

Amsterdam, March 2020

Dear Sir or Madam,

In this newsletter from CRH Pensioenfonds we wish to discuss a few issues that are important for the amount of pension that you will receive when you retire. Accrued pensions will not be cut per January 1, 2020, but unfortunately, your future pension accrual will decrease from January 1, 2020.

Your accrued pension will not be reduced from 1 January 2020

CRH Pensioenfonds closed the year 2019 with an estimated current coverage ratio of 97.8%. This means that the financial position of CRH Pensioenfonds is still insufficient. Despite the worrying financial position of the pension fund, accrued pensions do not need to be reduced from 1 January 2020.

However, the chance that the accrued pensions must be reduced in the coming years is still very high. For more information about this we refer you to our website www.crhpensioenfonds.nl.

Your accrual percentage will decrease in 2020

CRH Pensioenfonds strives to grant an annual pension accrual of 1.875% of the pension base, equal to the fiscal maximum. The annual pension accrual is funded by the pension premium that the employer and employees jointly pay to the pension fund.

The pension premium must be sufficient to cover the cost of the annual pension accrual. If this is not the case, this hinders the recovery of the pension fund. Interest rates fell sharply in 2019. This means that the costs of the new pension accrual will increase, because less return can be expected in the future.

The board of CRH Pensioenfonds is therefore forced to reduce the accrual percentage as of January 1, 2020 from 1.875% to 1.5%. The board realizes that this has negative consequences for the amount of pension you can build up. In this decision, the board carefully weighed the interests of all groups of participants.

In the calculation example below you can see the effect of the reduction of the accrual of the retirement pension in 2020.

What is your pension base?

You accrue pension on the pension base. This is the fixed gross annual salary minus the deductible. In the future you will receive AOW (social security benefit) from the Dutch government. You do not have to build up a pension for that part of your income. We call this the deductible. The deductible in 2020 is € 14.167,-.

What is your accrual percentage?

The intended accrual percentage is 1.875%. The accrual percentage in 2020 is 1.50%. As a result, you accrue less pension over the year 2020.

An example

| | |
|-------------------|----------|
| Hans earns | € 34.167 |
| Minus: Deductable | € 14.167 |
| Pension base | € 20,000 |

The intended pension accrual is: 1.875% of € 20,000 = € 375.00 gross per year.
In 2020, he accrues pension: 1.5% of € 20,000 = € 300.00 gross per year.

Due to this lower accrual in 2020, Hans will receive € 75.00 less gross per year at the age of 68.
This is € 6.25 gross per month.

The reduction of the accrual percentage also influences the level of the insured partner's and orphan's pension.

From mid-March you can see your expected retirement pension and what amount of survivor's pension is insured for you on www.mijnpensioenoverzicht.nl.

Does the reduction in pension accrual only apply to 2020?

The employer pays a predetermined premium to the pension fund (= fixed premium). This means that the employer does not have to top up in bad times. If the fund has insufficient reserves, the board may be forced to reduce the accrued pensions. On the other hand, in good times the employer cannot negotiate a discount on the premium or is entitled to a refund.

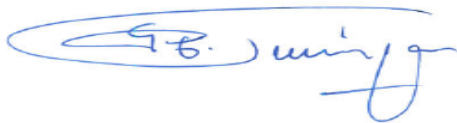
The intended pension accrual is financed annually from the fixed premium. If the agreed premium is not sufficient in any year, the intended pension accrual for that year is reduced. This risk lies with the active participants. The current fixed premium applies until 31 December 2021. If the interest rate does not rise substantially, there is a considerable chance that the intended pension build-up cannot be fully granted in the year 2021 either.

From January 1, 2022, a new agreement can be made between the employer and the employees about the fixed premium. We will inform you about this in due course.

More information?

For more information, please visit our website www.crhpensioenfondsnl or the pension office of Stichting CRH Pensioenfondsnl. By e-mail to info@crhpensioenfondsnl stating your participant number or by telephone via number 020 - 3045 100.

Kind regards,
On behalf of the board of Stichting CRH Pensioenfondsnl,



G.P.T. van Heiningen
Pension Fund Director