



Summary

Annual Report 2024

PFZW at a glance

(Former) participants



2,949,600

2023: 2,876,600

Affiliated employers



26,193

2023: 25,922

Actual funding ratio



109.8%

2023: 106.1%

Assets under management
(x € million)



259,078

2023: 237,577

Total return



8.0%

2023: 8.7%

Pension indexation
(January 1, 2024)



4.8%

January 1, 2023: 6.0%

Participant trust



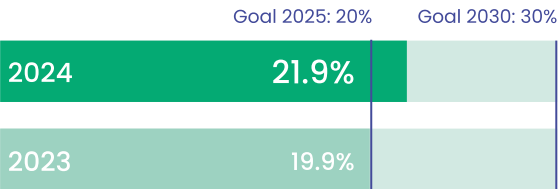
Pension administration costs
(per participant in euros)



65.32

2023: 65.75

SDG-investments
(as % of total assets under management)



Reduction absolute CO₂ emissions
compared to 2019 (Scope 1 and 2 emissions of equity, liquid credit and real estate investments)



Profile

PFZW is a Dutch pension fund that manages a mandatory collective pension scheme for employees in the healthcare and welfare sector.

Our ambition is to provide our participants with a good, indexed, and affordable pension, while taking no more investment risk than necessary. We aim for stable contributions and benefits, a fair distribution of costs and returns and broad support for our pension scheme across the sector.

Our mission

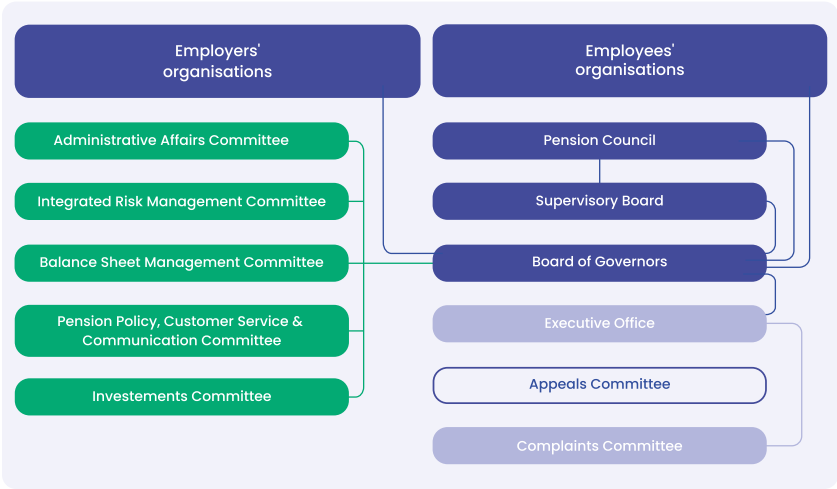
PFZW is the pension fund of, for, and by the healthcare and welfare sector. Together with our participants and employers, we work to ensure a good pension in a liveable world. Both now and in the future. We support one another by sharing costs, risks, and returns. Through our investments, we contribute to a sustainable world and we develop services that help keep the sector strong and its people healthy. After all, a good retirement requires more than just money.

PFZW is:

- Approachable**
We are close to our participants. We understand their sectors and what matters to them. They know how to reach us and feel comfortable doing so. We listen and provide clear answers to their questions. In doing so, we help them build trust, in us and in their pension.
- Together**
We believe in the power of collective action. By participating together in the pension fund, we make pensions possible for everyone in healthcare and welfare. For life, even if they live to be 120.
- Committed**
We are committed to all participants and employers in the healthcare and welfare sector. We also take our social responsibility seriously. We invest our participants' pension assets for strong returns, while keeping a close eye on the world around them.
- Supportive**
We help our participants arrange a good pension and make informed decisions about their future. We are there for them at key moments in their lives, showing them what to expect and how today's choices will affect their financial future.
- Leading the way**
We look ahead and drive progress. We speak up in public debates when it matters to our participants. We think in terms of possibilities and lead the way in developing new services.

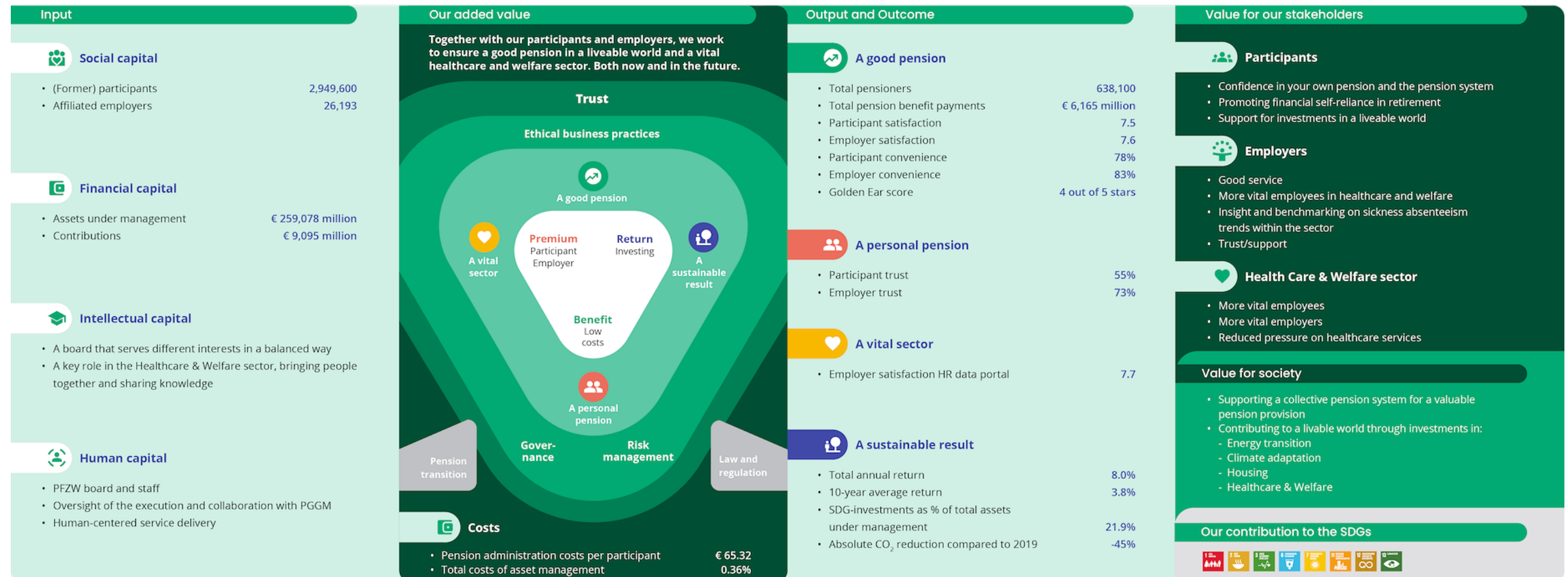
Organisation

PFZW is organised as a foundation. We were established by the social partners in the healthcare and welfare sector. PFZW has a Pension Council (as of January 1, 2025, the Accountability Body), a board with various board committees and an executive office.



Creating value

Together with our participants and employers we aim to create value for participants, employers, the sector and society as a whole. How we do this is outlined in our value creation model. This model is built around the four pillars of our strategic vision 2030. The image below shows how we created value in 2024.



Five-year review

	2020	2021	2022	2023	2024
Financial position					
Actual funding ratio as at year end	92.6%	106.6%	108.7%	106.1%	109.8%
Policy funding ratio as at year end	88.3%	99.7%	111.5%	112.0%	108.9%
- <i>Minimum capital requirement</i>	104.3%	104.3%	104.4%	104.4%	104.5%
- <i>Capital requirement</i>	122.2%	122.2%	125.4%	124.8%	123.3%
Assets under management (in € millions)	253,901	277,456	216,517	237,577	259,078
Foundation capital and reserves (in € millions)	-20,401	173,17	17,372	13,799	23,211
Provision for pension liabilities (in € millions)	274,642	260,653	200,709	225,119	237,569
Indexation					
Indexation declared for coming year ¹	0.0%	2.7%	6.0%	4.8%	0.0%
Indexation-ambition (price inflation) ²	1.1%	2.7%	7.2%	7.0%	3.5%
Cumulative indexation arrears	23.5%	23.5%	24.9%	27.5%	32.0%
Investments					
Investment result ³ (in € millions)	13,335	21,025	-62,644	18,907	19,124
Total costs management in % ⁴	0.38%	0.75%	0.42%	0.34%	0.36%
Total return	5.6%	8.2%	-22.6%	8.7%	8.0%
10-year average return	8.0%	8.0%	4.0%	4.4%	3.8%
Average return since 1971 ⁵	8.1%	8.1%	7.5%	7.5%	7.5%
Z-score	-0.05	3.08	0.39	-1.01	0.10
Performance score ⁶	1.85	2.65	2.50	1.55	1.13

	2020	2021	2022	2023	2024
Income and expenditure					
Contributions (in € millions)	6,936	7,219	7,913	8,011	9,095
Pension benefit payments (in € millions)	4,276	4,598	4,939	5,787	6,165
Pension administration costs (in € millions)	108	115	124	131	134
Pension administration costs per participant (in €) ⁷	58.66	60.54	63.82	65.75	65.32
Contribution rates					
Old-age pension (% of salary less state old-age pension threshold)	22,4%	25,0%	25,8%	25,8%	25,8%
Invalidity pension (% of salary less state invalidity pension threshold)	0.5%	0.5%	0.5%	0.5%	0.5%
Employers and participants (numbers)					
Affiliated employers	25,500	25,900	26,050	25,922	26,193
Participants	1,320,800	1,340,700	1,365,400	1,390,700	1,418,700
Deferred participants ⁸	1,074,200	1,092,500	1,102,300	878,600	892,800
Pensioners	518,300	552,100	580,600	607,300	638,100
Total participants and pensioners	2,913,300	2,985,300	3,048,300	2,876,600	2,949,600

1 Indexation percentage granted based on price inflation (see footnote 2).

Indexation rate for 2024: 0.0% as of January 1, 2025.

2 Source: StatLine (Adjusted Consumer Price Index by CBS, reference date September 30 – September 30).

3 Investment results are reported net of asset management costs. They include the results for which the participant bears the investment risk.

4 Total asset management costs are disclosed in accordance with the Implementation Cost Recommendations of the Dutch Pension Federation. The percentage reflects total asset management costs relative to average assets under management. Transaction costs are not included.

5 This percentage reflects the average annual return from 1971 through the end of the financial year.

6 The performance test is calculated by summing the Z-scores over a five-year period and dividing the result by the square root of five. PFZW meets the test criteria, as the score exceeds -1.28.

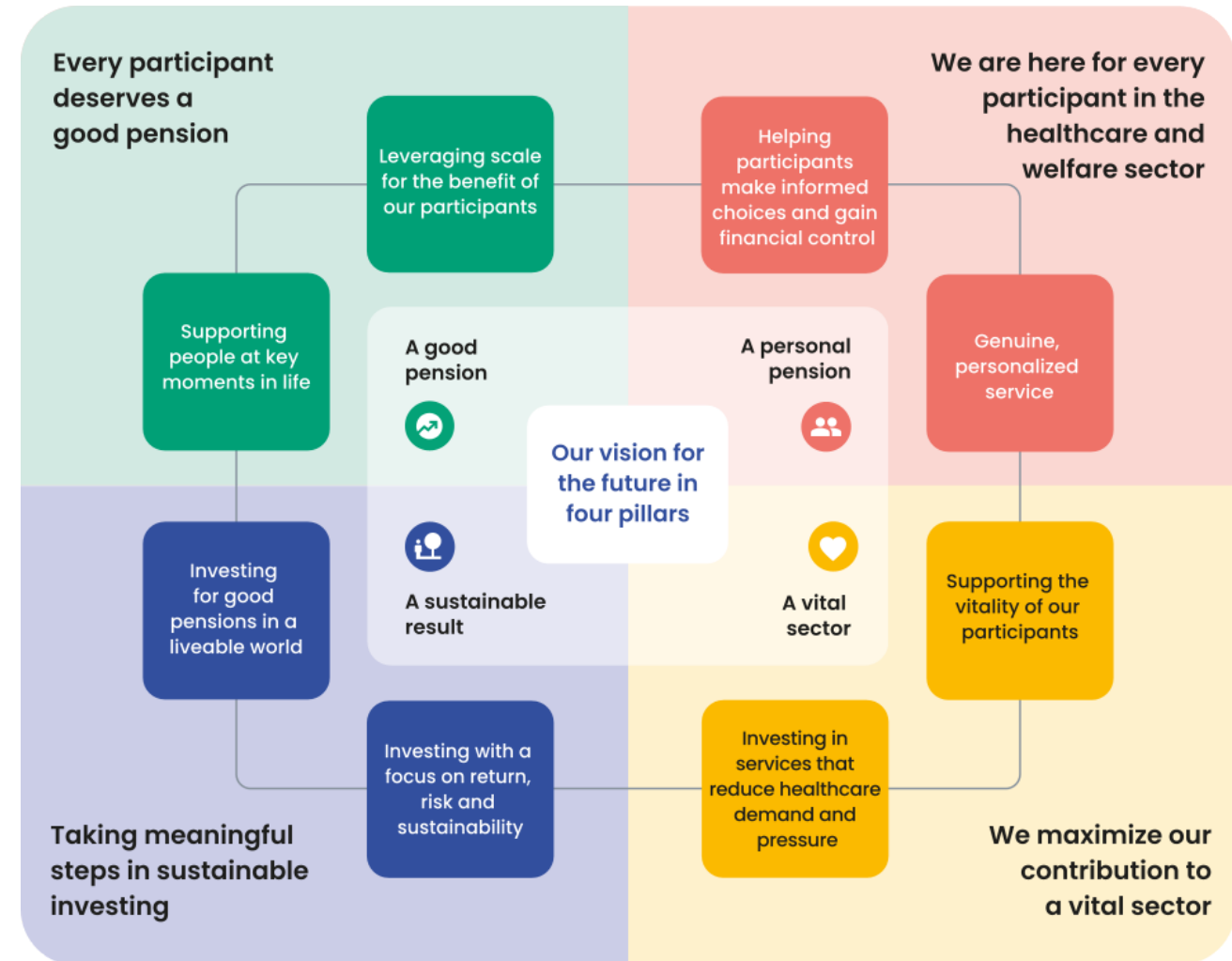
7 The pension administration costs per participant are calculated based on the number of active contributors and pension beneficiaries (excluding asset management costs).

8 The number of former participants declined in 2023 due to the planned settlement of outgoing value transfers of small pensions.

Our strategic vision 2030

PFZW's mission is to provide a good pension in a liveable world, now and in the future. To fulfil this mission, we have developed the strategic vision 2030 together with PGGM, our pension administrator. This joint strategy serves as a guiding framework for shaping and implementing the new pension scheme and our 2030 investment policy. It also supports us in achieving our ambitions to build trust among our participants and employers, and to contribute to a vital healthcare and welfare sector. To realise our strategic goals, we also make use of artificial intelligence (AI). In the coming years, we aim to make AI a core competency of our organisation, using increasingly innovative technologies to achieve the objectives set out in our strategic vision 2030.

Our strategy is built on four strategic pillars, which we briefly explain on the next pages together with some results for each of these pillars in 2024. As part of our strategy we aim to ensure that our participants have confidence in the pension system. On January 1, 2026, PFZW intends to switch to the new pension scheme resulting from the Dutch Future Pensions Act (Wtp). In 2024, we invested significant effort in preparing for this transition.





Our results in 2024

A good pension

Our participants must be able to trust that they will receive a good pension and that their pension payments will be made on time. Within this pillar, we focus on the following themes:

- Excellent Customer Service**
Outstanding service is essential to delivering a good pension. That's why it is a key priority in our operations, and we continuously work to improve our customer experience.

- Future-Proof Pension Administration**
To ensure a future-proof pension system, we continue to develop our services and invest in collaboration and economies of scale. This helps us keep costs per participant low.

Participant satisfaction

Goal 2030: 8.0



Employer satisfaction

Goal 2030: 8.0



Participant convenience

Goal 2030: 80%



Employer convenience

Goal 2030: 80%





Our results in 2024

A personal pension

Everything we do is first and foremost for our participants and employers. We support them at all key moments and contribute to their financial awareness. We do this by offering clear overviews, guided decision-making, and personalized service. Within this pillar, we focus on the following themes:

- Trust**
Trust underpins everything we do, from pension and asset management to our reputation and interactions with participants and employers. Especially in times of transition, maintaining and strengthening that trust is crucial.
- New Pension Scheme**
We aim to transition to the new pension scheme on January 1, 2026. This scheme is designed for the world of tomorrow and ensures a good pension for our participants.
- Financial Awareness**
We believe it is important to provide our participants with insight into their financial situation and to help increase their financial awareness.
- Enablement**
Together with PGGM, we are working on the conditions needed to successfully implement our strategic vision 2030. We call this “enablement”, which includes building an agile organization and ensuring strong governance.

Participant trust



Employer trust





Our results in 2024

A vital sector

As a pension fund, we feel a strong responsibility to contribute to the vitality of our participants, employers and the sector as a whole. We do this by enhancing financial awareness, providing employers with (HR) data, and investing in innovative healthcare initiatives.

In 2024, we continued the development of our HR data portal. This portal presents employers' HR data in clear and accessible dashboards,

giving them easy insight into key metrics such as employee inflow and outflow, part-time ratios and average tenure.

We also signed a cooperation agreement with the National Healthcare Reserve (NZR) to expand the number of healthcare reservists. The aim is to strengthen national preparedness for future healthcare emergencies in the Netherlands.

Employer satisfaction HR data portal

7.7

2023: 8.2

Recruitment of healthcare reservists

161

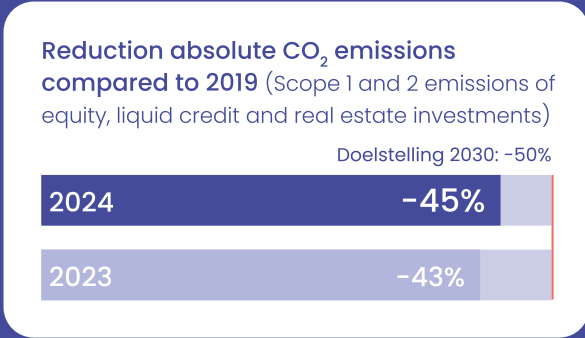
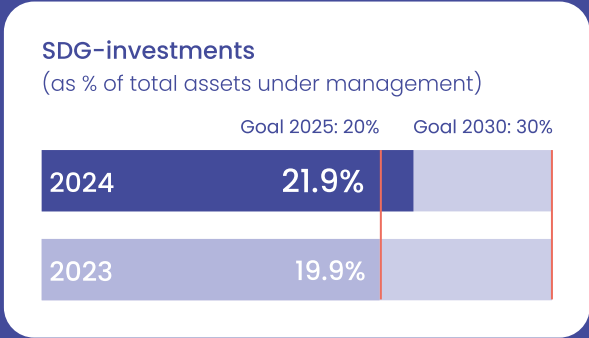
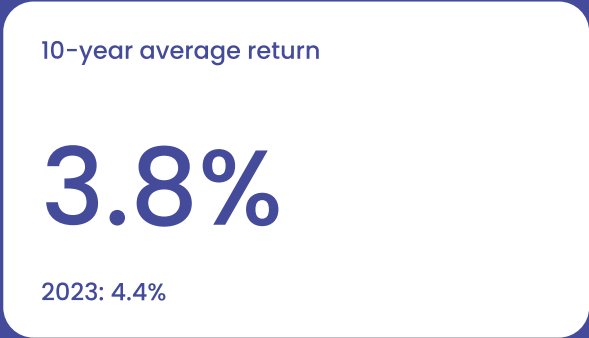


Our results in 2024

A sustainable result

We ensure a good and affordable pension by investing the contributions made by our participants and employers. Approximately 40% of a pension payment comes from contributions, and 60% from investment returns.

Our goal is to contribute to a more sustainable world through our investment strategy. We aim for a net-zero investment portfolio by 2050 and strive for a balanced approach to risk, return, and sustainability.



Consolidated balance sheet as of December 31, 2024

The balance sheet results are presented after appropriation of net income (expense) for the financial year.

(amounts x € 1 million)		31-12-2024	31-12-2023
ASSETS			
Investments at pension fund's risk			
- Real estate and infrastructure	47,670	43,844	
- Equities	77,490	65,573	
- Fixed-income securities	127,092	112,368	
- Derivatives	26,960	28,120	
- Other investments	6,686	6,614	
Total investments at pension fund's risk		285,898	256,519
Investments at participants' risk			
- Real estate and infrastructure	5	6	
- Equities	9	10	
- Fixed-income securities	13	15	
- Derivatives	3	4	
- Other investments	1	1	
Total investments at participants' risk		31	36
Total investments		285,929	256,555
Reinsurance part of technical provisions		2	16
Participating interests		160	160
Receivables, prepayments and accrued income		21,137	30,936
Cash		227	144
Total assets		307,455	287,811

(amounts x € 1 million)		31-12-2024	31-12-2023
LIABILITIES			
Foundation capital and reserves		23,211	13,799
Technical provisions			
- Provision for pension liabilities at pension fund's risk	236,579	224,218	
- Other technical provisions	960	868	
- Provisions for net pension	2	2	
Total technical provisions		237,541	225,088
Provision for pension liabilities at participants' risk		28	31
Other liabilities, accruals and deferred income		46,675	48,893
Total liabilities		307,455	287,811

Consolidated statement of income and expenditure for 2024

(amounts x € 1 million)		2024	2023
INCOME			
Contributions (from employers and employees)	9,095	8,011	
Investment income at pension fund's risk	19,123	18,905	
Investment income at participants' risk	1	2	
Other income	12	24	
Total income		28,231	26,942
EXPENDITURE			
Pension benefit payments		-6,165	-5,787
Pension administration costs		-134	-131
Movement in provision for pension liabilities at pension fund's risk			
- Pension accrual	-8,187	-7,124	
- Indexation or reduction	-	-10,079	
- Interest added or deducted	-7,747	-6,547	
- Made available for pensions and pension administration costs	6,273	5,657	

(amounts x € 1 million)		2024	2023
- Change in market interest rate	-5,500	-6,307	
- Change from transfer of rights	50	222	
- Change in actuarial assumptions for pension scheme	2,883	-79	
- Other movements	-133	-102	
Totaal mutatie voorziening pensioenverplichtingen voor risico pensioenfonds		-12,361	-24,359
Movements in other technical provisions		-92	-54
Movement in provision for net pension		-	-
Movement in provision for pension liabilities at participants' risk		3	3
Movement in reinsurance part of technical provisions		-14	-14
Net transfers of rights		-52	-167
Other expenditures		-4	-6
Total expenditure		-18,819	-30,515
BALANCE OF INCOME AND EXPENDITURE		9,412	-3,573
Appropriation of the balance of income and expenditure			
- added/charged to general reserve		9,412	-3,573

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This is a summary version of the PFZW Annual Report 2024.
The full Dutch version of the annual report, including the
auditor's assurance report, is available here:

