework which improves the risk management, and which complies with all applicable legal rules (IORP II amongst others). The risk attitude for the non-financial risks has been formalised and periodically re-confirmed since, taking into consideration the findings from audits such as on MPF's risk management system and IT.

The fund has codified and put in place the second line risk opinion process, gained further insight into (sub)outsourcing risks under DORA, periodically assesses the strength of control measures and has a dynamic risk dashboard which brings forward attention to new or changing risk areas (e.g. addition of WTP and DORA on front page). Risk Self Assessments ('RSA') are scheduled, conducted, and followed up according to the set periodicity and evolving needs. These are incorporated into the fund's annual plan and executed. The risk management framework has been expanded with a set of WTP related risks and risk control measures. WTP risk review and monitoring has been an important area of 2025 risk management and will maintain that importance in the coming years.

The IRM document describes:

1. The risk strategy, basic requirements for effective IRM and objectives of IRM;
2. The IRM governance framework based on the three lines principle, including the key functions as defined in IORP II;
3. The IRM policy which describes the IRM process, periodic monitoring, reporting and evaluation.

The IRM document was last updated in Q4 of 2024.

1. Strategy and objectives

Risk is defined as any event that affects the realization of the mission, vision, strategy or objectives of MPF. Being a financial institution, MPF is obviously exposed to financial risk. Knowingly taking and managing financial risks is one of the core tasks of MPF. In the ongoing management and daily operations, MPF is also exposed to a variety of non-financial risks. Effective management of both financial and non-financial risks is instrumental in the Pension Board in the achievement of the mission, vision and strategy of MPF. Therefore, IRM has always been acknowledged to be an essential part of the overall management of MPF.

The objectives of MPF's IRM that result from the risk strategy are summarized as follows:

- provide insight in risks (related to the mission, vision and strategy);
- illustrate the amount of risk that is desirable / necessary;
- provide overview of risks to properly determine priorities;
- offer opportunities to intervene to achieve the desired level of risk (for example by introducing or improving control measures).

2. IRM governance

The basis for creating the IRM governance of MPF is a clear allocation and appropriate segregation of tasks, responsibilities and authorities. The Pension Board is ultimately responsible for the appropriate control of all risks MPF is exposed to. This implies the responsibility to structure the organization (governance) and the key functions. The governance structure is based on the so-called 'Three Lines' principle and makes a distinction between risk owners (first line), control function (second line) and internal audit (third line):

- A risk owner is a role or individual responsible for managing all aspects of a particular risk and the reporting on it. Risk owners can be part of the Pension Board. The outsourced administration and asset management, the Pension Office, Mars Investment Team, the Executive Board and Committees (Pension Committee, Pension Communication Committee and Investment Committee) all are risk owners. Together with the Pension Board they form the first line;
- The second line is the control function that oversees the risk management and compliance of MPF. The responsibility of the control function must be separated from the responsibility of the risk owner. The activities involved with the control function are covered by several components of internal governance which play a role in the control function focused on specific risk

area. All together they form the second line. In particular, the key function holder (KFH) risk management and the KFH Actuarial are part of the control function..

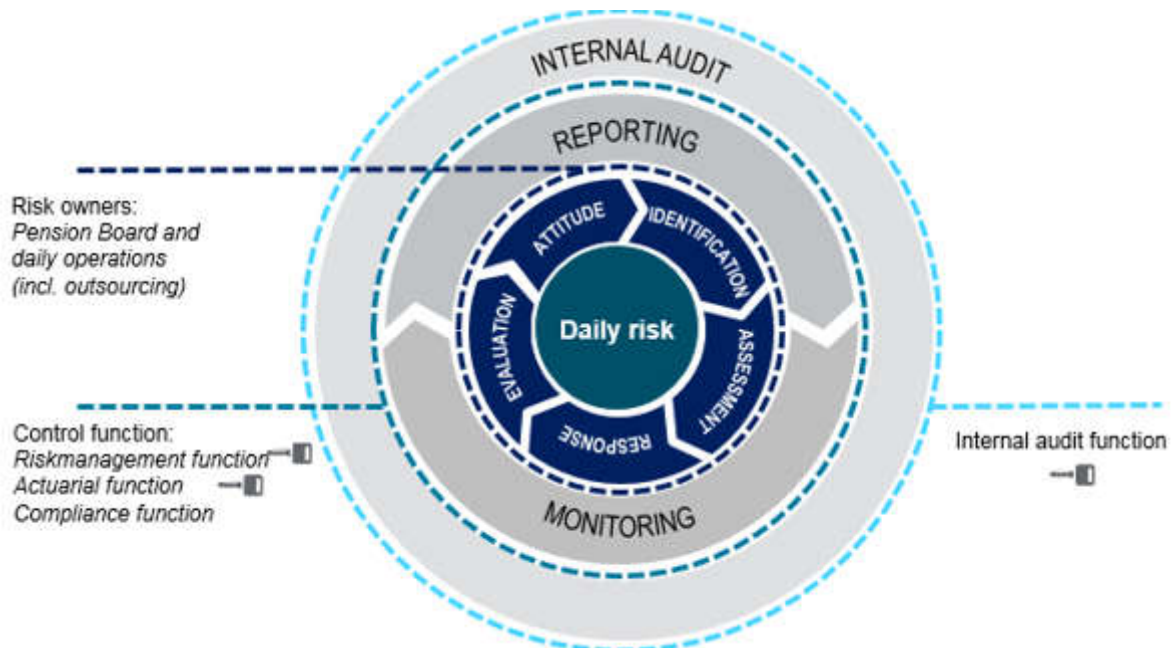
Mr. P. van Bree has continued to fulfil the role of KFH Risk Management in 2025. He is a Pension Board member but is not involved in any primary processes. He has separate second line contacts at the service providers of MPF and a direct line to the Key Function Holder actuarial (who also serves as the certifying actuary) and KFH Internal Audit. The KFH Risk Management charter establishes independence and a direct connection to the Supervisory Council.

In 2025, MPF KFH Risk Management collaborated with Cardano Risk Management Support, who provide additional expert support for critical WTP opinions, enhancing the fund's capacity to deliver robust, independent and quality risk assessments and -opinions which strengthened the fund's decision-making process.

Also Mr. P. van Bree has fulfilled the role as MPF Compliance Officer in 2025 (see section 7.7), a function that also serves in monitoring risks with regard to adherence of laws and regulations. Also, this function is created in such a way that it can operate in a fully independent manner, governed conform the Compliance Charter.

- The internal audit function will periodically evaluate the adequacy and effectiveness of the internal control system. This function is filled in by the key function holder internal audit and forms the third line. Mr. R. de Waard has been appointed as KFH IA. Audits are performed by the performer, which is BDO. A strict segregation between the audit performer and the KFH IA has been set-up in order to have independency. The KFH IA forms an independent judgment about the work performed by the other two key function holders.

The figure below illustrates the distinction between risk owners, control function and internal audit function.



The setup of the IRM governance within MPF has been approved by DNB after carefully reviewing independence of the second and third line from the first line.

3. IRM process

The Pension Board is responsible for the implementation of an IRM process that leads to a systematic (and repetitive) risk analysis. This process consists of the following steps:

1. **Attitude:** high level view of how much risk is acceptable or necessary, based on the general strategy of MPF;
2. **Identification:** events that could affect achievement of the mission, vision, strategy or objectives of MPF;
3. **Assessment:** estimation of the probability and impact of risks on both gross (inherent) and net (residual) basis;
4. **Response:** assess the estimated risk against risk attitude, identify and evaluate possible responses to identified risks (cost versus benefit of potential response), define actions to execute response;

5. **Ongoing monitoring and periodic reporting:** monitor the risks and the control measures on a continuous basis and report about the status of these risks and control measures on a periodic basis;
6. **Evaluation:** in order to achieve continuous improvement of the IRM process, a periodic evaluation of the effectiveness of the risk management framework is necessary. MPF is obliged to carry out and document an own risk assessment. This own-risk assessment shall be performed at least every three years or without delay following any significant change in the risk profile of MPF or of the pension plans operated by the MPF.

Step 5 is a returning and ongoing topic in each of the Pension Committee, Executive Board as well as in the Investment Committee meetings. Information is shared, calibrated, assessed and challenged between the 1st and 2nd Line. The Pension Board is periodically informed by means of a presentation of the highlights through the dashboard, as well as by means of in-depth explanation in the Pension Board meetings by the first line action owners. Where needed, topics are pre-discussed in so called 'Observe and Assess meeting' which prepares shaping the picture and judgement of the board members, in order to facilitate an informed decision making at the board meeting.

There are structurally planned and recurring meetings between MPF and its providers (1st and 2nd Line), as well as between Key Function Holders amongst themselves. There is intensive and open interaction between MPF's first and second line, allowing deep understanding of risk exposures, risk changes, changes on mitigating actions and ongoing monitoring. The KFH Risk Management wraps this up in the dashboard which is presented to the full Pension Board on a quarterly basis.

Step 6 (evaluation) can be done as part of the own risk assessment ('ORA' or 'ERB'). ORA's have been performed end 2020 (special-topic ORA for admin provider change) and again completed December 2023 (a generic, triennial ORA). Extensive Risk Self Assessments (RSA's) were conducted across various workstreams in 2025 in preparation- and support of the WTP transition decision, including a review of both the current (FTK) situation, transition situation as well as specific (WTP related) assessments for pension administration capabilities after transition. All in context of pension administration of BSG, Communication, Decision making process, Data Quality, Investment risk and the overall transition trajectory. Significant progress was made towards completion by approval of a draft ORA at the January 2026 PB meeting, with final submission of a complete ORA planned for early Q2 2026.

Main outcomes of the ORA have been incorporated in this risk section and continuous improvement reco's as well as additional control measures will be implemented in 2026 and 2027 after final ORA approval.

There is one risk management framework for non-financial risks that fully coincides with the Mission, Vision, Strategy and Objectives of MPF. Furthermore, MPF has a clear action list to manage the identified exposures that are beyond the risk appetite.

For the financial risks a well-functioning risk process is in place and some changes have been implemented on the back of the ALM work carried out in 2025 for the temporary investment policy until transition. The investment related financial risks are monitored daily at the strategic investment advisor and by the Investment team. Monitoring is shared, reviewed and discussed with the IC, the KFH Risk Management and the Board on a regular basis, for instance via the quarterly trustee reports. The financial impacts to the fund were tightly managed and discussed on an ongoing basis (for instance relating to tightly monitoring liquidity, interest rate hedges and inflation risk hedges). Notable is that the added value of the Tail Risk Hedge program was reviewed in 2025 and in parallel -after implementation of the temporary investment policy end 2025- was terminated at the end of 2025. At the same time the allocation to public equity was reduced to 5%.

With the above the fund sustained its control and governance and provided effective monitoring.

4. Risk management framework 2025: DORA implementation

A substantial workstream on IT risk management has been ongoing since 2024, following the codification and implementation requirements set by European Regulation (EU) 2022/2554. While this workstream was crucial, progress was initially challenging by delays in the development of lower legislation (RTS and ITS), much of which was only finalized mid or toward the end of 2024, followed by industry interpretation and adoption.

To structure this effort, a workgroup was established, including our IT advisor, 1st Line risk owners (Mars Investment Team and Pension Office), and 2nd Line Risk and Compliance. A three-phase plan was developed:

- Policy updates – creating and amending policies to align with regulatory requirements.
- Contract & SLA revisions – ensuring agreements reflect compliance obligations.

- Operational implementation & monitoring – embedding risk management in processes and setting up assurance mechanisms.

The first two phases were prioritized for 2024, and have been completed over 2024 and 2025. Remaining points are finalizing contractual agreements with a few non-critical providers (mostly directly under supervision of DNB as these are financial entities in their own right)).

To support the final implementation, an IT Plan 2025-2026 has been developed and executed, facilitating a structured and effective operational rollout of the requirements.

4.2 Main risk categories and control measures

The Pension Board has identified several risks and related control measures. The three main net non-financial risks and the two main net financial risks are presented below.

4.2.1 Main non-financial risk categories

1. Pension Administration - Continuity

Risk description

The set of risks MPF is exposed to regarding discontinuity of the pension administration processes, including discontinuation of the current provider. One of the risks associated is an increased rate of issues after the move to a new administrator. If the latter risk manifests itself, it will damage MPF's reputation and the confidence of the members in MPF.

Risk assessment

In the light the complexity of current schemes (and administration thereof) it is a risk to be managed with focused attention, as the impact of the risk is high. The fund will -until after completion of the WTP transition- likely continue to score the impact of the possible materialization of this risk as 'high'. BSG and MPF have mutually expressed intention for a long-term relationship and are well advanced in establishing the pension administration after the implementation of the new pension design at BSG

In 2025, extensive RSA's were conducted as well as periodic monitoring of progress. The fact that BSG has delayed MPF's implementation date to 1/1/2028 has not improved the risk level. However, after careful discussions a contract amendment has been agreed to best manage the continuity risk as well as the in-time transition.

Control measures

The Outsourcing Policy has been closely followed up. The relation with this supplier has been closely managed in 2025 as part of the supplier evaluation process, and the supplier performance has been reviewed by the fund. The fund has closely collaborated with BSG and has been keen on reviewing and discussing (control) reporting of BSG to the fund (SLA, Standard3402, ISO27001/SOC reporting of sub-outsourcing party).

Throughout the period 1 January 2025 to 31 December 2025 the external auditor has issued an unqualified assurance report Standard 3402.

Developments in 2025

Over last year, BSG has improved on delivery versus SLA which reduces discontinuity risk (MPF driven). The remaining identified deviations from the SLA typically have had a small (and an occasional medium) impact and have been duly followed up.

2. Pension Administration – IT Agility

Risk description

MPF focuses on ensuring the stability and future-proofing of its pension administration and IT systems. There is a risk that the systems may not be sufficiently future-proof to meet upcoming requirements, potentially impacting service continuity and quality. This risk currently specifically is applicable in anticipation of the transition from which additional risks arise related to the agility of the IT environment and programming thereof at BSG. The strict deadlines and amount of changes cross client portfolio for these adjustments increase the risk exposure.

Risk assessment

MPF has assessed this risk as a risk that needs focused attention in order to be reduced in exposure in the short term.

Control measures

Several control measures are in place to ensure the provider can adequately implement novelties. For instance, prior to choosing the supplier, the fund has investigated whether their systems are sufficiently future-proof in the medium term (including the move to a new pension system) and BSG confirmed (and has proven with Quint and with three completed SPR transitions) that they can proceed with their Wings system. Further, the MPF-IT policy requires guidelines for the field of IT and information security to be applied by outsourcing parties. We require our Pension Administrator to report according to the Standard3402 (type 2) control framework, which includes specified processes and reporting around change management. This report is being monitored by MPF. Additionally, MPF reviews and monitors BSG on non-financial risks and the Service Level Agreement report. Lastly, MPF requires BSG to report -and improve where necessary- on SBA-IT maturity levels. Additional assurance on IT and cybersecurity is setup in the form of a Standard 3000A report in 2026.

MPF closely oversees periodic NFR reporting, IT control framework improvements (monitoring BSG IT maturity vs extended list of COBIT controls). MPF has a WTP project workstream in place and closely oversees the setup of the project management structure and the progress of the project plan versus (critical) milestones.

Two MPF Board members have a focus on IT and, together with the investment control & operations officer and an external IT advisor (Ortec), form the ICT Team. This team prepares IT-related discussions and decisions for the PC. In total, three Board members are at B-level IT expertise.

Developments in 2025

BSG has made good progress with MPF and with other funds on the implementation of the required changes related to the WTP. BSG has performed administration of a SPR scheme for a full year with one of its smaller clients and converted two sizeable clients per January 2026.

MPF also will move to an SPR agreement and can draw a lot of synergies from BSG's proven SPR operations and has very limited amount of bespoke processes, which have been confirmed technically feasible by BSG.

3. Transition to the New Pension System

Risk description

As from 2028 at the latest it is no longer possible to have an open defined benefit pension arrangement in the Netherlands. This means that Social partners and MPF will need to facilitate moving to a new pension plan design and -implementation, which has a massive impact on the organisation and its governance. The 3 most prominent net-risk exposures in this transition process are:

1. Investment Risk until Transition to achieve desired Funding Ratio
2. Pension Administration under WTP
3. Planning (timing/delays) and budget.

Risk assessment

MPF has assessed the magnitude of the 3 risks mentioned above as tolerable in the ERB of Q4'2025. This means that there is additional attention for these risks.

Control measures

The Pension Board has agreed to a project management- and governance structure to oversee the total project as well as have specific working groups for the headline topics. External advisors, consultants and specialist support are part of the governance structure. There are formal and informal alignment sessions between the various parties and forums, and these have been embedded in a detailed project plan and -timeline. The timeline includes the relevant milestones and factors-in dependencies and iterations.

Developments in 2025

Some of the key changes are described under 'Pension Administration – IT Agility' as above.

The investment risk until conversion has been reduced in 2025 by implementing a new investment policy (after ALM process).

The conversion date for MPF has changed from 1 January 2027 to 1 January 2028. This is explained in section 6.1 of this annual report.

Lastly, the the WTP budget has increased versus plan and versus expectations. New agreements have been made including a clear escalation protocol to manage further cost changes.

Despite the above events it can be stated that significant progress has been made and that the fund is confident that -although a significant amount of work needs to be done still- it can achieve a transition to the WTP in a controlled and orderly manner.

The workstreams have completed major deliverables in 2025, such as ALM studies for interim and WTP investment policies, the data quality project, determination of the risk attitude, the proces for the use of the solidarity reserve, the financial setup for the funds and the completion of the dynamic allocation key and the balance of interest fraemwork.

A project implementation manager has been in function side by side with the current WTP project manager. Detailed timings and project plans are available and are aligned with service providers and chain partners. The fund has a thorough understanding of deliverables and requirements and carefully follows up guidance from our regulators and industry body (DNB, AFM, Pension Federation).

The fund's investment policy is designed to monitor the funding ratio's progression against the targeted conversion level, while considering risk appetite. This ensures a balanced transition for all stakeholders (see the following paragraph).

Fund oversight on SECOR/Mercer/Cardano Integration

During the transition and integration following the acquisition of SECOR by Mercer, MPF maintained robust oversight to ensure continuity and effective management of investment advisors. This was achieved through close monitoring and ongoing conversations, safeguarding the integrity and performance of investment mandates.

4.2.2 Main financial risk categories

1. Strategic Policy risk

Risk description

The risk of a large negative impact on the funding level due to interest rate and inflation rate changes (formerly called 'Asset-Liability Correlation risk'). As the fund is looking for conversion with adequate compensation at zero additional cost (an objective deemed balanced and in consideration of all stakeholder's interests, as well as achievable given the level of the end of 2025 funding ratio), the fund has identified a set of target funding ratios ('TFR'). The highest TFR the fund tracks against, is strongly influenced by interest and inflation rates. This as that end-goal TFR includes financial obligations based on real future values of the liabilities.

Strategic area

Pursue policies of de-risking when appropriate.

Control measures

The interest and inflation rate risks are partially covered by hedges. This is comprised of the interest and inflation swaps, the bonds portfolio and the intrinsic inflation protection coming from the assets. The fund performs ALM studies on a regular basis to assess the appropriate level of 'mismatch risk' and has, after 2025 ALM, implemented the adopted policy to further provide protection to the relevant TFR.

The fund receives weekly funding ratio monitoring and weekly LDI monitoring, including a set of KPI's and stress test limits (leverage, free cash, rate move to max leverage, rate move to exhaust free cash) to verify whether hedge levels do not become a problem on their own.

Developments in 2025

Extensive ALM work was executed to translate WTP risk attitude, investment strategy, and solidarity reserve considerations into robust, measurable risk-and-expectation frameworks, supported by ongoing monitoring.

The fund has a 30% derivatives based inflation hedge (additional to the intrinsic portfolio inflation protection) and the interest rate risk is hedged to 80% of indexed liability (i.e. 122% nominal (DNB) hedge level, status 29 May 2026). End 2025, the funding ratio was between TFR2B and TFR4.

2. Strategic Implementation Risk

Risk description

The risk of asset value reduction (formerly called 'market risk')

Strategic area

Use professional support from investment advisors to sustain our long-term investment stance/beliefs.

Control measures

To mitigate this risk, the investment portfolio is diversified over a range of asset classes, currencies and investment managers and is invested through a range of well diversified pooled funds. In the Investment Policy Statement overall investment risk is controlled by defined limits to asset class weightings as well as volatility in funded status. Undesired risk such as concentration risk, counterparty risk, etc. are managed by Investment Manager Agreements (IMA's) and investment guidelines. All the investment risks are monitored on an overall portfolio level by the Strategic Advisor and reported at least quarterly and immediately in case of breach of pre-defined risk limits.

Developments in 2025

In 2025, the Public Equity asset class was significantly decreased in size (5% of assets) and the less risk-taking asset class Global Aggregate Bonds was introduced. Simultaneously with the reduction of public equity, the Tail Risk Hedge program has been terminated.

Legal procedure

A legal procedure is currently pending in which Stichting Mars Pensioenfond is the defendant. The retirees (claimants) allege that their pensions have been indexed incorrectly. The amount of the claim cannot be determined with sufficient reliability. The pension fund believes it has correctly applied the pension regulation. Therefore, no amount has been included in the financial statements.

Sensitivity of Funding Ratio

The below table shows the sensitivity of the Funding Ratio to interest rate movements and/or an equity market shock. Scored versus the Target Funding Ratios, status of 31 December 2025. KFH RM and Pension Board have actively observed and discussed the sensitivity levels through the year. Impact of the effects going forward from 31 December 2025 looks healthy.

		Shock interest rates								
		-2,00%	-1,50%	-1,00%	-0,50%	0,00%	0,50%	1,00%	1,50%	2,00%
Shock equity and real estate	-25%	121,5%	122,1%	122,8%	123,5%	124,3%	125,3%	126,3%	127,5%	128,8%
	-20%	123,5%	124,2%	125,0%	125,8%	126,8%	127,8%	129,0%	130,3%	131,8%
	-15%	125,5%	126,3%	127,2%	128,1%	129,2%	130,4%	131,7%	133,2%	134,9%
	-10%	127,5%	128,4%	129,4%	130,4%	131,6%	133,0%	134,4%	136,1%	138,0%
	-5%	129,5%	130,5%	131,6%	132,8%	134,1%	135,5%	137,2%	139,0%	141,0%
	0%	131,5%	132,6%	133,8%	135,1%	136,5%	138,1%	139,9%	141,9%	144,1%
	5%	133,5%	134,7%	136,0%	137,4%	138,9%	140,7%	142,6%	144,7%	147,2%
	10%	135,5%	136,8%	138,2%	139,7%	141,4%	143,2%	145,3%	147,6%	150,3%
	15%	137,5%	138,9%	140,4%	142,0%	143,8%	145,8%	148,0%	150,5%	153,3%
	20%	139,6%	141,0%	142,6%	144,3%	146,2%	148,3%	150,7%	153,4%	156,4%
25%	141,6%	143,1%	144,8%	146,6%	148,7%	150,9%	153,4%	156,3%	159,5%	

4.3 Risk attitude Final Pay plan

The objectives, policy principles and risk attitude of MPF are a result of the mission, vision and strategy of the pension fund (see 2.2).

The risk attitude of the Final Pay plan describes the risk appetite and risk tolerance of MPF for the Final Pay plan as agreed with the stakeholders. The risk attitude for the Final Pay plan of MPF is as follows:

- Part of the contribution policy is the obligation for the Company to pay additional contributions in case of shortages in the Final Pay section of MPF. As a consequence, the probability of a reduction of the accrued pension benefits of the Final Pay plan is small;

- Investment risk on the assets for the Final Pay plan should be taken to achieve the ambition of MPF. Both the Social partners and MPF believe that investment risk is rewarded with higher expected returns in the long run;
- The Social partners (the Company and the Works Councils) accept that investment risk might result in additional contributions in the short term in case of shortages, because expectations are that in the long term this investment risk results in higher returns and therefore on average higher indexation results and lower Company contributions (due to contribution reductions);
- MPF accepts that investment risk might result in limited indexation in the short term, because expectations are that in the long term this investment risk results in higher returns and therefore a better indexation including repair of missed indexation and benefit reductions.

The ALM that has been completed in 2025 has indicated that the previous asset mix already was fairly appropriate in the light of the shortened investment horizon towards 1 January 2028. Expected Funded Status Volatility was estimated at about 4.1% (4.6% previous ALM). This slight reduction is supporting the Pension Board objectives to safeguard a balanced transition.

A feasibility test monitors whether the expected pension result is still consistent with the original expectations, based on the financial position of MPF and the new economic circumstances. The feasibility test however, did not need to be carried out in 2025 and next years because MPF is going to convert. This follows from the ministerial regulation of 25 April 2025 that was published in the Staatscourant.

4.4 Risk attitude ARP/ASP plan

MPF has an ARP/ASP plan that consists of two parts, the Associate Retirement Plan (ARP) and the Associate Selection Plan (ASP). The ARP part has a relatively stable capital accumulation with a with a target annual crediting rate of CPI+3% and a guarantee of 0% (see 6.3), The ASP part is a Defined Contribution plan invested using a lifecycle (or a selection of the offered investment funds) and does not have any guarantees regarding the investment return.

The pension contributions are sufficient for an adequate pension result, taking 2025 market conditions into account. Members are roughly equally invested in the ARP part and ASP part. This resulted in the preliminary conclusion that plan members could absorb quite some risk in the ASP part. This conclusion was subsequently shared and tested with a representation of ASP Members, the Accountability Council (Verantwoordingsorgaan) and finally with Social Partners. The outcome of these extensive consultations was that all parties/stakeholders were in agreement with the conclusion of the Pension Board.

The risk attitude for the accrual phase of the DC-plan is quantified in a 'maximum allowable deviation' for the pension benefit on the pension date in a pessimistic scenario, which is dependent on age. This is calculated as the difference between the pension outcomes in the expected scenario (50th percentile) and the pessimistic scenario (5th percentile). Members who intend to choose a variable annuity (and are therefore assigned the lifecycle for the variable annuity) have a higher risk tolerance.

MPF tests the investment policy and the lifecycles, periodically (at least every three years) or when the Pension Board has established there has been a significant change (for example in plan contributions or in the lifecycles).

MPF monitors the expected pension results in the combination of ARP and ASP plan. The results are included in the quarterly risk dashboard updates, showing a stochastic replacement ratio calculation for several strawmen. The replacement ratio is shown as a percentage of the pensionable salary for risk coverage. The main replacement ratio indicator is the using the DNB set, and the results end 2025 shows that the fixed (default) replacement ratio for all strawmen is adequate.

For members that wish to deviate from the lifecycle it is possible to choose the self-select option. A member that opts for this option will be informed about the risks and will be asked about their risk profile.

MPF annually informs the members about their actual asset mix in relation to their risk profile to meet the duty of care requirements (see paragraph 7.2).

Prior to the increases of the interest rate hedge level and the installation of the inflation hedge level in recent years, the fund had positively confirmed that the asset mix in combination with the retained ARP-return was still appropriately fitting the risk-return profile of the ARP plan, also driven by the shorter time horizon towards transition timing as well as the available retained return when the interest rate hedge was increased. Off late, these factors have changed and the fund has initiated the process to develop and agree -with the Company- an investment strategy for ARP which is more optimally fitting to the ambition of the ARP-ASP plan. The proposed change in investment policy for the ARP capitals has been approved by the Company in Q1

2026. On 17 April 2026 the Pension Board approved the change in investment policy for the ARP capitals and also the related update of the fund documents.

4.5 Integrity risks and fraud risk

Integrity is a central focus for the fund, not because the risk is high, but because trust is essential for financial institutions. The fund maintains a zero-tolerance policy for integrity risks, minimizing reputational and operational concerns. Strict adherence to the code of conduct is required from all parties, and compliance is monitored annually. Newcomers must review integrity documents and provide a certificate of good conduct (VOG) before access; compliance training is available.

In Q2-Q3 2025, a risk self-assessment (RSA) was conducted for “outsourcing – Pension administration,” “outsourcing – Investment management,” and “Internal – Legal,” resulting in an approved SIRA in December 2025. The assessment showed that net fraud risk is within the fund’s risk appetite.

Fraud risk, including misappropriation of assets and financial reporting fraud, is managed through preventive and repressive controls: segregation of duties, four-eyes principle, annual proof-of-life checks, and careful selection and annual evaluation of external parties. Whistleblower procedures and compliance officers are in place at fund and its providers. No fraud incidents were identified during the review period.

The supervisor has paid specific attention to conflicts of interest; their evaluation and an additional self-evaluation in December 2025 confirmed this risk is at a tolerable level.

4.6 Going concern risk

This chapter has described the risk management framework, the most important risks and mitigation actions. Furthermore, detailed information on management of risks related to the financial position of the fund, such as interest rate risk and liquidity risk are included in paragraph 12.8 Risk Management of the annual report.

On top of that MPF has a financial crisis plan that will be in force in the event of a shortfall or in combination with the sponsor that falls away.

In the current financial framework, the contribution increases automatically once the funding ratio decreases below OSMR. This is an effective measure based on assessment of the sponsor’s financial health.

The conditional indexation is also related to the policy funding ratio, and therefore this measure is automatically deployed once the policy funding ratio drops below the Target Indexation Limit. No indexation is granted below a funding ratio of Lower Indexation Level.

The final measure of benefit reductions can be a very effective measure but is not deployed as long as the sponsor is able to deliver on the Administrative and Financial Agreement.

The policy funding ratio is currently far above the OSMR and it is very unlikely that the crisis plan will be in force in the next 12 months.

Based on the above, the Pension Board of MPF is of the opinion that the continuity of MPF is safeguarded for the next 12 months after adoption of the annual report. The Pension Board of MPF deems it appropriate to draft the financial statements based on the assumption of going concern.

5 INVESTMENT SECTION

5.1 Investment policy and strategy

Following changes to the Target Funding Ratios (“TFRs”) and the expected date of transition to the new pension system (postponed from 1 January 2027 to 1 January 2028), the ALM study was refreshed in 2025. The aim remained to develop an investment policy that seeks to manage the funding position of the Plan (relative to the TFRs) to protect against declines while improving the funding position over the period until the point of transition to the new pension system, mitigating the potential cost of transition to the new system.

The investment policy includes a liability interest rate and inflation hedge (targeting 80% and 30% of the economic liability, respectively), which seeks to limit the Plan’s expected funded status volatility. This Matching Swaps allocation has a strategic target of 30%. The remaining 70% of Plan assets are comprised of strategic allocations to Public Equity, Global Aggregate Bonds, High Yield, Emerging Markets Debt, Hedge Funds, Private Equity, Property and Private Credit. The main changes from the prior investment strategy included: reducing the Public Equity, High Yield and EMD allocations, adding a Global Aggregate Bonds allocation, increasing the Hedge Funds allocation and removing the equity Tail Risk Hedging (“TRH”) overlay.

The table below shows the interim policy allocation (which acknowledges that alternatives may deviate from their policy allocations) and the actual asset allocation at the end of 2025.

	Long Term Investment Policy	31-12-2025 interim policy	End 2025 Asset Allocation	Minimum	Maximum
Shares (Public Equities)	5.0%	5.0%	5.3%	0.0%	10.0%
Fixed Income Securities	53.0%	50.8%	50.5%	30.0%	80.0%
Matching Swaps	30.0%	27.8%	27.1%	20.0%	40.0%
Global Aggregate Bonds	15.0%	15.0%	15.2%	10.0%	20.0%
Emerging Market Debt	4.0%	4.0%	4.1%	0.0%	10.0%
High Yield	4.0%	4.0%	4.1%	0.0%	10.0%
Alternatives	42.0%	43.1%	43.1%	15.0%	70.0%
Investment Property	7.0%	7.1%	7.1%	0.0%	20.0%
Unlisted shares (Private Equity)	12.0%	12.4%	12.4%	0.0%	20.0%
Hedge Funds	20.0%	21.0%	21.0%	15.0%	25.0%
Private Credit	3.0%	2.6%	2.6%	0.0%	5.0%
Cash	0.0%	1.1%	1.2%	0.0%	0.0%
Hedges					
Currency	89.5%	89.5%	89.2%	88.9%	100.0%
Interest Rate	80.0%	80.0%	80.1%	75.0%	85.0%
Inflation	30.0%	30.0%	30.1%	25.0%	35.0%

The interim policy reflects the substitution rules for Cash and Alternatives which can deviate from their Long-Term Investment Policy allocations.

The Liability Driven Investing (LDI) program, i.e., the interest rate and inflation hedge, targets are 80% and 30% of the economic liability, respectively. There is a range of +/- 5% for the interest rate and inflation hedges. The primary goal of the LDI strategy is to reduce the Plan’s funded status volatility.

5.2 General financial market developments 2025 and outlook 2026

2025 proved to be another strong year for equity markets with the ‘Magnificent Seven’ leading technology stocks retaining their outsized influence on aggregate market performance. EAFE and EM equities outperformed as investors became more cautious toward US assets due to concerns about a potential valuation bubble in US tech, questions around Federal Reserve

independence and a more volatile political backdrop. While economic data in 2025 was generally better than expected, inflation continued to moderate. Central banks in the UK and US lowered interest rates. However, the 10-year yield remained mostly range-bound, as long-term expectations for growth and inflation stayed roughly unchanged. In Europe, yields rose due to reduced demand for hedging and concerns that increased fiscal spending may lead to higher inflation in the future. Credit markets showed resilience, with spreads tightening to historic levels.

USD depreciated over the year, especially against EUR. Global sentiment towards USD turned extremely negative in 2025 due to political and economic unpredictability, aggressive trade policies, and rising fiscal sustainability concerns.

Despite ongoing geopolitical and fiscal risks, baseline expectations across major institutions point to another year of trend like global GDP growth. Thus, the global expansion remains intact, underpinned by resilient investment, robust consumer balance sheets, and easier monetary policy. AI is emerging as a structural stabiliser and a potential source of medium-term upside, while tariff pressures and inflation headwinds appear to be easing. The environment is not without risks – especially around fiscal sustainability and geopolitical uncertainty – but the underlying fundamentals suggest steady global growth and generally supportive financial conditions in 2026.

5.3 Return on investments

The investment portfolio of the Pension Fund delivered a net return of -7.3% over the year, primarily driven by the negative impact that rising EUR swap rates had on Matching Swaps. The Fund outperformed its benchmark return of -8.2% over the year, with an excess return of 0.9%. The gross of fees return of MPF is by approximation -5.2% coming from the net performance of -7.3% plus the total investment costs of 2.1% (See paragraph 3.6.2).

The table below shows the detailed performance versus Passive Investable Alternative benchmarks for all the main components of the policy mix. For the main asset categories, the performance over the year was as follows¹:

	Portfolio	PIA Benchmark	Relative Performance
Shares (Public Equities)	7.0%	7.9%	-0.9%
Matching Swaps	-24.3%	-25.2%	0.9%
Global Aggregate Bonds	-0.3%	0.0%	-0.3%
Emerging Market Debt	2.3%	-7.5%	9.8%
High Yield	6.1%	2.7%	3.4%
Private Credit	-0.4%	2.7%	-3.1%
Investment Property	-5.6%	4.5%	-10.1%
Unlisted shares (Private Equity)	3.1%	-2.2%	5.3%
Hedge Funds	8.1%	5.8%	2.3%
Total return mandate investments	-6.3%	-7.2%	0.9%
Plan Level Currency Hedge	0.0%	0.0%	0.0%
Plan Level TRH	-1.0%	-1.0%	0.0%
Total return (including overlays)	-7.3%	-8.2%	0.9%

Plan and benchmark returns were negative for the year, driven primarily by the negative performance of Matching Swaps. Public Equities helped offset part of this decline as markets continued their upward trajectory in 2025, while High Yield also contributed, supported by tighter credit spreads. Hedge Funds had a great year, benefiting from heightened volatility, and added to absolute returns. Despite TRH detracting from Plan returns in 2025, the programme provided protection during April market volatility. The TRH programme was discontinued on 17 November 2025. Overall, the Plan's return-seeking assets contributed positively to performance for the year.

The Plan's positive excess returns for the year were primarily driven by the Private Equity allocation, supported by strong outperformance from the PEM EFFEM II fund following the successful exit of an underlying portfolio company. Matching Swaps also contributed to the outperformance in 2025 as PIMCO made strong gains from positions in German Bunds and mortgage-backed securities. Emerging Market Debt managers, Pictet and BlueBay, further added to the Plan's excess returns over the year.

¹ Source: Mellon Performance Report MPF December 2025, SECOR Analytics

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

Public Equity slightly underperformed its benchmark for the year, primarily due to the underperformance of Morgan Stanley, whose mandate was terminated on 18 November 2025. All other Public Equity managers outperformed their benchmarks in 2025, with LA Capital beating its benchmark by 9%. The Hedge Funds allocation finished the year ahead of its benchmark due to tilts towards underlying strategies such as event driven and discretionary macro, which performed better than the broader index. Property was the largest detractor from excess returns, primarily due to Global Value Property Fund's exposure to the underlying manager Blackstone Europe VI. European value-add funds posted negative performance in the final quarter of the year, while other regions generally delivered positive results, contributing to the benchmark's overall gains.

The 2025 average portfolio weight compared to the 2025 average PIA benchmark weights were as follows²:

Asset Category	Benchmark	Average Portfolio weight	Average Policy Weight
Shares (Public Equities)	MSCI ACWI Net TR index	12.9%	12.7%
Matching Swaps*)	Custom blend of EUR Swap indices + short Euribor + ESTR minus a spread + custom basket of inflation swaps	32.1%	32.9%
Global Aggregate Bonds	Bloomberg Global Aggregate (EUR hedged)	1.7%	1.8%
Emerging Market Debt	Bloomberg Barclays Global Aggregate (USD Hedged) in EUR	10.7%	9.3%
High Yield	Bloomberg Barclays Global Aggregate (EUR Hedged)	6.6%	6.6%
Private Credit	Bloomberg Barclays Global Aggregate (EUR Hedged)	3.0%	3.0%
Investment property	MV weighted blend of: Actual Portfolio return and 50% NCREIF Fund Index ODCE **) / 50% INREV ODCE fund index (EUR Hedged)	7.5%	7.5%
Unlisted shares (Private Equity)	Cambridge FoF Vintage Year Weighted	12.7%	12.7%
Hedge Funds	HFRX Equal Weighted Index (EUR Hedged)	12.5%	12.5%
Cash / Plan Level Overlays	Actual gross return on cash	0.3%	1.0%
Total	Total Plan Benchmark	100.0%	100.0%

* The Matching Swaps benchmark reflects a mix of swap benchmarks across various tenors designed to match the target risk sensitivity of the Liability and net financing costs associated with the swaps.

** Open-end Diversified Core Equity

Longer term, MPF outperformed relative to the PIA benchmark, please see the table below³:

Year	Portfolio (Net)	PIA Benchmark (Net)
2025	-7.3%	-8.2%
2024	6.6%	5.1%
2023	1.4%	0.9%
2022	-17.5%	-19.4%
2021	10.0%	6.5%
2020	7.0%	7.0%
2019	13.0%	13.6%
2018	0.3%	0.6%
2017	4.5%	5.8%
2016	7.5%	6.5%
Average last 5 years	-1.9%	-3.5%
Average last 10 years	2.2%	1.4%

² Source: BNY-Mellon Performance Report Stichting Mars Pensioenfondsen December 2025, SECOR Analytics

³ Portfolio return from the previous year can be restated, for instance due to performance data of illiquid assets being available after finalizing the annual report. Benchmark returns can be restated, for instance due to changes in the choice of the asset class benchmarks or benchmark calculation methodology.

⁴ Private Equity and Private Credit performance is available with a 1 or 2 quarters leg. Numbers include performance updates available before finalizing the annual report.

Measured over a longer period of ten years, the average return for MPF was 2.2%, 0.8% ahead of the PIA benchmark.

5.4 Sustainability (ESG)

As a Pension fund, our primary responsibility is to act in the best long-term interests of our beneficiaries. The Pension Board believes that environmental, social and governance (ESG) factors impact, and can contribute to, the realisation of the objectives of the Pension fund.

The Pension Board updates and approves the ESG Policy Document when required. Among other things, it contains the ESG Beliefs which underlie the further development and implementation of the ESG Policy.

To comply with the Sustainable Finance Disclosure Regulation (SFDR), effective 10 March 2021, the Pension Board has included a SFDR disclosure in the 'Statement of Investment Principles' available on the pension fund website. Solely in connection with our understanding that a pertinent required reporting structure is not in line with the status of the development of our policy, we opt for the "Opt-Out" variant related to reporting (on the website). When making an investment decision, the negative impacts that investment decisions can have on the society/environment are taken into account.

We engage with managers on incorporating ESG considerations in the management of their businesses and portfolios because those that embed ESG considerations into their culture and processes improve the likelihood of prolonged and successful operation.

In September 2023, the Plan's first UN PRI survey was submitted since becoming eligible as an asset owner signatory in 2021. The PRI reporting framework is a comprehensive report consisting of several modules with wide-ranging mandatory questions covering organizational overview; policy, governance, strategy; manager selection & monitoring; asset class modules; and confidence building measures.

The PRI's assessment of MPF's submission resulted in strong findings where the Plan achieved 5 or 4 stars (maximum 5 stars) in four categories of total five categories evaluated. The Plan scored well relative to its peer group of asset owners.

5.5 Financial position and Investments

Following a strategy review that was concluded in July 2025, the interest rate and inflation hedge ratio targets were 80% and 30% of the economic liability, respectively. The hedge ratio targets are designed to limit the expected funded status volatility relative to the Target Funded Ratios (TFRs).

6 PENSIONS

There have been important developments in 2025 in pensions. Below we describe the legal developments that have had consequences for MPF in 2025 and /or will have consequences for MPF in the future (see 6.1). The Pension Board adopts an active attitude on all pension developments.

MPF manages two sets of plan rules for the active and deferred members and retirees. The Pension Board coordinates the impact of the legal developments to the plan rules, together with the legal, actuarial and communication advisors of MPF and the administrator. A brief description of these plan rules is provided in paragraph 6.2 and 6.3. In addition, the indexation policy is provided in paragraph 6.4 and reinsurance in paragraph 6.5.

6.1 Developments in legislation and regulations

WTP

On 30 May 2023 “Wet Toekomst Pensioenen” (WTP) was approved by the Senate (Eerste Kamer) and came into effect as from 1 July 2023. MPF and the Company have setup a joined project organisation with several WTP workstreams and a WTP steering group to investigate, discuss and prepare for the transition to the new pension system. This includes the impact of conversion, administration, investments and governance aspects.

In February 2025 the Transition Plan of Mars was published on the website of MPF. During 2025 MPF drafted the implementation plan with the aim to have the transition completed on 1 January 2027. During the year it became clear that it was not feasible for BSG to complete the transition on 1 January 2027.

After studying various possibilities the PB decided to postpone the transition date to 1 January 2028. On 17 April 2026 the Pension Board approved the implementation plan and all required attachments. All documents have been submitted to DNB and AFM in time.

Lump sum payment at retirement age

The intended starting date of the lump sum payment at retirement date was postponed to 1 July 2026 in earlier years. From that moment on, each member should have the choice at his or her retirement age to have a maximum of 10% of the value of the retirement pension paid out in one go.

The legislation for this has already been passed by the House of Representatives, but a decision has yet to be made on one point. This concerns the conditions under which the lump sum payment in the event of retirement before the state pension age. Early 2026 it was decided to postpone the lump sum payment at retirement age to 1 January 2029.

6.2 Final Pay plan

The Final Pay plan is a final pay defined benefit plan. This plan applies to the closed group of associates who were already active members of the 2000 Pension Plan on or before 31 December 2003 and born on or after 1 January 1950.

Types of pension	Description
Old age pension	1.657% of pensionable salary including the average shift percentage minus offset
Partner's pension	70% of accrued old age pension, in case of death it is assumed that the membership would have continued
Orphan's pension	In case of death before retirement: 20% of total partner's pension in payment In case of death after retirement: 14% of old age pension in payment
Disability benefit	Full disabled: 75% of pensionable salary minus social security ceiling. Continuation of pension accrual on costs of MPF
Offset (franchise)	As from 1 January 2025: EUR 26,564.88 As from 1 January 2026: EUR 27,433.55
Top-up limit (excedent-grens)	As from 1 January 2025: EUR 63,764.47 As from 1 January 2026: EUR 64,633.14
Maximum pensionable salary	As from 1 January 2025: EUR 137,800 As from 1 January 2026: EUR 137,800

Types of pension	Description
Member contribution	0%
Normal retirement age	68 years
Flexible options	Early or postponed retirement, purchase of temporary retirement pension, exchanging partner's benefit for additional old age pension or vice versa

Entitlements acquired elsewhere during employment with the Company, e.g. from another pension plan or the BPF Sweets (*Stichting Bedrijfstakpensioenfonds voor de Zoetwarenindustrie*) or from the Disability Act (*WAO* or *WIA*), are deducted from the Fund's pension benefits.

6.3 ARP/ASP plan

The ARP/ASP plan is a so-called Contribution Agreement (*premieovereenkomst*) and consists of the following two modules:

1. Associate Retirement Plan (ARP) (*Medewerker Uittredings Plan: "MUP"*)
2. Associate Selection Plan (ASP) (*Medewerker Selectie Plan: "MSP"*)

Members of the ARP/ASP plan are those employees registered by the Company who entered the Company's service after 31 December 2003, and who are exempted from mandatory participation in the pension plan of the BPF Sweets.

	ARP	ASP
Type	Individual defined contribution plan with no individual investment choices	Individual defined contribution plan with investment module
Member contribution	No	Compulsory contribution of 3.9% of the pension base plus voluntary contribution with an age-related maximum up to 6.5% of the pension base
Employer contribution	Age related	Equal to voluntary contribution of Member
Offset (Franchise)		
As from 1 January 2025:	EUR 18,475.00	EUR 18,475.00
As from 1 January 2026:	EUR 19,172.00	EUR 19,172.00
Maximum pensionable salary	1 January 2025: EUR 137,800 1 January 2026: EUR 137,800	1 January 2025: EUR 137,800 1 January 2026: EUR 137,800
Addition of interest	CPI + 3% (conditional, depending on the return made by MPF)	Not applicable
Investment choice	Not applicable	Either Life Cycle mix or free choice
Fixed or variable annuity	Choice of member	Choice of member
Fixed annuity	At retirement with the Pension Fund or insurance company (choice of member)	At retirement with insurance company
Variable annuity	At retirement with insurance company Risk based partner pension of 1.33% of the pensionable earnings (excluding offset of EUR 26,564.88 for 2025) for each year of membership that has been achieved until 1 January 2015 plus 1.16% of the pensionable earnings (excluding offset of EUR 26,564.88 for 2025) for each year of membership that can be achieved after 1 January 2015. Balance flows to Pension Fund.	At retirement with insurance company
Death during active membership	Surviving dependents can use balance to buy annuity with the Pension Fund Full disabled: disability pension of 75% of pensionable salary minus social security ceiling. Continuation of contributions on costs of the Pension Fund	Balance flows to the Pension Fund, surviving benefits arranged via ARP
Death before retirement as deferred member	Surviving dependents can use balance to buy annuity with the Pension Fund	Surviving dependents can use balance to buy annuity with the Pension Fund
Disability	Continuation of contributions on costs of the Pension Fund	Continuation of contributions for costs of the Pension Fund, disability pension is arranged via ARP

	ARP	ASP
Normal retirement age	68 years	68 years
Flexible options	Buy-in at MPF: Early or postponed retirement, purchase of temporary retirement pension, ratio of partner's pension to old age pension. Buy-in at insurer: whether the above flexible options are possible depends on the offer of the insurer.	Depending on offer insurer: Early or postponed retirement, purchase of temporary retirement pension, size of partner's benefit and old age pension

6.4 Indexation policy and interest addition

Final Pay plan

MPF aims for annual adjustment of the pension benefits for deferred members and retirees under the Final Pay plan. Every year the Pension Board decides the extent to which benefits will be adjusted.

The annual adjustment/indexation ambition is determined as:

- A. 75% of the Consumer Price Index (CPI) 'all-households' as published by CBS over the months September versus September of the preceding year;
- B. If A is higher than 3%, the outcome will be maximized at 3%;

Any adjustment will only be granted if and insofar as MPF's financial position permits it. This is fully within the decision-making power of the Pension Board. The Pension Board decides every year if, and, to what extent indexation is granted.

There is no financial reserve for the indexation and no contribution is paid for the indexation. The costs of the indexation are financed from the reserves of MPF.

The Additional Pension entitlements for active members resulting from the conversions in 2006 and 2014 will be unconditionally adjusted annually according to the wage index. There is no financial reserve for the indexation, but the contribution for this indexation is part of the unconditional accrual in the cost covering contribution.

The Additional Pension entitlements for active members resulting from the conversion in 2015 and 2018 will be conditionally adjusted annually according to the wage index. This indexation depends on the financial situation of MPF. There is no financial reserve for this conditional indexation and no contribution is paid for the indexation. The costs of the indexation are financed from the reserves of MPF.

ARP/ASP plan

The balance on the Pension Accrual Account of the ARP is increased by the addition of interest during active and inactive membership. The interest additions occur on a daily basis and in such a manner that the interest additions on an annual basis are equal to a percentage of "CPI all households" plus 3%. This annual interest addition is capped by a level of 13%. The interest addition also depends on the actual return achieved by MPF. The minimum annual interest addition is 0%.

The Pension Board decides every six months whether, and to what extent indexation will be granted. There is no contribution paid for this interest addition.

As of 1 January 2015, the liabilities of the ARP are classified as liabilities at risk of the members. As from the quarterly and monthly reports 2016 all pension funds must calculate the (Policy) Funding Ratio based on the total assets and the total liabilities of the fund, so not just the part for risk of the fund. This means for MPF that the ARP/ASP plan is included in MPF's assets and liabilities. The same applies for the calculation of the Ongoing Solvency Margin Ratio.

The Balance of the ASP depends besides contribution on the investment results (lifecycle based on a mix of Vanguard funds).

The partner's and orphan's pension of members that have died during active service are indexed according to the indexation policy for the Final Pay plan.

6.5 Reinsurance

MPF has a reinsurance contract for the death-in-service and disability-in-service risks with Zwitterleven. This contract is in place from 1 January 2023 until 31 December 2025.

This reinsurance can be seen as a catastrophe-risk-coverage because it is based on stop-loss insurance with a deductible amount of 250% of the total risk premium. Claims are possible up to 24 months after the contract period.

In 2025 the reinsurance company made a strategic decision no longer to offer stop-loss insurances. As there were no other insurers in the Dutch market to offer this type of stop-loss insurance continuing the stop-loss insurance with another insurer was not possible.

Alternatives for MPF were to seek full reinsurance or continue without reinsurance. Full reinsurance was considered not appropriate, as MPF is large enough and has a healthy financial position. This outweighs the possible relatively high premium for full reinsurance. Full reinsurance is much more expensive than the current situation.

The Pension Board decided let the reinsurance contract expire and accept the tail risk.

7 GOVERNANCE AND COMPLIANCE

The Pension Board had twenty formal Pension Board meetings and a Strategy Day. During the sixteen additional Pension Board meetings various WTP topics have been discussed and decisions have been made on risk attitude, investment policy, transition communication and about a balanced way to transfer the pensions to the new pension system, the so-called Dynamic Allocation Key.

The Committees of the Pension Board were involved with 'their' topics during the whole year with several meetings. Besides this, part of the Pension Board participated in the tripartite meeting on behalf of the year-end close. In 2025 there were three so-called Topical Walk-In sessions (internal training sessions for members of the Pension Board, Accountability Council, Supervisory Council and Talent Pool members).

7.1 Governance and governance committees

The Pension Board uses a dashboard and balance sheet and investment management reports to have an adequate oversight of the status and development of all activities and financial position. The Board also keeps itself informed by attending various internal and external meetings and seminars. During 2025 Pension Board members have attended several seminars organized by the Pensioenfederatie, the DNB, PensioenPro, BSG and external experts to maintain their expertise and attended the internal training meetings and "Topical Walk-in sessions".

Committees

Pension Board members are allocated to areas of expertise defined by DNB. The Committees are the "first contact" Pension Board members for these areas. They have developed thorough knowledge of their area, and also manage the area in more detail and advise other Pension Board members on their topics. The roles and responsibilities are as follows at the end of 2025:

Topic	Scope	Pension Board Members
Pension Committee	Pension Law	Mr. W. van de Laar (chairperson)
	Actuarial items	Mrs. R. Steenbergen
	Governance	Mr. P. van Beek
	Outsourcing (including administration and IT)	
	Risk and Compliance	
Investment Committee	Investments	Mr. F. Nieuwland Mrs. R. Steenbergen
Pension Communication Committee	Pension Communication	Mr. W. van de Laar Mr. P. van Beek Mr. H. van Heesch

The Key Function Holders Risk Management and Internal Audit are not a member of a committee but are always invited to join the meetings as an attendee.

Self-assessments

In November 2025, during the Strategy Day, the Pension Board held a self-assessment with an external advisor with the aim of strengthening its own functioning and cooperation in light of the WTP. Also the Supervisory and Accountability Councils held an internal self-assessment.

Succession members Pension Board and Accountability Council

The sustainability of MPF going forward is a topic the Pension Board will continue to review. One of the main challenges the MPF faces is to find adequate, available and motivated (future) members for the Pension Board, Accountability Council and Investment Committee. For this reason, the Pension Board set up a Talent Pool. In 2025 one new candidate has been recruited for the Talent Pool. Currently, MPF is identifying new candidates for the Talent Pool to have a filled pipeline in case of vacancies.

Governance documents

In 2025 the Pension Board has, together with their advisors, worked on updating several governance documents and has agreed on some new policies.

- ABTN 2026
- Remuneration policy
- Incident regulations
- Complaints and disputes regulations

- Correction policy

Internal Audit

Mr. R. de Waard -insourced from BDO- has been appointed as KFH IA. And BDO has been appointed as the performer of the Internal Audit function.

The KFH IA would be operating on a separate contract and be insourced, whereas BDO as executor would be an outsourced contract.

In 2025 internal audits have been performed with a focus on the WTP: Data Quality process, Risk attitude and the Transition Communication plan. The internal audits did not lead to major findings. The points of attention have been followed up with the KFH IA and have been taken into account in the final versions of the respective documents.

7.2 Duty of care (Zorgplicht) ARP/ASP plan

Members of the ARP/ASP plan have the possibility to optout from the Life Cycle Mix and choose their own investment mix. Opting out is only possible after completing the Investment Guide (in Dutch 'Beleggingswijzer'); this guide helps members learn and understand what their risk profile is and provides an advice on the investment choice. Only when a certain risk profile outcome is achieved, opting out is allowed. The website www.marspensioen.nl supports the members in their choice and keeps a record of member's risk profiles. At the end of 2024 1-2% of the members had chosen to opt out .

As of 1 January 2018 the choice for a fixed or variable lifecycle was implemented in the Investment Guide for members of 55 years or older.

In the first half of 2023 MPF has implemented Choice Guidance for the current pension schemes, effective 1 July 2023. In alignment with the new Pension Fund Code, the Pension Board adopted a choice guidance policy in December 2024 on how it offers members choice guidance on choices within the pension fund scheme and evaluates the choice guidance policy annually..

7.3 Communication

Communication plans

In Q4 2024 the Pension Communication Committee agreed to extend the Communication Action Plan 2024 with six months until mid 2025. In the first half of 2025 a Transition Communication Plan is drafted that is applicable during the transition period to the new pension system. The Transition Communication Plan was send to AFM in April 2026 together with the submission of the Implementation Plan to DNB.

Choice Guidance

In the first half of 2023 MPF has implemented Choice Guidance for the current pension schemes, effective 1 July 2023. Part of the open standard is the ongoing evaluation of the choice guidance offered and the outcome of the evaluation in 2025 did not lead to changes in the choice guidance offered by MPF.

Digital newsletters and online videos

In 2025 five digital newsletters have been sent, next to the quarterly newsletter, an additional newsletter has been sent to inform the members about the webinars that have been organized after the publicaton of the Transtion Plan on the website. In total three webinars have been organized in March 2025 for Final Pay plan members, ARP/ASP plan members and retirees. The recordings of the webinars and all the Q&A from the webinars have been published on the My Mars Pension portal. Further a postcard has been sent during the UPO campaign to guide members to the online portal. In September 2025 the new My Mars Pension environment has been launched in preparation for the new pension system.

UPO (Uniform Pension Statements)

All UPO's have been sent before the deadline. The UPO's for active members and disabled members, as well as the inactive members and ex-partners were posted in June 2025..

My Pension Overview (MPO)

MPF has provided all scenario amounts of attainable pension rights for all its members to MijnPensioenOverzicht (MPO) before the legal deadline of 1 October 2025.

7.4 Legal

Legal advisor MPF

BVZA is the legal advisor of MPF. Part of the services performed by BVZA is the legal support during the Pension Board meetings. The legal advisor of MPF was present during all MPF meetings in 2025.

ABTN

The ABTN was updated and approved in the Pension Board meeting in December 2025. Amendments that were made include:

- Update of the investment policy;
- Exemption of the feasibility test;
- Termination of the reinsurance policy;
- Update of the Valuation Principles.

In the Pension Board meeting of 17 April 2026 the ABTN 2026 was updated and approved again. This was due to the new investment policy of the ARP plan that was implemented as from 1 January 2026.

Code Pension Funds

On 21 November 2023 the new Dutch Pension Funds Code was published and came into effect on 1 January 2024, replacing the 2018 Pension Fund Code. Pension funds need to implement the new Pension Fund Code before 1 January 2025.

In 2024 an analysis was made of the (legal) actions that had to be taken to comply with the new Pension Fund Code. The outcome of the analysis was that various documents should be aligned. All bodies and the Company will be involved in such a process. Therefore, such a process will take considerable time.

The Pension Fund, all its bodies and the Company are focused on the WTP process. The Pension Board therefore decided to amend the required documents (in relation to the appointment, suspension and resignation of members) with their next regular update. To the extent that any appointment, suspension or resignation should occur, all statutory requirements, including requirements based on the new Pension Fund Code shall be observed. In section 7.6 it is described which principles are not fully met yet.

Several other legal documents have been updated on the basis of the triennial cycle that MPF uses to review their legal documents.

7.5 Supervisory authorities

MPF has received no penalties from DNB or AFM during 2025 and DNB has not given any instructions to MPF, nor has an administrator been appointed or has the authority of the governance bodies of MPF been restricted by DNB. There has been no exceeding of terms to submit reports and surveys that have led to a sanction.

In 2025 MPF and DNB planned three calls to discuss the progression of the activities related to the WTP.

In 2025 DNB approved the reappointments of Mr. S. Anthoons as member of the Investment Committee and Mr. J. Price as Chairman of the Investment Committee. Further DNB approved the reappointment of Mr. F. Valkenburg as member of the Supervisory Council.

7.6 Pension funds code

On 21 November 2023 a new Dutch Pension Funds Code was published and came into effect on 1 January 2024, replacing the 2018 Pension Fund Code. Pension funds need to implement the new Pension Fund Code before 1 January 2025.

The Pension Fund Code is based on the “comply or explain” principle. In some situations, the principles are not (yet) completely met. In 2025, these principles are:

Principle number	Subject	Explanation why the principle is not completely met
8, 10, 33, 34, 36, 37, 38, 43, 49		<p>Some amendments of the documents for appointing, suspending and resigning of members of the various bodies are required. In relation thereto various documents should be aligned. All bodies and the Company will be involved in such a process. Therefore, such a process will take considerable time.</p> <p>The Pension Fund, all its bodies and the Company are now focused on the WTP process. The Pension Board therefore decided to amend the required documents (in relation to the appointment, suspension and resignation of members) with their next regular update. To the extent that any appointment, suspension or resignation should occur, all statutory requirements, including requirements based on the new Pension Fund Code shall be observed.</p> <p>Due to the WTP transition one of the SC members was reappointed for two years after consultation with the SC and positive advice from the AC. DNB provided their approval for this reappointment.</p>

Other principles of the Code are a mandatory part of the annual report, whether they are met or not.

These principles are met but mandatory reported:

Principle number	Subject	Explanation
1	The pension fund has a mission, vision and strategy, in which the pension fund describes what it wants to mean and achieve for its stakeholders, taking into account their preferences and interests. In this way, the pension fund defines its strategic objectives and policy principles, including its attitude to risk. The pension fund periodically evaluates its mission, vision and strategy and reports on it in its annual report.	MPF has a mission, vision and strategy (MVS) that describes what MPF wants to mean and achieve for its stakeholders, taking into account the preferences and interests. The MVS is described in a separate document that is part of the ABTN. A summary of the MVS is included in section 2.2 of this annual report. The last evaluation of the MVS took place during the Strategy Day in November 2025.
4	The pension fund studies the preferences of the stakeholders involved in the pension fund and considers these preferences in determining its strategic objectives and policy principles and engages with the stakeholders in this regard. The pension fund reports on this annually in the annual report.	<p>In 2023, MPF carried out a risk preference study of his members in relation to the WTP. This risk preference study is used as a basis for the investment policy and risk attitude for the pension plan that will be applicable under WTP. This has been worked on during 2024 and is finalized in 2025 as part of the implementation plan.</p> <p>Further MPF carries out a regular communication satisfaction survey. The last communication satisfaction survey was done in 2023. Due to the delay of the transtion date to 1 January 2028, the planned member communication survey for September 2025 was delayed to 2026.</p>
34	The pension fund has adopted a written policy to increase or maintain diversity and inclusion in its fund bodies. This policy sets appropriate targets regarding the level of diversity in all social aspects relevant to the pension fund, including at least gender or gender identity, age and socio-cultural background. Based on this policy,	With regards to its governance bodies and their respective composition and appointment procedures, MPF has a policy in which it takes into account diversity with regard to age and gender after suitability and diversity in location and pension plan. This policy is described in the Regulations of the Pension Board of MPF. Although there is no plan setting out concrete steps for the promotion of diversity it is taken into account when adding candidates to the Talent Pool.

Principle number	Subject	Explanation
35	<p>the pension fund has a planned approach aimed at achieving these goals. The board periodically reassesses this policy and annually reports on the results of this policy in the annual report.</p> <p>With regard to age diversity, the minimum is that at least one person who is younger than 40 sits on the board and the accountability body or the stakeholder body. Regarding gender diversity, the minimum is that there is variation in gender or gender identity in the said bodies.</p>	<p>One of the members of the Pension Board and one of the members in the Accountability Council is female. None of the members of the Pension Board and the Accountability Council are aged under 40.</p>

7.7 Compliance function

The Compliance Officer (CO), along with external compliance support, forms part of the Compliance Function. The Compliance Officer is responsible for ensuring compliance and for keeping the Code of Conduct (CoC) up-to-date, raising awareness of the CoC, and overseeing its adherence, with assistance from the Pension Office. This also includes advising the Pension Board in case of reports of potential conflicts of interest, gifts, conflicting functions, etc. The external compliance support is responsible for delivering the review of MPF's compliance with local laws and regulations, internal policies, and the assessment of the Ways of Working (WoW), as outlined in the Compliance Charter and the WoW of the Compliance Function. The Compliance Officer holds ultimate responsibility for the quarterly and annual compliance review, which has been reported to the Pension Board

Mr. P. van Bree, who was appointed as Compliance Officer in the Pension Board meeting in October 2019, has functioned the full year of 2025 as Compliance Officer of the fund. BVZA has supplied compliance support to compliance officer (2nd Line) full 2025. Independence, suitability and backup have been worked out in the compliance charter.

The main compliance responsibilities are:

- Independent monitoring of compliance with the Code of Conduct;
- Independent monitoring of compliance with the law;
- Independent oversight of the adequacy and effectiveness of internal rules and procedures.

The Code of Conduct holds general rules of conduct for associated persons of MPF as well as for providers. Associated persons sign the Code of Conduct at the start of the job and make an annual written statement. The annual declarations of compliance have been received and reviewed by the Compliance Officer from all persons and service providers. In this declaration the relevant party confirms that the CoC was adhered to and describes the ancillary positions of the signee. The CO has reported to the Board that every individual has acted according to the CoC and that ancillary positions are acceptable.

The main provisions in the Code of Conduct are:

- Standards: Every associated person is expected to behave in line with the highest standards of business ethics under all circumstances;
- Confidentiality: Associated persons may not disclose any information concerning the business – including individual pension details - and investments of MPF to third parties;
- Insider knowledge: An associated person may not use or disclose insider knowledge;
- Restriction on accepting business gifts, invitations, other functions, participation in other companies and institutions;
- Any changes in reliability factors affecting the (appeared) integrity must be reported to the CO immediately.

Focus topics identified for 2025 were WTP, ARP investment return, asset ownership, dynamic allocation key agreement ('**DAK**') and DORA. As part of its activities on DAK and Balance, compliance support conducted an independent, positive second-line review at the end of Q4 2025. The findings of this review were presented to the PB in early Q1 2026.

The compliance review confirms the DORA implementation-, assurance- and monitoring workstream has been an important subject for 2025-2026 compliance program and is at an adequate level. This includes robust oversight of outsourcing parties. Consistent oversight of compliance frameworks has been maintained, ensuring their robustness and alignment with both regulatory requirements and MPF internal policies.

7.8 Privacy Counsel

To ensure that continued implementation and supervision as to compliance with the GDPR is adequately arranged, MPF appointed a Privacy Counsel that will fulfil tasks in connection with the GDPR. The Privacy Counsel is not a formal data protection officer within the meaning of the GDPR. Bronsgeest Deur Advocaten has been the Privacy Counsel during 2025. The tasks of the Privacy Counsel are set out in MPF's Data Privacy Policy and the Privacy Counsel Charter. These tasks include keeping MPF's privacy documentation up-to-date, monitoring compliance with data protection laws and internal policies, raising privacy awareness in MPF's organization, performing data protection impact assessments, handling certain data subject requests as well as personal data breaches. The Privacy Counsel can be contacted through a dedicated e-mail address and in performing its tasks, the Privacy Counsel has regular contact with the director of MPF. The Privacy Counsel will report to the Pension Board on the general course of business regarding the GDPR.

The privacy documents of MPF reflect the 'dotted line' that exists between the Privacy Counsel and the data protection officer of Mars, Inc. Furthermore, the Privacy Counsel has updated the data processing register on MPF's behalf, most notably with Blue Sky Group in relation to the pension administration. Compliance with the GDPR is a continuous process that will remain on the agenda of MPF.

There has been one data breach incident that has been reported to the Dutch Data Protection Authority. This incident is related to a letter that was sent to a wrong address by BSG. MPF did not receive any feedback on the incident from the Data Protection Authority.

7.9 Complaints/Incidents

MPF has an incident scheme. An incident is an act or event that poses a serious threat to the ethical conduct of the pension fund's business. The Pension Board is not aware of (suspected) incidents of this seriousness that occurred in 2025. The Pension Board is also not aware of (suspected) incidents that have occurred with its outsourcing relations, advisers and / or the independent auditor and certifying actuary.

As from 1 July 2023 the WTP came into effect. A part of the WTP is that the definition of 'complaint' became broader. 'Every expression of displeasure' has to be registered as complaint. MPF updated the Complaints regulations to meet the new law. BSG has registered the complaints based on the new definition.

On 1 January 2024 the Disputes Agency Pension Funds ("Geschillen Instantie Pensioenfondsen" or "GIP") was installed. The GIP is an independent agency that can mediate or settle complaints for members, after appeal with the Pension Board.

In line with the guideline of the Pension Federation, MPF conducted an annual evaluation of the complaints regulations. The evaluations did not lead to any changes other than the recommendation from the annual compliance review to include reasonable timelines for escalated complaints, which was included in the updated complaints regulations in Q1 2025.

The table below shows a detailed overview of the number of complaints that was handled by MPF, number of escalated complaints and disputes.

Members, deferred members, retirees and beneficiaries		Number of complaints				Total	Escalated complaints	Disputes
		Q1	Q2	Q3	Q4	2025	2025	2025
Subject								
1	Service and customer orientation	1	1	2	0	4	0	0
2	Processing duration	3	0	0	1	4	0	0
3	Provision of information	3	1	1	5	10	1	0
4	Member portal	1	0	2	0	3	0	0
5	Choice guidance	0	0	0	0	0	0	0
6	Pension calculation and pension payment	3	0	1	4	8	0	0
7	Registration of employee data / Data Quality	0	0	0	0	0	0	0
8	Application of laws and regulations: general	2	0	1	0	3	1	0
9	Application of laws and regulations: transition and conversion	0	1	0	0	1	0	0
10	Financial situation	3	1	0	0	4	1	0
11	Sustainability	0	0	0	0	0	0	0

Members, deferred members, retirees and beneficiaries	Number of complaints				Total	Escalated complaints	Disputes
12 Other	0	0	0	0	0	0	0
Total	16	4	7	10	37	3	0

In 2025 MPF received 37 complaints of which 3 complaints were escalated to the Pension Board. The average processing time of the complaints was 17 days.

During 2025 BSG made several in-depth analyses to further improve their service and handling of complaints. As a result of these analyses the following measures have been taken:

- the structural deployment of clear, up-to-date, and timely communication via multiple channels
- faster follow-up of incoming complaints to reduce dissatisfaction and prevent escalation
- strengthened cooperation between involved teams for more efficient and faster handling
- daily briefings and clear internal communication to support unambiguous answers towards members

7.10 Diversity

Diversity within the governance bodies of MPF is pursued and is an element for the composition of the governance bodies. In addition to the required expertise and competences and professional behaviour, MPF takes the diversity within the governance bodies into account. The suitability of the members of the governance body of MPF comes first. For the composition of the Pension Board and the Accountability Council, the following objectives are pursued:

- A composition that is consistent with the structure of the member base;
- A composition that matches a balanced gender ratio between men and women. For further details see also paragraph 7.6

7.11 Outsourcing

MPF has outsourced several important activities, including its financial administration, member administration, and investment management, to service providers.

With this outsourcing the Pension Board pursues goals such as cost reduction, cost control, focus on core activities and increasing the quality of services.

As a consequence of the outsourcing MPF is exposed to certain outsourcing risks. Although processes are outsourced, MPF is still accountable for these processes. To address and mitigate these risks, MPF has put several controls in place:

- The Outsourcing Policy was updated in 2024 in the light of DORA. The outsourcing plan includes a description of the processes that have been outsourced, the objective of the outsourcing policy, the organization of countervailing power; requirements which the outsourcing parties have to meet, an exit strategy for critical ICT services and the selection procedure for outsourcing parties, control measures, and the way in which the outsourcing process is evaluated.
- The contracts and the service level agreements with MPF's service providers have to comply with certain statutory standards, providing MPF with the necessary tools to manage, monitor and evaluate the outsourced activities. To demonstrate that the Pension Board is 'in control', service providers are requested to provide for regular reports, assurance declarations by means of an ISAE 3402 Type II or similar statement on the quality of outsourcing partner and an In-Control Statement. The Pension Committee and Mars Investments Team evaluate these reports and the conclusions are presented and discussed in the Board meeting.
- To safeguard compliance, it is important that sufficient monitoring and evaluation takes place on a regular basis, bringing to life the information and audit rights included in the agreements with to service providers.
- Fixed agenda items for the Pension Board and Pension Committee meetings are the (evaluation) reports on outsourcing.

7.12 Pension Administration

In 2025 Blue Sky Group (BSG) was responsible for the full administration, including the member administration, the investment administration, the financial administration and retiree payroll of the Final Pay plan, the Associate Retirement Plan (ARP) and the Associate Selection Plan (ASP).

The quality of the services of BSG has been laid down in the Service Level Agreement (SLA) and are part of the Outsourcing agreement made with BSG.

The SLA reports for 2025 showed that the service within BSG is on the level that MPF desires. There are still some deliverables that were not achieved, but this is mainly due to the standard of 100% that MPF has set for several deliverables. The delay on only one file can trigger a deliverable as not met. MPF is aware of the high standards in the SLA and accepts that this can result in some deliverables not being met during a quarter.

The Pension Office has frequent contact with BSG to discuss daily business.

7.13 IRM

Over the past years MPF continuously stepped up in professionalizing Integrated Risk Management (IRM) and has dedicated a substantial amount of time and effort.

MPF established and staffed all Key Function Holder positions as follows (status 31 December 2025):

- Key Function Holder Risk Management is Mr. P. van Bree, who is also Performer as European Risk & Compliance Manager
- Key Function Holder Internal Audit is Mr. R. de Waard, insourced from BDO. BDO is appointed as Mars Internal Audit Performer.
- Key Function Holder Actuarial is Mr. R. van de Meerakker (WTW).

For all functions there have been adequate Charters developed and approved by the Board. Our set up has been approved by DNB.

In 2025, the Cardano Risk Management Support Agreement has been signed, initiating risk support which enhanced the quality, depth and independence of risk opinions on WTP workstreams.

The 3 Lines model at MPF is working well. There are structurally planned and recurring meetings between MPF and its providers (1st and 2nd Line), as well as between Key Function Holders. There is intensive and open interaction between MPF's first and second line, allowing deep understanding of risk exposure, risk changes, changes on mitigating actions and ongoing monitoring. The Key Function Holder Risk Management wraps this up in the dashboard which is presented to the Board on a quarterly basis.

For projects there is also a strong interaction between and involvement of the different lines. An example is the alignment towards a joint Key Function Holder opinion process. The Key Function Holders have outlined a set of partial WTP decision items, defined each KFH role in overseeing processes, aligning responsibilities, and reviewing proposals, and defined the involvement of the different KFHs in opinionating these, ensuring a phased approval of WTP rather than a few high-impact decisions/opinions.

Each opinion describes what industry- and regulatory standards are included in the opinion review which should streamline approvals, enhance risk control and regulatory adherence, and should support a smoother future DNB approval process. Several opinions have already been provided following prior agreements.

Finally, the three Key Function Holders undertake an annual evaluation which is reviewed by the Pension Board; all three evaluations were approved by the Pension Board.

8 ACTUARIAL SECTION

The actuarial analysis of the 2025 result is shown in the next table:

	2025	2024
Contributions and costs		
Employer contributions	10,229	8,758
Member contributions*	7,537	6,644
Accrual of benefits (including surcharge for future costs)	-27,183	-31,454
Contribution surcharge for costs	-4,310	-4,762
Available for costs out of provision	1,159	1,125
Execution and administration costs	-5,816	-4,520
	-18,384	-24,209
Return and yield curve change		
Return on investments	-97,338	109,735
Interest addition provision	-42,786	-49,895
Yield curve change	119,786	-12,920
UFR change	-	-
	-20,338	46,920
Other results		
Result on benefit transfers	73	176
Result on other actuarial assumptions	149	1,297
Other income	-535	508
Indexation	-19,184	-21,136
Change mortality assumptions	3,408	1,598
Change actuarial assumptions	-339	1,316
Corrections	-	-
Other costs	-	-
	-16,428	-16,241
Result	-55,150	6,470

* The member contribution is excluding ARP and excluding the company match.

The cost covering contribution, smoothed cost covering contribution and the actual contribution (employers and members) are as follows:

	EUR
Cost covering contribution	37,577
Smoothed cost covering contribution	30,524
Actual contribution	17,831

Cost covering contribution (CCC)

- The actuarial required contribution for pension accrual (coming service and past service), unconditional indexation and the risk cover for death-in-service and disability-in-service;
- The solvency surcharge on the contribution for the unconditional components of the pension commitment in relation to the risk profile. This is a surcharge for maintaining the Ongoing Solvency Margin Ratio buffers;
- A surcharge for costs for executing the pension plan equal to 2.3% of pensionable salaries.

In 2025 the CCC equals EUR 37,577.

Smoothed Cost Covering Contribution (SCCC)

The Financial Assessment Framework provides the possibility to mitigate contributions. This is done by using an interest rate that is based on a moving average over the past (with a maximum of 10 years) or by using an expected return. MPF has opted mitigation based on an expected return using the strategic investment mix of the pension fund. The SCCC is calculated by using

a term structure of expected returns for the actuarial interest rate based on the interim mix of MPF in combination with the legal maximum parameters as prescribed in the Resolution Financial Assessment Framework ("Besluit FTK"). Changes in the legal maximum parameters of the underlying asset mix may be motivation to update the term structure of interest rates. The term structure of interest rates was updated in 2024 and is fixed for a period of five years.

The term structure of interest rates used to determine the SCCC in 2025 corresponds to a single expected return of approximately 5.08%.

In 2025 the SCCC equals EUR 30,524.

Actual contribution

The actual contributions are agreed upon by the fund and the employer in the Administrative & Financial Agreement (AFA). The structural employer contribution is equal to the maximum of 20% of (capped) pensionable salaries of all active members in the ARP/ASP and Final Pay plans and the ex-ante determined SCCC. The actual contribution is equal to:

1. Policy Funding Ratio lower than MTR: structural contribution plus $1/x$ -th * (MTR-PFR) * AAL, with x equal to 5 in the first four years of shortage against MTR.
2. Policy Funding Ratio between MTR and OSMR: structural contribution plus $1/y$ -th * (OSMR - PFR) * AAL / Sum of (capped) pensionable salaries, with y equal to the remaining number of years of the recovery period. The contribution will be maximized at 25% unless this is insufficient for timely recovery.
3. Policy Funding Ratio between OSMR and (OSMR + 5% points): structural contribution.
4. Policy Funding Ratio above Contribution Cut Limit: structural contribution can be reduced to a minimum of the amount of contributions for the ARP/ASP plan.

MPF receives a total contribution that consists of employer and member contributions. The member contribution is equal to the compulsory and voluntary ASP contributions. The member contributions in 2025 add up to 4.3% of the total pensionable salary for all pension plan members. The employer contribution in 2025 according to the contribution policy is equal to 10.3%.

In 2025 the actual total contribution to MPF equals EUR 17,831.

Based on the contribution policy, the Pension Board has decided to reduce the employer's premium for 2025. As a result, the actual contribution is EUR 12.7 million lower than the smoothed cost covering contribution.

Minimum Technical Reserve

The Minimum Technical Reserve (MTR) is defined in the Financial Assessment Framework ("Besluit FTK") and depends on the risks that the pension fund runs. Risks can be financial risks, such as investment risks, and demographic risks, such as mortality and invalidity. The more the pension fund has reinsured such risks, the lower the MTR.

The MTR is derived from the required margin per risk and amounts to 103.5% of the total AAL (including risks of MPF and risks of the members). The Funding Ratio at the end of 2025 equals 136.5%. Based on these figures the pension fund is not in a situation of a funding deficit.

Ongoing Solvency Margin Ratio

The Ongoing Solvency Margin Ratio (OSMR) is defined in the 'Decree in relation to the Financial Assessment Framework MPF'. The regulatory own funds are the market value of assets that a pension fund needs to maintain in a state of equilibrium. In a state of equilibrium the own funds are at such a level that MPF's assets will exceed its obligations with a 97.5% probability in one year's horizon. The amount of the own funds and hence of the regulatory own funds in the state of equilibrium depends on MPF's risk profile. The OSMR is determined by using the standard model, as defined by the supervisor DNB. The standard model defines several types of risk (i.e. market risk, interest risk) and calculates the (negative) effect of this risk on the regulatory own funds. The calculations of the standard model depend on market conditions and therefore fluctuate over time.

The regulatory own funds are derived from the required margin per risk and amount to EUR 215,500. The Ongoing Solvency Margin Ratio amounts to 119.2% of the AAL (including a margin for the ARP/ASP plan). The Ongoing Solvency Margin Ratio has slightly decreased compared to last year. The Policy Funding Ratio equals 136.5%. Based on these figures MPF has a sufficient solvency ratio.

9 LOOKING FORWARD

9.1 A Clear Path Forward: Outlook for 2026-2027

Our immediate future in 2026 is sharply focused on the pivotal phase of regulatory review. Following the submission of our comprehensive conversion file on April 30th, we anticipate a period of rigorous assessment by the Dutch Central Bank (DNB) and the AFM. This stage involves more than just waiting for a decision; it is an active dialogue where we will provide clarifications, answer detailed questions, and demonstrate the diligence behind our proposal. The positive advice and formal approvals already granted by our own Accountability and Supervisory Councils give us a strong foundation for these discussions. Our primary objective for the year is to secure the final, unconditional approval from DNB, which will be the critical trigger for the final, practical phase of our transition.

Once regulatory approval is obtained, 2027 will be a year of intense operational activity, dedicated entirely to ensuring a flawless implementation of the new pension plan. This "all hands-on deck" effort will be a carefully orchestrated collaboration between the Pension Board, our project teams, and our administrator, Blue Sky Group (BSG). The core tasks will involve the technical migration of member assets and data—a process for which the confirmed "excellent" quality of our data is a crucial asset. Concurrently, we will activate the new investment policy that was designed and approved in 2025, aligning our portfolio with the future strategy. This entire year is dedicated to the "controlled and careful conversion process" we negotiated, ensuring every component is in place for a seamless switch on 1 January 2028.

Throughout this entire period, our commitment to our members is paramount. The Transition Communication Plan, which we finalized in 2026, will be fully activated. Plan members can expect clear, timely, and personalized information regarding how the transition affects their specific pension situation. We will utilize a range of channels to ensure our messages reach members effectively and to provide platforms for their questions. Our goal is to clarify this complex process and provide members with a clear understanding of, and confidence in, their future pension. We are not just managing a transition; we are guiding our members toward a secure and transparent new reality.

Veghel, 26 June 2026

The Pension Board

Mr. F. Nieuwland (Chairman)

Mr. W. van de Laar (Secretary)

Mr. P. van Bree

Mrs. R. Steenberg

Mr. P. van Beek

Mr. H.F.M. van Deijck

10 REPORT BY THE SUPERVISORY COUNCIL

10.1 Report

Introduction

The Supervisory Council (SC) of Mars Pension Fund (MPF) in the Netherlands, comprising P.R.F. de Koning (Chairperson), E. Wiertz MSc FRM, and F.R. Valkenburg AAG RBA, oversees the fund's strategies, management, policies, and risk management. In 2025, the SC held quarterly meetings with the Executive Board, participated in board and committee meetings, and conducted consultations with the Accountability Council (AC), the auditor, and the certifying actuary. Informal discussions between SC and AC chairpersons ensured alignment on critical topics. Regarding the WTP, all members of the council regularly attended the monthly update meetings. This summary highlights the SC's findings and recommendations on key supervisory themes.

1. WTP Transition

Monitoring Framework

In 2025 the SC focused its WTP oversight on three elements: a balanced weighing of the interests of different participant groups, the quality of calculations and explanations of transition effects, and the readiness of MPF and its administrator to implement the new pension contract. The SC also paid attention to the completeness of documentation, including the preparation of the DNB policy document, and to the recording of key decisions and trade-offs in a structured decision register.

Observations

The SC observed that the Pension Board followed an iterative process in calculating and explaining the transition effects and discussing the outcomes, both in Board meetings and in the monthly WTP update meetings attended by the AC and the SC. A central focus in this process was safeguarding a balanced weighing of interests between different participant groups, supported by the Board's own balancing framework. When the pension administrator postponed the implementation date as a result of dependencies with other clients, MPF entered into a constructive dialogue and agreed to move the transition date to 1 January 2028, while largely maintaining its own internal planning to keep up the pace in preparing the required documentation for DNB.

Recommendations

The SC recommends that MPF continues to use and further refine its balancing framework and explicitly records, for important WTP decisions, the considerations behind the choices made for different groups of participants. The SC also recommends close monitoring of the planning and main risks towards the easing-in date of 1 January 2028, with clear interim milestones and regular updates on the administrator's progress.

2. Going concern activities

Monitoring Framework

Next to the WTP transition, the SC monitored whether MPF remained in control of its day-to-day activities. In 2025, the SC focused in particular on compliance with the new European rules for digital resilience (DORA), the suitability and development of Board members and the continuity and quality of investment services, including in light of changes at the external asset manager.

Observations

The SC observed that the Pension Board prepared for timely and demonstrable compliance with DORA, supported by an internal IT awareness training and a dedicated working group operating under an IT action plan for 2025. The Board periodically discussed the composition, expertise and development of its members and updated the suitability policy. During the year, the external asset manager was acquired by a third party; the Investment Committee devoted particular attention to ensuring that service levels remained in line with agreed standards and that the quality and continuity of investment services were safeguarded. Overall, the SC concluded that, despite the substantial effort required by the WTP transition, the Board remained in control of regular operations.

Recommendations

The SC recommends that, in the further development of the suitability policy, increased attention should be given to diversity and inclusion, so that the governance of MPF remains representative and future-proof. The SC also encourages the Board to continue strengthening digital resilience, by following up DORA-related actions and monitoring key IT and cyber risks on a regular basis.

3. ESG

Monitoring Framework

ESG and responsible investment remained important themes for MPF in 2025. The SC looked at how ESG considerations are embedded in the governance framework, the investment process and risk management, and how ESG ambitions are reflected in reporting and communication to participants, taking into account evolving regulatory expectations and market developments.

Observations

The SC observed that MPF has embedded ESG considerations in its governance framework, investment process and reporting and oversight processes, supported by an ESG Policy and dedicated ESG reporting and dashboards. At the same time, 2025 was marked by global uncertainty, geopolitical tensions and shifts in market priorities, which put pressure on ESG ambitions at some external managers. Against this backdrop, the SC noted that the Pension Board and the Investment Committee continued to view ESG as an integral component of the investment activities and worked to further develop ESG monitoring for both public and, gradually, private asset classes.

Recommendations

The SC underscores that a consistent ESG approach is important, especially when external attention to ESG fluctuates. The SC recommends that the Board continues to articulate its ESG ambitions clearly, makes transparent to participants how these ambitions are implemented in investment practice and explores additional ways to keep ESG firmly on the agenda of external managers, in line with the long-term interests of participants.

Looking Ahead to 2026

In 2026 will the SC continue to focus on the transition to the new pension contract. Key attention points are the completion and quality of the DNB policy document, the operational readiness of MPF and its administrator and clear communication with participants about what the transition means for them. The SC will also monitor progress against the main milestones towards the easing-in date and the way in which risks and possible delays are identified and managed in time.

In addition, the SC will pay specific attention to how the governance of the fund is organised after easing in, including the distribution of roles and responsibilities between the various bodies and the expertise required in the new context. Finally, strengthening cyber resilience will remain an important theme, with a focus on IT concentration risk, the responsible use of AI and effective incident management, so that the fund can continue to operate securely and reliably in a rapidly changing digital environment.

10.2 Response Pension Board on report of the Supervisory Council

The PB very much appreciates the monitoring efforts of the SC in 2025, and the thoughtful observations the SC has documented in its annual report. The SC also has provided three clear recommendations to which the PB would like to give the following reactions.

1.WTP Transition

The PB has developed a balancing framework to assess the balance of all transition effects associated with the intended plan conversion as social partners have laid out in the transition plan. This framework has been instrumental in convincing the PB that the intended conversion is indeed balanced and is the cornerstone of the PB's decision-making process until the completion of whole Wtp transition. With the submission of the conversion file to DNB and the Transition Communication Plan to AFM, we have entered the next phase of our transition journey, where we need to focus on a controlled and balanced implementation

of the new pension plan. The SC is right in recommending that this more operationally focused phase needs a clear plan with timelines and deadlines, escalation options, thorough risk assessments and pre-defined go/no-go moments and criteria, to monitor the operational progress of our administrator and the feasibility of a controlled and balanced transition. Much of this is already in place, and the focus now is on the actual follow-through.

2. Going concern activities

The SC also notes that the PB should give increased attention to diversity and inclusion in the composition of the PB itself, its committees, and the other governance bodies. The PB agrees with this recommendation but also notes that it is difficult to achieve the desired diversity and inclusion despite the PB's strong efforts to achieve it. The PB has been more successful in upskilling PB members and others in important governance areas such as digital resilience, IT and cyber risks and DORA compliance, and will continue to invest in its capabilities and resources as Information Technology innovations and their related risks become even more important. Case in point are the developments in Artificial Intelligence that can both be an opportunity for and a threat to the operations of the Pension Fund. The developments in a rapidly changing digital environment will require us to also think about the required skillsets of future PB- and governance body members and support functions.

3. ESG

The final recommendation from the SC relates to the PB's articulation of its ESG ambitions and how these ambitions are implemented in real life investments. Globally, the interest in ESG has waned somewhat over the last few years as global investment managers have reduced the scale of their ESG efforts, yielding to considerable pressure from the US federal and state administrations. Our focus on ESG has received less emphasis, but for an entirely different reason. We have been completely focused on completion of the implementation plan, the conversion file, the Transition Communication Plan and all other required documentation that we needed to submit to DNB and AFM. Going forward we will, and will need to, devote more attention to the details of our Investment Policy, including our ESG Policy. While it is still somewhat in the future, we will have larger focus on the ESG ambitions of our plan members in the next Risk Preference Survey that we will conduct in 2028. In the meantime, we will consider sharing ESG related messages with our Plan members. Finally, our current annual ESG questionnaire that we send to the external managers we work with, ensures that "our" managers at least keep the desired ESG focus.

11 REPORT BY THE ACCOUNTABILITY COUNCIL

11.1 Report

The Accountability Council (AC) has been put in place to be compliant with the rules for good pension fund governance. The roles and responsibilities of the Council have been written in the bylaws of the pension fund and the regulations of the AC.

The AC represents the following stakeholders of the pension fund: active members, deferred members, pension beneficiaries and sponsor.

The Pension Board (PB) must account for the policy setting and the policy execution and must be compliant with the Code Pension Funds 2024. The PB has regular interactions with the AC with respect to the policies and the results achieved.

The accountability to the AC is mainly driven by the question whether the PB has made their policies and decisions in a balanced way, in the best interest of all stakeholders. Based on numerous activities throughout the year, the report of the Supervisory Council (SC) and the annual accounts, the AC assesses the work done by the PB, as well as the policy decisions taken by them. The AC is entitled to consult the PB as well as the SC.

The AC has the right to advise on the following subjects:

- The remuneration policy;
- The form and structure of the internal supervision (SC);
- The profile for members of the SC;
- The adoption and modification of an internal complaints- and disputes procedure;
- The adoption and modification of the communication- and information policy;
- Full or partial transfer of the obligations of MPF or the acquisitions of obligations by MPF;
- Liquidation, merger or division of MPF;
- Concluding, changing or terminating the Administrative & Financial Agreement;
- Converting MPF into another legal form, as referred to in Article 18 of book 2 of the Dutch Civil Code;
- The composition of the actual premium and the amount of the premium components.

The AC has the option to consult an external actuary and pension lawyer to get advice where necessary, to allow the AC to execute their job in the best possible manner.

The AC has considered the comments it made during past years as well as the corresponding responses from the PB in its report. In addition, it has also considered the proposed policies of the PB for the coming year.

Activities/sources for AC's judgment during 2025 until the completion of this report

The AC has had four meetings in 2025. In these quarterly meetings the board pack of the upcoming PB meeting has been reviewed in detail, including the minutes of the previous PB meeting. Other agenda items are the status of the MPF annual plan, and progress tracking of the AC priorities. Resulting questions have been raised with the Executive Board (EB). In September we have dedicated our meeting to the WTP (Wet Toekomst Pensioenen) developments with a focus on balancing the interests of all stakeholders.

The topical walk-in sessions, organised by the PB, are an excellent platform for internal training and an opportunity for discussions. Monthly WTP Consultation meetings: this is a continuation and expansion of the 2024 WTP chairmen meetings initiative to provide the AC and SC with regular updates on WTP developments and to allow both governance bodies to act as a sounding board for the PB and the Mars-MPF WTP steering group.

In September 2025 the AC had a productive working session with the EB which focused on the WTP transition, 2025 milestones, the role of the AC and balancing the interests of all stakeholders through the Dynamic Allocation Key.

In the EB-AC-SC consultation meeting in December 2025 a presentation was shared by the AC about their externally facilitated self-evaluation over 2025 and their priorities for 2026.

In April 2026 the AC had a working session with the EB to gather input for preparing this annual report. Topics included a review of last year and the 2026 priorities for MPF, with a focus on the WTP, including 2026 milestones, and how the AC can pro-actively support these.

Also in April 2026, the chairman and secretary of the AC and the chairman of the SC had a meeting in preparation for the AC and SC annual reports.

External webinars & seminars: the AC has had ample opportunity to attend relevant external webinars & seminars regarding Dutch pensions and the WTP, organised by the Dutch Pension Federation and the “Werken aan ons Pensioen” platform. These webinars & seminars provide opportunities to learn and develop, to gain deeper understanding of the WTP and to assess the position of MPF in the Dutch national context.

Composition of the AC: with six members the AC is at full strength. During 2025 Sandra Kleijbeuker successfully completed her suitability-A training.

Pension Board requests for AC advice during 2025

The AC has provided the following advice to the PB:

Advice request topic	Date PB advice request	Date AC advice	AC advice
Remuneration policy	26/02/2025	14/03/2025	positive
Complaints regulation	18/03/2025	25/03/2025	positive
Correction policy	18/03/2025	25/03/2025	positive
Contribution proposal 2025	21/03/2025	25/03/2025	positive
Transition communication plan	04/04/2025	14/04/2025	positive
Profile SC member	04/06/2025	20/06/2025	positive
Prolongation term of Falco Valkenburg	04/06/2025	20/06/2025	positive
PB member job profile / re-appointment W vd Laar	10/11/2025	11/11/2025	positive
Contribution proposal 2026	25/11/2025	26/11/2025	positive
Job description/profile PB member (actives)	15/12/2025	11/01/2026	positive
WTP - intended conversion decision*	16/01/2026	19/02/2026	positive

* given the importance of the WTP topic, we have included this 2026 advice in this overview, with the following summary:

Balancing of interests for all stakeholders is the main goal for the AC and the key question to be answered for this critical advice request. In order to objectively assess the advice request on the intended conversion, the AC has established balancing criteria early on (in June 2023).

As building blocks for our assessment, we have carefully studied all material provided, with specific attention to the "Substantiation Balanced Transition" document (dated 15-01-2026). To visualize all our conclusions (in the interest of objectivity and transparency, and before receiving the official advice request plus all relevant documents for the WTP conversion), the AC has established its own AC evaluation framework (January 2026):

The following 3 topics require advice:

- Conversion decision
- WTP policy choices of the PB
- Division of assets

The main goal for the AC is to judge the balancing of interests for all stakeholders of MPF (actives, inactives and the employer). In order to come to a good judgement, the AC considers 3 key criteria for each topic:

- Substantiation
- Plausibility ('geloofwaardigheid')
- Explainability

The outcome of these 3 criteria will show how balanced the intended conversion decision is and will be a guideline for the AC to come to their final advice to the board.

We have populated our evaluation framework with all available information, and in summary the AC has concluded that all 3 balancing criteria across our 3 advice rights have been met, resulting in the following picture:

Balancing of interests	Conversion decision	PB WTP Policy Choices	Division of Assets
Substantiation	✓	✓	✓
Plausibility	✓	✓	✓
Explainability	✓	✓	✓

Taking everything into consideration, the AC has unanimously decided to provide a positive advice for the intended conversion decision of MPF.

The AC has been consulted timely on all relevant topics by the PB.

With regard to the observations of the AC on the 2025 annual report

In summary, the AC is pleased to see that the PB of MPF is pro-active and highly engaged in managing the fund. It seeks appropriate professional advice and works well with our strong and committed sponsor to best serve the interests of the beneficiaries of MPF. The PB has maintained an excellent working relation with all stakeholders.

The PB operates within a robust Mission-Vision-Strategy framework, within a clear and aligned annual plan and is responsive to the findings of both the AC and SC and the three Key Function Holders.

The AC has the following observations regarding this year's annual report, including the follow-up on its recommendations for 2025 in last year's report:

- Funding and indexation: the AC recognises that balancing the interest of all stakeholders remains a key priority in the decision making of the PB and as part of the integral financial policy.
- WTP:
 - o The AC is pleased with the pro-active approach of the PB in cooperating with the sponsor through the joint project team. Significant progress has been made on all aspects of this complex project. A key deliverable has been the 'substantiation balanced transition' document which has proven to be one of the fundamental inputs for our AC advice. The AC recognises the thoroughness of this work, including appropriate consultation with all our actuarial, legal and financial advisors.
 - o The PB has established the most appropriate interim investment policy, carefully balancing return and risk, for the remaining period until transition on 1 January 2028. In parallel, the PB is investigating how best to transition the current interim investment policy to the WTP investment policy for the various assets and hedging strategies.
- We recognise the considerable efforts of the PB to ensure that the AC is consulted timely on all relevant matters.
- Last but not least: we observe that the PB ensures a close working relation with the sponsor, and is able to maintain its independent, objective position. We are very pleased with this.

AC recommendations for 2026

The AC would appreciate if the PB could include the following three areas in their 2026 priorities:

- Follow-up with DNB regarding the MPF WTP Implementation Plan and conversion request.
- Follow-up with AFM regarding the transition communication plan,
- Continued pro-active cooperation with BSG in preparation for a successful transition on 1st January 2028
- Integral financial policy: the AC ask that the current indexation-, contribution- and investment policy will be continued and consolidated in 2026 and beyond, until a successful transition has been realised

Also in the interest of continuity we ask the PB to maintain consistent staffing in the PB, AC and SC.

11.2 Response Pension Board on report by the Accountability Council

The PB thanks the AC for its annual report and the positive tone in the observations the AC has had in 2025 related to the ways of working of the PB and the interactions with the governance bodies. Naturally, the PB is also pleased about all the positive advice the PB has received from the AC, most notably the positive advice on the intended conversion decision.

The AC has also given several recommendations to which the PB would like to react. The first recommendation is for the PB to follow-up with DNB and AFM, on the implementation plan and the transition communication plan respectively. The PB is happy to confirm that it will do its utmost to respond adequately and timely to the feedback that DNB and AFM will have and will involve the governance bodies where necessary in this process.

The AC further recommends that the PB continues its pro-active cooperation with BSG to ensure a successful conversion on January 1, 2028. Referring to the PB's reaction to a similar recommendation from the SC, the PB confirms that it will very closely work with BSG to safeguard a balanced and controlled conversion, and that the fund will maintain appropriate staffing in all governance bodies.

Finally, the PB can also confirm that it has no intention of changing the integral financial policy that is in place currently and that will be maintained until the conversion date.

ANNUAL ACCOUNTS

12 FINANCIAL STATEMENTS

12.1 Balance Sheet as at 31 December 2025

(after appropriation of result, in EUR 1,000)

ASSETS	Note	31-12-2025	31-12-2024
Investments for risk MPF	1		
Investment property		100,067	124,194
Shares		314,004	433,162
Fixed-income securities		641,907	731,930
Derivatives		8,648	24,281
Other investments		362,955	271,421
		1,427,581	1,584,988
Investments for risk members	2		
Shares		115,822	93,735
Fixed-income securities		4,441	2,806
		120,263	96,541
Receivables and prepayments			
Other receivables	3	24,224	33,695
Other assets			
Cash and cash equivalents	4	62,090	46,492
Total assets		1,634,158	1,761,717

LIABILITIES	Note	31-12-2025	31-12-2024
Foundation capital and reserves			
Foundation capital	5	-	-
Other reserves	6	410,031	465,181
Actuarial Accrued Liabilities for risk MPF			
Provision for pension liabilities for risk MPF	7	876,193	985,115
Provision for operating costs for risk MPF	8	21,910	24,659
Provision for future disability for risk MPF	9	1,502	1,222
		899,605	1,010,996
Actuarial Accrued Liabilities for risk members			
Provision for pension liabilities for risk members	10	224,624	185,631
Current liabilities	11		
Derivatives		43,287	37,628
Other Current liabilities		56,611	62,281
		99,898	99,909
Total liabilities		1,634,158	1,761,717

12.2 Statement of income and expenditure for the year ended 31 December 2025

(in EUR 1,000)

	Note	2025	2024
INCOME			
Contributions for risk MPF	12	22	-222
Contributions for risk members	13	17,809	15,682
Investment results for risk MPF	14	-117,087	92,749
Investment results for risk members	15	19,749	16,986
		-97,338	109,735
Other income		-	513
Total income		-79,507	125,708
EXPENDITURE			
Benefits payment	16	-43,643	-41,679
Execution- and administration costs	17	-5,816	-4,520
Movement in provision for pension liabilities for risk MPF:			
· Accrual of benefits		-8,927	-15,239
· Indexation		-22,921	-25,237
· Addition of interest		-22,476	-32,106
· Withdrawal for payments of pension benefits		43,940	41,602
· Yield curve change		116,864	-12,605
· Change of mortality assumptions		3,325	1,598
· Withdrawal for other actuarial and technical assumptions (retirement)		-948	1,224
· Changes as a result of transfer of rights		9	490
· Other changes pension provision		56	1,066
Total movement in provision pension liabilities for risk MPF	7	108,922	-39,207
Movement in provision for operating costs for risk MPF	8	2,749	-988
Movement in provision for future disability for risk MPF	9	-280	263
Movement in provision for pension liabilities for risk members	10	-38,993	-33,916
Reinsurance	18	-65	-58
Transfer of pension rights for risk MPF	19	-9	-316
Transfer of pension rights for risk members	20	2,027	1,188
Other expenses	21	-535	-5
Total expenses		24,357	-119,238
Balance of income and expenditure		-55,150	6,470
APPROPRIATION OF THE BALANCE OF INCOME AND EXPENDITURE			
Other reserve	6	-55,150	6,470

12.3 Statement of cash flow for the year ended 31 December 2025

	2025	2024
Cash flow from pension activities		
Contributions received	17,503	15,909
Net cash flow from transfers of rights	1,860	506
Benefits paid	-43,325	-41,576
Paid execution- and administration costs	-5,855	-4,490
Paid contribution reinsurance	-65	-58
Other pension related movements	-	513
Total cash flow from pension activities	-29,882	-29,196
Cash flow from investment activities		
Sale and redemption of investments	5,716,027	11,595,388
Received direct investment returns	24,104	11,664
Purchase investments	-5,690,933	-11,541,246
Paid costs asset management	-3,787	-4,186
Other investment related movements	69	-817
Total cash flow from investment activities	45,480	60,803
Change in cash and cash equivalents	15,598	31,607
Balance per 1 January	46,492	14,885
Balance per 31 December	62,090	46,492
Change in cash and cash equivalents	15,598	31,607

12.4 General

Activities

Stichting Mars Pensioenfonds (henceforth: MPF) was established in 1964 and has its statutory seat in Meerijstad, The Netherlands (Taylorweg 5, 5466 AE, Veghel).

MPF provides old age pensions to current and former associates of Dutch Mars companies as well as surviving dependents' pensions to their partners and children in the event of death before or after retirement. MPF administers the pension agreement as agreed upon with the Dutch Mars companies, and according to the plan rules.

12.5 Accounting policies

12.5.1 General

The financial statements are prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving'), and in particular in accordance with 'Directive 610 Pension Funds'.

Income and expenditure have been recorded in the financial year to which they are related.

The statement of cash flows is prepared using the direct method.

Continuity Assumption

The financial statements have been prepared based on the going concern assumption.

Related parties

Transactions with related parties are disclosed in the notes insofar as they are not occur under standard commercial terms, which are defined as conditions that would typically be agreed upon between independent parties in an open market.

Changes in accountig policy

The ARP investments are no longer separated from the investments for risk of MPF in line with the changed RJ610 guidelines. The investments cannot be allocated separately to the liabilities for risk of MPF and the liabilities for risk of the members and are therefore presented jointly. Comparative figures are adjusted accordingly. The ARP investment value amounts to € 89.090 thousand as at the end of 2024.

The provision for operational costs is reported separately in line with changed RJ610 guideline. Comparative figures are adjusted accordingly. The provision for operating costs amounts to € 24,659 thousand as at the end of 2024.

The investment related receivables (€ 31,797 thousand as at the end of 2024) and liabilities (€ 99,909 thousand as at the end of 2024) are no longer reported under the related investment category but reported separately on the balance sheet under receivables and prepayments and current liabilities. Cash on investment accounts (€ 41,920 thousand as at the end of 2024) is recognized as part of cash and cash equivalents. Comparative figures are adjusted accordingly.

The adjustments do not affect equity or the financial result.

Estimation changes

The preparation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code requires that the Pension Board makes judgements and estimates and assumptions that affect the application of principles and the assigned value of assets and liabilities, and of income and expenses.

The estimates and underlying assumptions are continuously assessed.

If it is necessary for the, according to Article 2: 362 paragraph 1 of the Dutch Civil Code required insight, the nature of these assessments and estimates, including the associated assumptions, is included in the notes to the relevant items in the financial accounts. Revisions to estimates are recognized in the period in which the estimate is revised, and in future periods for which it has consequences. New mortality experience rates have been adopted for use in determining mortality rates for MPF.

Rounding off

Due to rounding there might be minor differences in the summation of figures.

12.5.2 Accounting policies for assets and liabilities

Recording of assets and liabilities

An asset is recognized on the balance sheet when it is probable that future economic benefits flow to MPF and its value can be determined accurately.

A liability is recognized on the balance sheet when it is probable that the settlement thereof will be accompanied by an outflow of resources and the extent of the amount can be reliably determined.

Foreign currency

Functional currency

The financial statements are presented in euros, which is the functional and presentation currency of MPF.

Transactions, receivables and liabilities

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

Other receivables, debts and obligations, as far as stated in foreign currency, are being converted at the exchange rate per balance sheet date, except for as far as the exchange risk has been covered. In those cases valuation is based upon the agreed forward price. The exchange results, as a result of the conversion, is part of the investments results in the statement of income and expenditure.

Investments for risk pension fund

The investments are valued at current value. Only if the current value of an investment cannot be reliably determined valuation will take place on the basis of amortized cost price.

Participations in investment schemes that specialize in a certain type of investment are classified and valued according to the principles for that type of investment.

Investments in foreign currencies are converted into euros at the exchange rate on the balance sheet date. This measurement is part of the fair value measurement. Income and expenses arising from transactions in foreign currencies are translated at the exchange rate on the transaction date. Currency exchange differences are recognized in the statement of income and expenses under investment results.

The investments are at the free disposal of MPF. There are no investments in the contributing companies.

The investments for the ARP Defined Contribution scheme are an integral part of the investments for risk of the pension fund. The investment results allocated to ARP is determined on a semi-annual basis at a maximum equal to a percentage amounting to "CPI all households" plus 3% (conditional, depending on the return made by MPF with a minimum of 0% and a maximum of 13%). The Pension Board decides every six months whether, and to what extent it will be granted.

Investment property

Indirect (listed) investment property is valued at the latest available quoted market price per balance sheet date. Indirect (non-listed) investment property is valued at fair value, based on Net Asset Value of the investment property.

Shares

Shares are valued at the latest available quoted market price per balance sheet date. The market value of unlisted shares (private equity) is assessed by the external managers on the basis of guidelines that are generally applied in the private equity and venture capital industry.

Fixed-income securities

Listed fixed-income securities and participations in listed investment funds are valued at the market prices (clean fair value) per balance sheet date.

If fixed-income securities or participations in investment funds are not listed, valuation is based on the estimated future net cash flows (interest and repayments) that will result from the investments, discounted at the market interest rate applicable at balance sheet date and taking into account the risk profile (credit risk; bad debt) and maturities.

Derivatives

Derivatives are measured at clean fair value. Derivatives traded on an active market are valued based on the relevant market quotations. When derivatives are not traded on an active market, they are valued based on derivative market quotes. If these derived market quotations are not available, the value is determined using market-based valuation models.

The use of financial derivatives will expose MPF to price risk and counterparty risk (the risk that counterparties to the transaction cannot meet their financial obligations). Using only approved counterparties and collaterals can mitigate this risk. The following instruments can be used:

- **Futures** are standard exchange traded instruments that can be used to change the exposure to asset classes. Futures are used to implement 's tactical investment strategy and for rebalancing purposes. Tactical deviations from policy are permissible within the predefined ranges of the strategic investment policy.
- **Equity Put Options** are exchange traded or over-the-counter (OTC) options with which MPF can limit the downside risk of an equity portfolio. MPF has to pay a premium to obtain a put option. This premium is dependent on the actual value of the underlying equity index, the maturity of the options, and the exercise price of the option. In case MPF writes a put option (sell a put option), then the premium received would be exposed to price risk in case the underlying index decreases in value.
- **Equity Call Options** are exchange traded or over-the-counter (OTC) options with which MPF can capture the upside potential of an equity portfolio. MPF has to pay a premium to obtain a call option. This premium is dependent on the actual value of the underlying equity index, the maturity of the options and the exercise price of the option. In case MPF writes a call option (sell a call option), then the premium received would be exposed to price risk in case the underlying index increases in value.
- **Currency Forward Contracts** are individual contracts with financial counterparties where both parties agree to buy one currency or security and sell another currency or security at a predetermined price (the forward rate) and at a predetermined time. Currency forward contracts are used to hedge exchange rate risks.
- **Interest Rate Swaps** is defined as an over-the counter contract with a counterparty (usually a bank) in which both contract parties agree to exchange interest payments on a pre-agreed notional value. The use of Interest Rate Swaps will help MPF to increase the interest rate sensitivity of the portfolio, thereby reducing the duration mismatch.
- **Swaptions** is an option contract on a swap. The option buyer is allowed to enter into a swap contract with a counterparty at a predetermined interest rate, with a predetermined maturity at a predetermined time. The option buyer will only do so if the contract terms are better than the market terms at the time of exercise.

Other investments

Other investments are investments that cannot be classified as one of the investments listed above. The other investments are reported at fair value. For Hedge funds this is the NAV reported by the hedge fund. Repo's are measured by amortized costs.

Repurchase agreements

Temporarily sold assets remain, provided repurchase has been agreed, on the balance sheet of the selling fund (so-called repurchase transactions). The fund retains beneficial ownership. Against the cash received recognized as an asset, related to the aforementioned temporary sale, the repurchase obligation is recorded as a liability in the other investments.

Cash received as security (collateral) under the above transaction is included in investments. Where cash received as collateral has been reinvested, these investments are included in the relevant investment category. The debt from the collateral received is included in other liabilities. Where investments have been received as collateral instead of cash, these investments and the related liabilities are not included in MPF's balance sheet. All income and expenditure arising from these transactions are

recognized on an accrual basis, in accordance with the accrual principle, over the life of the related transactions. They are reported under Investment results for the risk pension fund in the statement of income and expenditures.

Investments for risk members

The principles for the valuation of the investments for risk of members are the same as those for the investments that are held for the risk of the MPF. The investment for risk members comprises of the ASP assets (index funds).

The investments for the ARP Defined Contribution scheme are an integral part of the investments for risk of the pension fund and are reported under investments for risk pension fund.

Reinsurance

Outgoing reinsurance premiums are recognized in the period to which the reinsurance relates. Receivables from reinsurance contracts on a risk basis are recognized when the claim occurs. In the valuation, the re-insured benefits are discounted against the interest rate term structure, applying the actuarial assumptions of MPF. In assessing the receivables, the creditworthiness of the re-insurer (exit for credit risk) has been taken into account. Claims arising from profit-sharing arrangements in reinsurance contracts are recognized at the moment of granting by the re-insurer. The valuation and presentation of investment deposits linked to capital contracts are in accordance with the principles for investments.

Receivables and prepayments

Receivables and prepayments are valued at fair value upon initial processing. After initial recognition, receivables are valued at amortized cost (equal to the nominal value if there are no transaction costs) less any impairment losses in the case of bad debts.

Cash and cash equivalents

Cash is valued at nominal value.

Foundation capital and reserves

Foundation capital and reserves are determined by the amount left when all assets and liabilities, including pension provisions, are included in the balance sheet.

Actuarial accrued liabilities for risk MPF

The actuarial accrued liabilities at risk of MPF (AAL) consists of 3 separate provisions:

- Provision for pension liabilities for risk MPF
- Provision for operational costs for risk MPF
- Provision for future disability for risk MPF

The actuarial accrued liabilities at risk of MPF is equal to the RJ610 terminology Technical provisions.

Provision for pension liabilities for risk MPF

Provision for pension liabilities for risk MPF is set at fair value. The market value is calculated as the present value of estimated future cash-flows, based on the unconditional pension entitlements as at the balance sheet date. The unconditional pension entitlements include the accrued pension entitlements.

The provision is based on the applicable pension plans as of the balance sheet date and on the pension entitlements that can be attributed to the service years completed as at the balance sheet date. This includes all granted increases based on the indexation policy to any members as at balance sheet date. The future salary developments are not taken into account.

The pension liability for active members is determined as the present value of the accrued benefits up until balance sheet date. The pension liability for non-active members, disabled members, and surviving dependents, is determined as the present value of the pension entitlements granted.

Life expectancy rates in determining actuarial accrued liabilities:

- The life expectancy rates for males and females are derived from the AG Projection Table 2024 as published by the Dutch Actuarial Association (2024: AG Projection Table 2024).
- The mortality rates for experience rating are adjusted with fund specific correction factors based on the WTW 2024 experience rates model (2024: WTW 2022 experience rates model).

Actuarial interest rate

Term structure of interest rates, published by DNB, applicable as at the calculation date. For all calculations at year-end, the Ultimate Forward Rate (UFR) is used as this is the prescribed term structure of the DNB curve.

Assumed retirement ages

For the 2006 Pension Plan it is assumed that active and deferred members retire at age 62 (2024: 62). All other (inactive) members are assumed to retire at the retirement age of the pension plan.

Actuarial partner assumption

For the valuation of partner pensions the following assumptions are used:

- For retirees the actual marital/partner status is used.
- For active and deferred members a 100% rate of partner occurrence is assumed up to and including the retirement date.
- It is assumed that the male is three years older than the female.

Provision for operating costs for risk MPF

The provision for operational costs is defined as 2.5% of the provision for pensions liabilities excluding ARP disability future contributions (PVI DC) and IBNR liability for disability.

Provision for future disability for risk MPF

The provision for disability is equal to twice the expected yearly loss. The expected yearly loss is set equal to the risk premium for disability as used in the determination of the cost covering contribution.

Actuarial accrued liabilities for risk members

Provision for pension liabilities for risk members

The provision for pension liabilities for risk members includes pension liabilities for members participating in the ARP/ASP Defined Contribution schemes. The corresponding investments of the ASP Defined Contribution scheme is reported under investments for risk MPF. The corresponding investments of the ARP Defined Contribution scheme are an integral part of the investments for risk of the pension fund and are reported under investments for risk pension fund.

Current liabilities

Most of the current liabilities are related to derivatives. For the accounting policies of derivatives see page 64. The other current liabilities are stated at fair value upon initial recognition. After initial processing, liabilities are valued at amortized cost (equal to the nominal value if there are no transaction costs).

12.5.3 Accounting policies for income and expenditure

General

The items included in the statement of income and expenditure are to a large extent related to the valuation principles for investments and the provision for pension obligations in the balance sheet. Both realized and unrealized results are directly recognized in the result.

Contributions for risk MPF

Contributions for risk MPF are the amounts charged to third parties for the pensions insured in the year. Contributions are allocated to the period to which they relate. Additional deposits and surcharges are also accounted for as contributions.

Contributions for risk members

Contributions for risk members are received contributions from employer and employees concerning the Defined Contribution scheme. Contributions are recognized in the corresponding year.

Investment results for risk MPF

Investment results have been allocated to the period to which they relate. Direct and indirect results and costs of investments attributable to the reporting period (invoiced or to be invoiced) are presented separately. Income from interest, dividends and the like are presented under the direct results. Dividend is recognized at the time of payment. Changes in value are indirect investment results and are allocated to the period in which they occur.

Investment results for risk members

The principles for determining the result regarding investment results risk members are equal to the principles for determining the result concerning investment results risk MPF.

Benefits payment

The benefits payment are the amounts paid to members including redemption. The benefits payment are calculated on actuarial bases and allocated to the reporting year to which they relate.

Execution- and administration costs

The execution- and administration costs are allocated to the period to which they relate.

Movement in provision for pension liabilities for risk MPF

Accrual of benefits

In the pension accrual, claims and rights for the financial year are valued at the level that they have on the balance sheet date.

Indexation

MPF aims to adjust the accrued pension rights of the active members, the pensions in payment and the non-contributory pension rights (former members) annually to the development of the price index. The indexation is conditional. This means that there is no entitlement to indexation and that it is not certain whether and to what extent indexation can be granted in the future. Any arrears in the indexation may, in principle, be compensated.

Indexation is contingent upon the financial position of MPF and shall not exceed the return, irrespective of whether the price increase is higher.

Addition of interest

The pension liabilities were increased, based on the one-year rate of the DNB curve at the beginning of the financial year.

Withdrawal for other actuarial- and technical assumptions (retirement)

Annually, the actuarial assumptions and / or methods are reviewed and possibly revised for the calculation of the current value of the pension obligations. Use is made here of internal and external actuarial expertise. This includes the comparison of assumptions regarding mortality, longevity, disability with actual observations.

Determining the adequacy of the provision for pension liabilities is an inherently uncertain process, making use of estimates and judgements by the board of MPF. The effect of these changes is recognized in the result when the actuarial assumptions are revised.

Withdrawal for benefits payment

In advance, an actuarial calculation is made of the future benefits payment that are included in the provision for pension liabilities. This item concerns the release for the financing of the benefits of the financial year.

Yield curve change

Annually, the market value of the technical provisions is recalculated as of 31 December by applying the current DNB curve.

Change as a result of transfer of rights

A result on transfers can arise because the release of the provision takes place against fund accounting policies, while the amount that is transferred is based on the legal factors for value transfers.

Other changes pension provision

The other changes occur due to changes in the claims due to death, incapacity for work and retirement.

Movement in provision for operating costs for risk MPF

The movement in the provision is the result of the following:

- Addition of the surcharge for future execution- and administration costs included in the premium.
- Withdrawal of the excasso costs that are included in the provision for operating costs for the specific year.
- Other changes: addition of interest, yield curve change and change in expected future costs.

Movement in provision for future disability for risk MPF

Revised estimate of the expected future costs for disability. These changes are allocated to the period to which they occur.

Movement in provision for pension liabilities for risk members

The movements includes received contributions from members/employers concerning the Defined Contribution schemes as well as transfers, investment results and other changes. Contributions, transfers, investment results and other changes are recognized in the corresponding year.

Transfer of pension rights

The transfer of pension rights contains the balance of amounts from assumed or transferred pension obligations. These changes are allocated to the period to which they pertain.

Other income and expenses

Other income and expenses are assigned to the reporting year to which these apply.

12.5.4 Statement of cash flows

For preparation of the statement of cash flows, the direct method is used, which means all income, revenue, and expenses are shown directly as cash inflows and outflows. A distinction is made between cash flows from pension activities and cash flow from investment activities.

The movements presented in the statement of cash flows are the movements in cash on the current account and money market funds.

The balance of the cash on the current accounts of MPF is presented separately under assets.

12.6 Notes to the balance sheet

(All tables in EUR 1,000)

1 Investments for risk MPF

	31-12-2025	31-12-2024
Investment property	100,067	124,194.00
Shares	314,004	433,162.00
Fixed-income securities	641,907	731,930.00
Derivatives	8,648	24,281.00
Other investments	362,955	271,421.00
Subtotal	1,427,581	1,584,988.00
Derivatives (with negative market value)	-43,287	-37,628
Balance per 31 December	1,384,294	1,547,360

MPF does not invest in the sponsor. MPF does not directly participate in securities lending.

The tables below providing a movement schedule of the asset categories.

Asset Category	Investment property	Shares	Fixed-income securities	Derivatives	Other investments	Total 2025
Value per 1 January 2025	124,194	433,162	731,930	-13,347	271,421	1,547,360
Purchases	-	9,097	1,510,759	419,291	3,737,740	5,676,887
Sales	-9,109	-146,630	-1,580,718	-329,495	-3,640,474	-5,706,426
Valuation changes	-15,018	18,375	-20,064	-111,088	-5,732	-133,527
31 December 2025	100,067	314,004	641,907	-34,639	362,955	1,384,294

Asset Category	Investment property	Shares	Fixed-income securities	Derivatives	Other investments	Total 2024
Value per 1 January 2024	117,170	396,746	621,682	70,114	303,346	1,509,058
Purchases	6,397	221,426	1,344,716	383,426	9,573,453	11,529,418
Sales	-	-253,617	-1,276,555	-419,681	-9,632,772	-11,582,625
Valuation changes	627	68,607	42,087	-47,206	27,394	91,509
31 December 2024	124,194	433,162	731,930	-13,347	271,421	1,547,360

The purchases and sales under Other investments concern repurchase agreements.

Fair value hierarchy

The following tables summarize the valuation of investments by level within the fair value hierarchy. Level 1 valuations are based on quoted market prices in an active market. Level 2 valuations are model based. Level 3 valuation is determined by means of valuation models and valuation techniques, the input variables are estimated by external experts due to the lack of public market data. The table is before deduction of investments for risk of members.

Asset Category	Level 1	Level 2	Level 3	Total 2025
Investment property	-	-	100,067	100,067
Shares	138,652	16	175,336	314,004
Fixed-income securities	205,244	225,577	211,086	641,907
Derivatives	569	-35,208	-	-34,639
Other investments	-	69,023	293,932	362,955
31 December 2025	344,465	259,408	780,421	1,384,294

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

Asset Category	Level 1	Level 2	Level 3	Total 2024
Investment property	-	-	124,194	124,194
Shares	217,853	-	215,309	433,162
Fixed-income securities	257,792	250,424	223,714	731,930
Derivatives	2,223	-15,570	-	-13,347
Other investments	-	96,065	175,356	271,421
31 December 2024	477,868	330,919	738,573	1,547,360

Positions more than 5% per investment-category:

Investment property	2025			2024
Global Value Property Fund	100,067	100%	124,194	100%

Shares	2025			2024
PEM EFFEM Fund	107,693	34%	139,656	32%
LACM GLOBL SUST. EQTY-BEUR	35,198	11%	47,362	11%
LGT Liberty Fund	34,234	11%	38,852	9%
GCM Generations	33,400	11%	36,727	8%

Fixed-income securities	2025			2024
BLACKROCK ICS EUR LIQ CORE	164,603	26%	171,261	23%
ISHARES GLB AGG EUR-H ACC	130,752	20%	-	0%
EFFEM PRIVATE CREDIT FEEDER	34,848	5%	48,946	7%

Other investments	2025			2024
Blackstone FOF	146,495	40%	91,525	34%
Mars Evolution Fund	147,437	41%	83,831	31%

The use of financial derivatives will expose MPF to price risk and counterparty risk (the risk that counterparties to the transaction cannot meet their financial obligations). Using only approved counterparties and collaterals can mitigate this risk. The table below shows the derivatives positions (clean value) in MPF as per 31 December:

Type of contract	Expiry Date	Notional Values	Market Value assets	Market Value liabilities
Futures	Various	245,681	721	-152
Currency Forward Contracts	Various	-	7,107	-394
Interest Rate Swaps	Various	1,226,704	820	-42,133
Inflation swaps	Various	2,400	-	-45
Total Return Swaps	Various	87,200	-	-367
Swaptions	Various	196	-	-196
31 December 2025		1,562,181	8,648	-43,287

Type of contract	Expiry Date	Notional Values	Market Value assets	Market Value liabilities
Futures	Various	212,356	1,858	-567
Currency Forward Contracts	Various	-	483	-8,911
Equity Options	Various	26,159	9,802	-2,389
Interest Rate Swaps	Various	1,013,207	11,518	-24,038
Total Return Swaps	Various	264,646	619	-1,439
Swaptions	Various	-	-	-284
31 December 2024		1,516,368	24,280	-37,628

2 Investments for risk members

The reported investments for risk members are the investments of the ASP scheme. The investments for the ARP scheme are an integral part of the investments for risk of the pension fund.

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

	2025	2024
Investments concerning ASP scheme	120,263	96,541
Balance per 31 December	120,263	96,541

At year-end the ASP-related investments consist for 4% of shares and for of fixed-income securities:

ASP	2025	2024
Shares	115,822	93,735
Fixed-income securities	4,441	2,806
Balance per 31 December	120,263	96,541

The ASP investments movement schedule:

ASP	2025	2024
Balance per 1 January	96,541	75,069
Contributions	7,537	6,644
Transfers	1,016	655
Investments result	15,798	14,383
Other changes	-629	-210
Balance per 31 December	120,263	96,541

Other changes concern cases of deceased members.

3 Other receivables

	2025	2024
Pending settlement transactions	19,753	28,963
Dividend receivable	2	1
Current interest	2,932	2,626
Withholding tax recoverable	231	207
Contributions	1,306	1,898
Balance per 31 December	24,224	33,695

4 Cash and cash equivalents

Cash are the funds in bank accounts which are repayable on demand and freely available.

	2025	2024
Cash pension account	8,108	4,572
Cash investment account	53,982	41,920
Balance per 31 December	62,090	46,492

5 Foundation capital

The foundation's capital amounts to (single) EUR 45 and remained unchanged during the financial year. As a result of the presentation in thousands of euros, the foundation capital is stated at zero.

6 Other reserves

The other reserves changed due to the appropriation of the balance of income and expenditure for this year of MPF.

	2025	2024
Balance per 1 January	465,181	458,711
Result for the year	-55,150	6,470
Balance per 31 December	410,031	465,181

The minimum required solvency ratio is 3.5% of the actuarial accrued liabilities (including risk of MPF and for risk members), equals EUR 39.3 million. Ongoing solvency margin ratio amount to EUR 215.5 million and are equal to 19.2% of the actuarial accrued liabilities at the risk of MPF. The present own funds are higher than the required funds.

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

The Real Policy Funding Ratio gives an indication of the extent to which supplements can be granted. The Real Policy Funding Ratio in accordance with the FTK definition is equal to the Policy Funding Ratio divided by the Policy Funding Ratio required for full indexation based on price inflation. The Real Policy Funding Ratio at year-end 2025 was 107.1% (2024: 109.7%).

The following table shows the ratios of regulatory own funds, minimum regulatory own funds, the Policy Funding Ratio and present own funds.

	31 December 2025	31 December 2024
Funding Ratio	136.5%	138.9%
Minimum required solvency ratio	103.5%	103.6%
Policy Funding Ratio	136.5%	140.3%
Ongoing solvency margin ratio	119.2%	121.2%

The Funding Ratio is calculated as the ratio between the net-assets and the total technical liabilities of MPF. The net assets are determined by adding the other reserve to the total technical liabilities (including the provision for future disability for risk MPF) and excluding the short-term liabilities. There are no subordinated loans and/or special reserves.

Policy decisions are based on the Policy Funding Ratio. This ratio is the average of the Funding Ratios during the past 12 months. The Policy Funding Ratio at 31 December 2025 is 136.5% (31 December 2024: 140.3%).

Articles of Association governing profit appropriation

In the Articles of Association of MPF no arrangement is included for the appropriation of the balance of the statement of income and expenditures.

The annual appropriation of the balance of the statement of income and expenses is arranged in the funds' ABTN. It is proposed to deduct the result of 2025 with an amount of € 55 to the other reserves. This proposal has already been incorporated in the balance sheet.

7 Provision for pension liabilities for risk MPF

This table reflects the movement schedule in the provision for pension liabilities for the risk of MPF:

	2025	2024
Balance at 1 January	985,115	945,874
Accrual of benefits (including surcharge for future costs)	8,927	15,233
Indexation to the account of MPF	22,921	25,266
Addition of interest	22,476	32,106
Benefit payments (incl. commutation and costs)	-43,940	-41,602
Yield curve change	-116,864	12,606
Change in mortality assumptions	-3,325	-1,559
Other actuarial and technical assumptions	948	-1,284
Individual value transfer (outgoing)	-9	-490
Other changes pension liabilities (results on mortality and disability, corrections)	-56	-1,035
Total change	-108,922	39,241
Balance at 31 December	876,193	985,115

The pension liability for active members is determined as the present value of the accrued benefits up until balance sheet date. The pension liability for non-active members, disabled members, and surviving dependents is determined as the present value of the pension entitlements granted.

Active members of the Final Pay plan receive unconditional indexation on supplementary benefits. All benefits are conditionally indexed after retirement or after withdrawal. Indexation for deferred members is dependent on MPF's financial position.

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

	2025	2025	2024	2024
	Members	Provision	Members	Provision
Active members	299	179,517	342	243,831
Deferred members	627	137,094	657	172,614
Retirees	1,431	559,582	1,389	568,670
Total	2,357	876,193	2,388	985,115

Indexation

For all members, MPF tries to increase the accrued pensions in line with price developments. It concerns a conditional indexation that is granted depending on the financial situation of MPF. The allowances are financed by excess return.

Due to the indexation on 1 January 2026, the AAL increased by an amount of EUR 22,921 thousand (2024: EUR 25,266 thousand).

Addition of interest

The pension liabilities have accrued interest at 2.33% (2024: 3.44%), based on the one-year interest rate from the DNB-curve at the beginning of the reporting year.

8 Provision operating costs for risk MPF

	2025	2024
Balance per 1 January	24,659	23,671
Surchargee included in the premium	177	358
Withdrawal for payments of pension execution costs	-1,098	-1,066
Other changes	-1,828	1,696
Total change	-2,749	988
Balance per 31 December	21,910	24,659

9 Provision for future disability for risk MPF

	2025	2024
Balance per 1 January	1,222	1,520
Regular change	280	-298
Balance per 31 December	1,502	1,222

The provision for future disability is set equal to twice the yearly risk premium for disability. The provision is a long-term liability.

10 Provision for pension liabilities for risk members

The ARP/ASP scheme as mentioned in paragraph 6.3 is a so-called contribution agreement (*premieovereenkomst*) and consists of the following two modules: ARP (*Medewerker Uittredings Plan MUP*) and ASP (*Medewerker Selectie Plan MSP*).

The corresponding investments of the ASP Defined Contribution scheme is reported under investments for risk members. The corresponding investments of the ARP Defined Contribution scheme are an integral part of the investments for risk of the pension fund and are reported under investments for risk pension fund.

The provision for risk members consists of:

	2025	2024
Provision ASP scheme	120,263	96,541
Provision ARP scheme	104,361	89,090
Balance per 31 December	224,624	185,631

The ASP provisions movement schedule is outlined below:

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

	2025	2024
Balance per 1 January	96,541	75,069
Contributions	7,537	6,644
Transfers	1,016	655
Investments result	15,798	14,383
Other changes	-629	-210
Balance per 31 December	120,263	96,541

The ARP provisions movement schedule is outlined below:

	2025	2024
Balance per 1 January	89,090	76,646
Contributions	10,272	9,038
Transfers	1,510	992
Interest contribution	3,951	2,603
Other changes	-462	-189
Balance per 31 December	104,361	89,090

11 Current liabilities

	2025	2024
Derivatives	43,287	37,628
Pending settlement transactions	53,054	57,946
Accrued expenses and other liabilities	2,397	3,201
Wage tax and premiums social security	1,160	1,134
Balance per 31 December	99,898	99,909

Negative derivative positions are classified as current liabilities and positive derivative positions are classified under investments for risk MPF. A further explanation on the derivatives can be found in paragraph 12.8 "Risk management".

All current liabilities have a remaining duration of less than a year.

12.7 Rights and obligations not included in the balance sheet

Legal procedure

A legal procedure is currently pending in which Stichting Mars Pensioenfond is the defendant. The retirees (claimants) allege that their pensions have been indexed incorrectly.

The amount of the claim cannot be determined with sufficient reliability. The pension fund believes it has correctly applied the pension regulation. Therefore, no amount has been included in the financial statements.

Long term contracts

With respect to the investments in the Private Equity, Private Credit, Global Property and Hedge funds, MPF has an off-balance sheet commitment of EUR 68 million (2024: EUR 73 million) to these managers to invest in their funds. Non-compliance can lead to interest being charged as well as legal- and other collection costs.

MPF contracted Blue Sky Group Pension Management B.V. (BSG) to be the pension provider as of 1-1-2022. The annual fee for the regular services of BSG amounts EUR 1.7 million. This amount is indexed on a yearly basis.

Related parties

The members of the Board of MPF are identified as related parties to the pension fund. See paragraph 12.9, disclosure 17 for more information about the remuneration of Board members.

12.8 Risk management

The Pension Funds regulations require a proper financial position in relation to the risks of MPF. One of the main requirements is the solvency of the fund.

The solvency margin is, based on the risk profile and according to regulatory standards, calculated as follows:

Solvency margin		31-12-2025		31-12-2024	
S1 Interest rate risk	8,117	0.7%	13,903	1.2%	
S2 Market risk on equities and property	180,438	16.0%	192,722	16.1%	
S3 Currency risk	43,549	3.9%	84,516	7.1%	
S4 Commodity risk	0	0.0%	0	0.0%	
S5 Credit risk	45,535	4.1%	67,894	5.7%	
S6 Technical insurance risk	25,163	2.2%	29,206	2.4%	
S10 Active risk	5,837	0.5%	19,409	1.6%	
Diversification-effect	-95,385	-8.4%	-155,853	-13.0%	
Adjustment for risks for members	2,246	0.2%	1,856	0.1%	
Required own funds	215,500	19.2%	253,653	21.2%	

The formula used to calculate the solvency margin is:

$$\sqrt{S_1^2 + S_2^2 + S_3^2 + S_4^2 + S_5^2 + S_6^2 + S_{10}^2 + 2 \times 0.40 \times S_1 \times S_2 + 2 \times 0.40 \times S_1 \times S_5 + 2 \times 0.50 \times S_2 \times S_5}$$

12.8.1 Interest rate risk (S1)

A pension fund has interest rate risk because the interest rate sensitivity of the investments is different from the interest rate sensitivity of the liabilities. If the relevant interest rate changes, the investments will react differently than the liabilities and this has a consequence for the funded status. A measure of interest rate sensitivity is the so-called duration, which is technically the weighted average remaining maturity of all cash flows. The duration approximately represents the percentage change in the value of investments and liabilities as a result of a 1% interest rate change.

	2025 in years	2024 in years
Fixed-income duration (excluding derivatives)	2.59	2.87
Fixed-income duration (including derivatives)	22.49	24.59
Duration of the (nominal) pension liabilities	12.70	14.50

It is assumed that all non-fixed income assets have zero duration.

The interest rate hedging procedure is dynamic in nature. The interest rate hedge will increase as the funding ratio falls towards the second target funding ratio (TFR2B¹). The Pension Board and its Investment Committee have carefully implemented the necessary infrastructure to enable this interest rate hedging procedure. As of 31 December 2025 the funding ratio was 136.5%, above TFR2B ratio of 130.7%.

MPF's fixed-income securities portfolio based on look-through, excluding derivatives, can be divided into the following subcategories.

Fixed-income securities - Asset categories		2025		2024	
Government Bonds	99,463	15.5%	199,173	27.2%	
Index Linked Bonds	13,912	2.2%	10,267	1.4%	
Mortgages and Mortgage backed securities	51,460	8.0%	50,197	6.8%	
Credits	177,002	27.6%	288,043	39.4%	
Cash and cash-like instruments	300,070	46.7%	184,251	25.2%	
Total	641,907	100.0%	731,931	100.0%	

¹ TFR2B = Target Funded ratio 2B = the funding ratio level which should enable a balanced transition for all members of the Final Pay Plan ("FPP") and the ability of non active members to perform a buy out with future indexation of 75% CPI plus compensation for active final pay and ARP/ASP plan member.

Cash and cash-like instruments concern short term claims and interest.

12.8.2 Market risk (S2)

Market risk can be split into interest rate risk, currency risk and price risk. The investment guidelines define the strategy that MPF will adopt to control market risk. In practice, the Investment Committee oversees the controls regarding market risk, in line with the agreed policy framework and investment guidelines. Periodically all aggregated market positions are reported to the Investment Committee and the Pension Board.

The look-through sectorial division of MPF's investments in shares (excluding derivatives) can be specified as follows:

Shares – sector categories		2025		2024
Consumers	18,119	5.8%	31,149	7.2%
Energy	3,379	1.1%	5,938	1.4%
Real Estate	769	0.2%	903	0.2%
Financials	33,199	10.6%	36,769	8.5%
Health care	16,623	5.3%	21,483	5.0%
Industrials	14,647	4.7%	16,354	3.8%
Communication services	7,866	2.5%	9,832	2.3%
Information Technology	33,666	10.7%	40,313	9.3%
Materials	8,136	2.6%	3,988	0.9%
Utilities	1,029	0.3%	1,263	0.3%
Other	176,571	56.2%	265,171	61.2%
Total	314,004	100%	433,163	100.0%

12.8.3 Currency risk (S3)

At the end of 2025 about 50% (2024: 51%) of the investment portfolio (including the property assets, property cash and operational cash account, excluding investments for risk members) has been invested outside of the Euro zone. The actual EUR (look-through) exposure of the total portfolio after hedging was around 12% at the end of 2025 (35% at the end of 2024).

The look-through currency exposure before and after plan level hedging can be specified as follows:

Currency		2025	2024
	Before Hedging	Currency Derivatives	Net position after hedging
Euro	698,756	741,014	1,439,770
British pound	32,548	-40,888	-8,340
Japanese yen	6,761	-37	6,724
US Dollar	646,377	-574,512	71,865
Other	17,177	-4,051	13,126
Total	1,401,619	121,526	1,523,145
			1,563,132

The strategic exposure is equal to 10.6% of the Final Pay and ARP assets (10% strategic exposure and 0.6% exposure to emerging market currencies). The buffer for the currency risk is EUR 43,192 thousand (2024: EUR 84,516 thousand).

12.8.4 Commodity/price risk (S4)

All investments and all asset classes are subject to the risk of price movement. Some to a limited extent such as short maturity government bonds, some to a higher extent such as emerging market equities. One must bear in mind, however, that the asset classes with the highest price risk also tend to have the highest expected returns. In other words, the portfolio of MPF needs to take some price risk, otherwise the expected return will not be sufficient. This trade-off between risk and return is addressed in the ALM study and this has resulted in a strategic investment policy in which the price risk of asset classes will be accepted when the expected return is commensurate. Generally, movements in price lead to movements in value and the value changes are directly and fully reflected in the value of the investment portfolio. On a strategic level MPF manages the impact of price risk by diversifying by investing in different asset classes and by considering only active investment management. On a tactical level MPF controls the price risk by under-weighting perceived overvalued asset classes within the allowable ranges. Hedging it through derivatives like options and futures can also mitigate price risk.

The look-through investments in shares can be divided into the following regions:

Shares – Regions	2025	2024
Mature markets	296,930	419,271
Emerging Markets	17,074	13,891
Total	314,004	433,162

The look-through fixed-income securities can be divided into the following regions:

Fixed-income securities – Regions	2025	2024
Mature markets	593,492	600,133
Emerging Markets	48,415	131,797
Total	641,907	731,930

12.8.5 Credit risk (S5)

Credit risk can be defined as the risk of financial losses for MPF as a consequence of a counterparty default or payment impairment, if MPF is a creditor of this counterparty. MPF's exposure to Bond issuers, banks (through deposits), re-insurers, and OTC derivative counterparties are all subject to credit risk.

Settlement risk is a specific element of credit risk that needs to be mentioned because it relates to all investment transactions. This occurs when parties, with which MPF has engaged in financial transactions, are incapable of honouring their obligations under the transaction within pre-agreed time limits, and this inability to honour the obligations leads to a financial loss for MPF.

There are various ways in which a pension fund can control credit and settlement risks, first and foremost to impose counterparty exposure limits on the total fund level and to implement an effective collateral management programme. MPF also gives its fixed-income investment managers investment guidelines that seek to diversify the credit risk as broadly as possible. MPF tries to mitigate the settlement risk by only investing in markets where a proper and reliable clearing and settlement system is in operation. MPF requires from its investment managers to perform a due diligence investigation into the clearing and settlement system of each market before the manager is allowed to invest in a new market. If and when MPF engages directly in transactions in non-exchange traded instruments such as OTC derivative transactions, it will only do so when ISDA and CSA agreements have been established with the transaction counterparties so that MPF's financial position in such a transaction is properly collateralized.

The look-through credit rating split, based on information of independent credit rating agencies (Moody's, and when not available Standard & Poor's or Fitch), in the fixed-income securities portfolio is as follows:

Fixed-income securities – credit rating		2025		2024
AAA	85,135	13.3%	102,267	14.0%
AA	45,538	7.1%	51,019	7.0%
A	22,150	3.5%	44,749	6.1%
BBB	30,614	4.8%	67,524	9.2%
Lower than BBB	87,223	13.6%	196,926	26.9%
No rating	371,247	57.7%	269,446	36.8%
Total	641,907	100.0%	731,931	100.0%

Assets without a rating mostly concern cash and short term loans.

12.8.6 Technical insurance risk (S6)

The most important technical insurance risks are the longevity-, death-in-service-, disability-in-service- and the indexation-risk.

The **longevity risk** is the risk that members live longer than assumed in the determination of the AAL. As a result there could be too little assets to finance the accrued benefits. MPF has used the mortality table AG Projection table 2024 to take the most recent mortality assumptions and the increased long-term trend in mortality probabilities (and therefore the life expectancy) into account.

Statistics show that in general the mortality of MPF members is lower than the mortality of the entire population. The AG Projection tables are based on data of the total population in the Netherlands. For a correct calculation of the AAL the difference in life expectancy between the total population and the population of MPF should be taken into account. For this reason MPF uses the MPF specific experience rating based on the WTW 2025 experience rating model.

The **death-in-service risk** is the difference between the cash value of a spouse's pension that starts immediately after the death of a member and the cash value of all accrued benefits of the member. This risk is expressed in the risk premium for death-in-service.

The **disability-in-service risk** for MPF consists on the one hand of the costs for continuation of the pension accrual, which is equal to the cash value of the pension accrual for the future and on the other hand the costs for the disability benefit. The risk premium for disability-in-service is used for this risk.

The death-in-service and disability-in-service-risk are both partly re-insured by Zwitserleven (for more information see note 20 Reinsurance premiums).

The fund has incorporated these risks into the buffer for insurance technical risk at year-end by using the standard model as presented by DNB.

The **indexation risk** is the risk for MPF that the indexation ambition of the board in relation to the price indexation cannot be realized. The extent to which this can be achieved depends on the developments in interest rates, investment returns, wage inflation and demography (investment and actuarial results), depending on the Funding Ratio of MPF. The indexation is conditional.

12.8.7 Liquidity risk

Liquidity risk is the risk that investments cannot be sold within an acceptable time period and/or cannot be transformed into cash at an acceptable price, as a consequence of which the fund cannot meet its financial obligations. The liquidity needs of MPF are modelled and taken into consideration in the investment strategy review, and the resulting asset allocation reflects the MPF's liquidity needs. MPF will invest sufficiently in highly liquid assets that can be sold quickly and efficiently in most market circumstances. Furthermore, MPF invests in assets that generate periodical income streams that can be used to meet MPF's financial obligations, thereby reducing and/or eliminating the need to sell investments to meet cash needs. Income generating assets include (almost) all fixed-income investments. At the end of the year MPF has sufficient liquid assets to meet its liquidity needs. However, the intention, as mentioned, is not to sell these assets but to use the income from income generating assets to supply the required liquidity. The Treasury & Benefits Centre (TBC) also creates a liquidity planning for MPF on a monthly basis.

12.8.8 Concentration risk

Large individual investments in the portfolio can lead to concentration risk. In order to determine which investments could be earmarked as large positions, one must add or compare all positions against the same debtor per asset class. Large positions are then defined as positions that constitute more than 5% of the total assets per 31 December 2025.

Positions more than 5% of the total assets:

		2025		2024	
Investment property					
Global Value Property Fund	100,067	7.2%	124,194	7.9%	
Shares					
PEM EFFEM Fund	138,928	10.0%	139,656	8.9%	
Fixed-income securities					
BLACKROCK ICS EUR LIQ CORE	164,603	11.9%	171,261	11.0%	
Other					
Blackstone FOF	146,495	10.6%	91,525	5.9%	
MARS EVOLUTION FUND	147,437	10.7%	83,831	5.4%	
Total	697,530	50.4%	610,467	39.1%	

12.8.9 Active risk

Active risk is the risk that the return of an investment portfolio deviates from the benchmark used for that investment portfolio. Based on an ALM study, a strategic investment mix is determined. To assess the relative investment results, a benchmark is established for the individual investment categories within the total investment portfolio, which are then aggregated at the portfolio level. Through active management of the distinct investment portfolios per asset category (selection of individual securities) and active management of the total portfolio (deviation from the strategic mix) involve taking on active risk. The benchmark portfolio thus serves as a reference framework for assessing relative investment performance.

12.8.10 Systemic risk

Systemic risk occurs when the global financial system (all financial and capital markets) no longer functions properly, in which case MPF would not be able to trade its investments. It is difficult for any financial institution to directly control a systemic risk or systemic failure. However, careful monitoring of liquidity, counterparty and concentration risk can help mitigate the impact of a systemic crisis.

12.9 Notes to the statement of income and expenditures

(All tables in EUR 1,000)

12 Contributions from employers and employees

The total members contribution amounts 25.4% (2024: 28.6%) of the total capped pensionable salaries for all pension plan members. Since the Pension Board determined that the technical conditions in the contribution policy were met, they decided to grant a contribution reduction for 2025. The resulting employer contribution for 2025 must be at least equal to the age-dependent contributions in the ARP/ASP scheme, which equals an employer contribution of 10.3% of the total capped pensionable salaries for all pension scheme members. Therefore, a contribution discount of 15.1% was granted.

As mentioned above, the employer contribution percentage includes the contribution with respect to the ARP scheme (EUR 75,070 thousand) and a contribution with respect to the ASP scheme (EUR 2,272 thousand). The members also contribute to the ASP scheme for a total of EUR 5,265 thousand. The total actual contribution is EUR 17,831 thousand. This results in a contribution with respect to the Final Pay scheme of EUR 22 thousand.

The costs covering-, smoothed- and actual contributions are:

	2025	2024
Cost covering contribution	37,577	43,301
Smoothened contribution	30,524	33,105
Actual contribution	17,831	15,460

The cost covering contribution is based on the actuarial assumptions applicable as per 31 December 2025, including an interest rate term structure according to the instructions of DNB per this date. The smoothed cost covering contribution is, in accordance with the ABTN, based on a single expected return of approximately 5.05%. This causes the smoothed contribution to be lower than the cost covering contribution. The actual contribution is based on the contribution policy and at least equal to the smoothed cost covering contribution (determined at the beginning of the financial year) and is expressed as a percentage of the pensionable salary. In the actual contribution there is an amount of EUR 1,265 thousand (2024: EUR 1,511) to be received. There are no write-offs of contribution receivables. In the contributions there is an amount of EUR 4,310 thousand (2024: EUR 4,762 thousand) and in the provision operating costs there is an amount EUR 177 thousand (2024: EUR 358 thousand) for contribution surcharge for costs.

The (smoothened) cost covering contribution is:

	2025		2024	
	CCC	SCCC	CCC	SCCC
Unconditional accrual	31,246	25,599	36,041	27,704
Solvency surcharge	3,524	2,118	4,696	2,837
Surcharge for execution- and administration costs	2,807	2,807	2,564	2,564
Total	37,577	30,524	43,301	33,105

For more information is referred to chapter 8 "Actuarial section" of this report.

13 Contributions for risk members

	2025	2024
ARP contribution	10,272	9,038
ASP contribution	7,537	6,644
Total contribution	17,809	15,682

The ASP contribution consist of EUR 5.2 million of contribution paid by members and EUR 2.3 million paid by the employer.

14 Investment results for risk MPF

	Direct investment results	Indirect investment results	Investment related costs	Total 2025	Total 2024
Investment property	-	-15,018	-144	-15,162	-3,066
Shares	868	15,701	-10	16,559	67,662
Fixed-income securities	14,483	-19,383	-737	-5,637	85,252
Derivatives	3,876	-110,990	-	-107,114	-56,792
Other investments	1,573	-533	-2,822	-1,782	2,296
Investment results				-113,136	95,352
Allocated to ARP				-3,951	-2,603
Net Investment result	20,800	-130,223	-3,713	-117,087	92,749

The investments of the ARP Defined Contribution Plan are an integral part of the investments for risk of the pension fund. The investment results allocated to ARP is determined on an semi-annual basis at a maximum equal to a percentage amounting to "CPI all households" plus 3% (conditional, depending on the return made by MPF with a minimum of 0% and a maximum of 13%). The Pension Board decides every six months whether, and to what extent it will be granted.

Investment related costs

The investment related costs include management fees for external asset managers, investment advice, custody fee and other investment related costs (i.e. tax- and legal advice). The total amount of investment related costs of EUR 3.7 million (2024: 4.5 million).

	2025	2024
Management fee external asset managers	1,649	2,264
Investment advice	1,641	1,652
Custody fee	305	350
Other costs	145	185
Value added tax on costs foreign asset managers and other	-27	19
Total	3,713	4,470

The investment related costs represent only the direct costs outside the investment funds.

Transaction costs mainly concern the premiums and discounts on the purchase and sale of shares of securities. The several types of transaction costs, i.e. the 2nd layer costs as well as transaction costs for alternative funds are not recorded in the custodian records and cannot be reliably estimated. Therefore these costs are not separately presented.

15 Investment results for risk members

	2025	2024
Investment results ASP	15,798	14,383
Investment results ARP	3,951	2,603
Total	19,749	16,986

The investment results ASP consists mostly of positive returns on shares.

The investments of the ARP Defined Contribution scheme are an integral part of the investments for risk of the pension fund. The investment results allocated to ARP is determined on an semi-annual basis at a maximum equal to a percentage amounting to "CPI all households" plus 3% (conditional, depending on the return made by MPF with a minimum of 0% and a maximum of 13%). The Pension Board decides every six months whether, and to what extent it will be granted.

Investment results ASP

	Direct investment results	Indirect investment results	Investment related costs	Total 2025	Total 2024
Shares	-	16,207	-	16,207	14,460
Fixed-income securities	-	-409	-	-409	-77
Net Investment result	-	15,798	-	15,798	14,383

The mutual funds in which ASP invests, provides a shared price in indirect investment results. Also (transaction) costs are included which mainly concern the premiums and discounts on the purchase and sale of shares of securities).

16 Benefit payments

	2025	2024
Retirement pension	-38,397	-36,678
Partner pension	-4,773	-4,505
Disability pension	-407	-429
Commutation of small pensions	-38	-40
Orphan pension	-28	-27
Total	-43,643	-41,679

17 Execution- and administration costs

	2025	2024
Administration costs	-1,834	-1,748
Employee costs	-499	-487
Governance costs (Pension Board, Supervisory Council, Accountability Council)	-155	-134
Audit and advisory services	-3,164	-2,020
Membership contributions	-158	-124
Other costs (mostly transition fees)	-6	-7
Total	-5,816	-4,520

Since MPF does not have employees, there are no salary payments or social insurance charges. The work on behalf of MPF is performed by three employees (2024: two employees) who have employment contracts with Mars Nederland B.V., have been outsourced to MPF and all are working within the Netherlands, therefore there are no employees working outside the Netherlands. The costs are charged to MPF and included in this report. During 2024 there is one seconded employee for who the costs are also presented as employee costs.

18 Reinsurance

	2025	2024
Premium	-65	-58

MPF has a reinsurance contract for the death-in-service and disability-in-service risks with Zwitserleven until 31 December 2025. This reinsurance can be seen as a catastrophe-risk-coverage because it is based on stop-loss insurance with a net retention of EUR 2.5 million which is approximately 250% of the risk premium. Declaration is possible 24 months after the contract period. In 2025 no claims were made.

19 Transfers of pension rights for risk MPF

	2025	2024
Incoming transfer values	-	81
Outgoing transfer values	-9	-397
Total	-9	-316

20 Transfers of pension rights for risk members

	2025	2024
Incoming transfer values	2,800	1,857
Outgoing transfer values	-773	-669
Total	2,027	1,188

21 Other expenses

	2025	2024
Interest bank	-	-5
Other expenses	-535	-
Total	-535	-5

The total remuneration paid to members of the Pension Board, Supervisory Council and Accountability Council is EUR 91 thousand (2024: EUR 86 thousand).

	2025	2024
Pension Board	37	35
Supervisory Council and Accountability Council	54	51
Total	91	86

Independent audit and advisory services

	2025	2024
Audit of the financial statements and regulatory returns to the Dutch Central Bank	108	97
Agreed upon procedures	57	-
Total	165	97

Audit services are provided by PricewaterhouseCoopers Accountants N.V.

12.10 Allocation of the balance of income and expenditure

The balance of income and expenditure (gain) for the year 2025 of 19.2% is added to the other reserves.

12.11 Subsequent events

There are no subsequent events that have a material impact on the balance sheet and statement of income and expenditure.

Veghel, 26 June 2026

The Pension Board

Mr. F. Nieuwland (Chairman)

Mr. W. van de Laar (Secretary)

Mr. P. van Bree

Mrs. R. Steenbergen

Mr. P. van Beek

Mr. H.F.M. van Deijck

OTHER INFORMATION

13 OTHER INFORMATION

13.1 Articles of association governing profit appropriation

In the Articles of Association of MPF no arrangement is included for the appropriation of the balance of the statement of income and expenditures. The destination is further detailed in the Actuarial and Technical Business Memorandum (ABTN). The proposal for the appropriation of the balance of income expenses for 2023 is included in the statement of income and expenditures.

13.2 Actuarial Statement

The assignment to issue an Actuarial Statement, as referred to in the Pension Act in respect of the financial year 2025, was issued to Towers Watson Netherlands B.V. by Stichting Mars Pensioenfonds, established in Veghel.

As the certifying actuary I am independent of Stichting Mars Pensioenfonds, as required by Section 148 of the Pension Act. I do not perform any other activities for the pension fund other than those based on the actuarial function.

- The data on which my audit was based were provided by and were compiled under the responsibility of the board of the pension fund.

In testing the assets of the pension fund and in assessing its financial position, I have based my assessment on the financial data on which the annual accounts are based.

Based on the mutual 'Handreiking' that applies for both the external auditor and me, there has been agreement about the activities and expectations concerning this year's assessment. For the assessment of the technical provisions and the financial position as a whole I have determined the materiality to be equal to € 7,575,000. With the external auditor I have agreed to report any observed discrepancies above a level of € 505,000. These agreements have been recorded, and the results of my assessments have been discussed with the external auditor.

In addition, I have used the basic data that has been subject to the assessment of the external auditor within the context of his review of the annual accounts. The external auditor has informed me on his findings regarding the reliability (material accuracy and completeness) of the basic data and other principles that are important for my judgement.

In carrying out the assignment, in accordance with my legal responsibility as stipulated in Section 147 of the Pension Act, I have examined whether the pension fund complies with Section 126 up to and including Section 140 of the Pension Act. On the basis of transitional law, the aforementioned articles apply as they read until the entry into force of the Future Pensions Act (WTP).

The basic data provided by the pension fund are such that I have accepted these data as the point of departure for my assessment activities. As part of the work for the assignment I have, for instance, assessed whether:

- The technical provisions, the minimum required net assets and the required net assets have been determined adequately;
- The cost covering contribution has been determined in compliance with the legal requirements;
- The investment policy is in accordance with the prudent person rule.

In addition, I have formed an opinion about the financial position of the pension fund. This opinion is based on the liabilities of the pension fund incurred up to and including the balance sheet date and the available assets on that date, also taking into account the financial policy of the pension fund.

My audit was carried out in such a way that it may be ascertained with a reasonable degree of certainty that the results do not contain any inaccuracies of material importance.

The activities described and the implementation thereof are in accordance with the applicable standards and common practice of the Royal Dutch Actuarial Association and, in my view, provide a sound basis for my opinion.

The technical provisions have been determined adequately. The net assets of the pension fund on the balance sheet date were higher than the statutory required net assets.

Taking into account the above, I have satisfied myself that, viewed as a whole, the pension fund has complied with Section 126 up to and including Section 140 of the Pension Act. I would like to note that, on the basis of transitional law, Articles 126 to 140 of the Pension Act apply, as they read until the entry into force of the Future Pensions Act.

STICHTING MARS PENSIOENFONDS ANNUAL REPORT 2025

The policy funding ratio of the pension fund on the balance sheet date is higher than the funding ratio associated with the statutory required net assets.

My opinion about the financial position of Stichting Mars Pensioenfonds is based on the liabilities of the pension fund incurred up to and including the balance sheet date and the available assets on that date. In my opinion, the financial position of Stichting Mars Pensioenfonds is sufficient.

Rotterdam, 26 June 2026

R.J.M. van de Meerakker MSc, AAG

Affiliated with Towers Watson Netherlands B.V.

13.3 Independent auditor's report



Independent auditor's report

To: the Pension Board of Stichting Mars Pensioenfonds

Report on the audit of the financial statements 2025

Our opinion

In our opinion, the financial statements of Stichting Mars Pensioenfonds ('the Pension Fund') give a true and fair view of the financial position of the Pension Fund 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 Stichting Mars Pensioenfonds, Meerijstad.

The financial statements comprise:

- the balance sheet as at 31 December 2025;
- the statement of income and expenditure 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., Thomas R. Malthusstraat 5, 1066 JR Amsterdam,
P.O. Box 90357, 1006 BJ Amsterdam, the Netherlands, T: +31 (0) 88 792 00 20, www.pwc.nl

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www.pwc.nl



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 Stichting Mars Pensioenfonds 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 risks 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 Stichting Mars Pensioenfonds and its environment and the components of the internal control system. This included the Pension Board's risk assessment process, the Pension Board's process for responding to the risks of fraud and monitoring the internal control system. We refer to section 4.5 'Integrity risks and fraud risk' of the report of the Pension Board 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, 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 asked members of the Pension Board, as well as employees of the Pension Office, 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 risk 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 Pension Board is in a unique position to perpetrate fraud because of the Pension Board'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. • 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 Pension Board.</p>	<p>We have evaluated the design and implementation of internal controls related to procedures for creating and processing journal entries. We have selected journal entries based on risk criteria and have performed specific audit procedures on these journal entries. We have tested if the journal entries and other adjustments made in the financial statements preparation process are acceptable.</p> <p>We have evaluated the design and implementation, as well as the operating effectiveness, of internal controls related to access management in the IT systems by reviewing the ISAE-3402 reports (or international equivalents) of relevant service organizations.</p> <p>During our audit procedures we have paid specific attention to significant estimates that are based on subjective inputs, such as fund specific elements of the valuation of the technical provisions for risk pension fund and the valuation of non-listed investment funds. Based on our audit procedures and the outcomes, we have evaluated these estimates for possible tendencies that can result in a risk of a material misstatement due to fraud. We have performed, amongst others, the following procedures:</p> <ul style="list-style-type: none"> • We have evaluated the valuation of non-listed investment funds using the net asset values obtained from audited financial statements for these funds.



Identified fraud risks	Our audit work and observations
	<ul style="list-style-type: none"> • We have evaluated the actuarial assumptions and changes to these assumptions, as well as the actuarial analysis, and discussed this with the Pension Board and certifying actuary. • We have evaluated the disclosures related to the financial position of the Pension Fund based on the requirements in the Dutch Accounting Standards ('Richtlijnen voor de Jaarverslaggeving'). <p>We have also paid specific attention to significant transactions outside the regular course of business of the Pension Fund or that would otherwise be deemed irregular, based on our understanding of the Pension Fund and its environment and other information obtained in the course of our audit procedures. We have not identified any significant transactions outside the regular course of business.</p> <p>We have not found any indications of (possible) fraud related to significant transactions outside the regular course of business based on the procedures performed.</p>

We incorporated an element of unpredictability in our audit. Furthermore, we reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. We have reviewed available information, including the SIRA ('Systematische Integrale Risico Analyse'), prepared by the Pension Board. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud.

Audit approach going concern

Based on the obtained information, we have identified whether events or conditions exist that may cast significant doubt on the entity's ability to continue as a going concern.



Based on applicable laws and regulations, pension funds are required to hold sufficient equity reserves, expressed in the 'Ongoing Solvency Margin Ratio' (OSMR). The OSMR is based on the financial evaluation framework ('financieel toetsingskader'). If the funding ratio is below the OSMR, the Pension Fund must prepare a recovery plan to evidence how the Pension Fund plans to restore the reserves to the required levels. If the Pension Fund cannot meet the requirements for recovery, additional measures must be considered. This may involve the reduction of pension rights of (in)active members and pensioners to meet the OSMR requirements.

As disclosed by the Pension Board in section 4.6 'Going concern risk' of the report of the Pension Board, section 12.5.1 'Accounting policies – General – Continuity assumption' and note 6 ('Other reserves') of the financial statements, the Pension Fund does not have a deficit in reserves as per year-end. It is the expectation of the Pension Board that the Pension Fund has sufficient potential to prevent a situation of deficit. The Pension Board has performed a going-concern assessment for the foreseeable future (at least twelve months after preparing the financial statements) and has not identified any events or circumstances that may cast significant doubt on the entity's ability to continue as a going concern (further: going-concern risks).

Our procedures to evaluate the Pension Board's going-concern assessment included, amongst others:

- considering whether the Pension Board's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the Pension Board regarding the Pension Board's most important assumptions underlying its going-concern assessment;
- performing inquiries of the Pension Board as to its knowledge of going-concern risks beyond the period of the Pension Board's assessment.

Furthermore, we reviewed correspondence with regulators. Our procedures did not result in outcomes contrary to the Pension Board's assumptions and judgements used in the application of the going-concern assumption.



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 Report of the Pension Board 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 Pension Board is responsible for the preparation of the other information, including the Report of the Pension Board 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 Pension Board

The Pension Board 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 Pension Board 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 Pension Board is responsible for assessing the Pension Fund's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Pension Board should prepare the financial statements using the going-concern basis of accounting unless the Pension Board either intends to liquidate the Pension Fund or to cease operations or has no realistic alternative but to do so. The Pension Board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Pension Fund'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 Pension Fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Pension Board.
- Concluding on the appropriateness of the Pension Board's 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 Pension Fund'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 Pension Fund 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 with the Pension Board 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.



Amsterdam, 26 June 2026

PricewaterhouseCoopers Accountants N.V.

Original has been signed by:

H.C. van der Rijst RA

13.4 Terminology

AAL	Accrued Actuarial Liability (Technical provisions)
ABTN	Actuariële Bedrijfs Technische Nota
AFA	Administrative and Financial Agreement (uitvoeringsovereenkomst)
AFM	Autoriteit Financiële Markten
AG	Actuarieel Genootschap
ALM	Asset Liability Management
ARP (MUP)	Associate Retirement Plan (Medewerker Uittredings Plan)
ASP (MSP)	Associate Selection Plan (Medewerker Selectie Plan)
BPF (industry wide pension fund)	Bedrijfstak Pensioen Fonds
BSG	Blue Sky Group
CBS	Centraal Bureau voor de Statistiek
CCC	Cost Covering Contribution
CPI	Consumenten Prijs Index
CSA	Credit Support Annex
Defined Contribution Pension Plan (DC)	Beschikbare premieregeling
DNB	De Nederlandsche Bank
EB – Executive Board	Dagelijks bestuur
ECB	Europese Centrale Bank
EM	Emerging Markets
EMD	Emerging Market Debt
EOP	Additional Retirement Pension (Extra ouderdomspensioen)
EPP	Additional Partners Pension (Extra partnerpensioen)
FR	Funding ratio (dekkingsgraad)
FTK	Financieel Toetsingskader
GDP	Gross Domestic Product (Bruto Nationaal Product)
IBNR	Incurred But Not Reported
IMA	Investment Management Agreement
ISDA	International Swaps and Derivatives Association
KPI	Key Performance Indicators
LDI	Liability Driven Investments
LIL	Lower Indexation Level (beleidsdekkingsgraad waaronder geen indexatie wordt toegekend)
MPF	Stichting Mars Pensioenfonds
REI	REI Nederland B.V.
MTR	Minimum Technical Reserve (minimaal vereist eigen vermogen)
OTC	Over The Counter
OSMR	Ongoing Solvency Margin Ratio (vereist eigen vermogen)
PCC	Pensioen Communicatie Commissie
PFR	Policy Funding Ratio (Beleidsdekkingsgraad)
RTS	Rentetermijnstructuur
SLA	Service Level Agreement
SCCC	Smoothed Cost Covering Contribution
TIL	Target Indexation Limit (beleidsdekkingsgraad waarboven volledige toeslagverlening kan plaatsvinden)
TRH	Tail Risk Hedge
UFR	Ultimate Forward Rate
UPO	Benefit Statement (Uniform Pensioen Overzicht)
WTP	New Pension Deal (Wet Toekomst Pensioenen)

Stichting Mars Pensioenfonds
Professor E.M. Meijerslaan 1
1183 AV Amstelveen
Postbus 123
1180 AC Amstelveen
www.marspensioen.nl