BeFrank Passive Lifecycle

Q2 2026

Investing in a lifecycle

In lifecycle investing, the investment risk is automatically reduced as the retirement date approaches. We do this by gradually reducing the proportion of the pension money that we invest in risky investments (such as equities) and allocating more to low-risk investments such as government bonds.

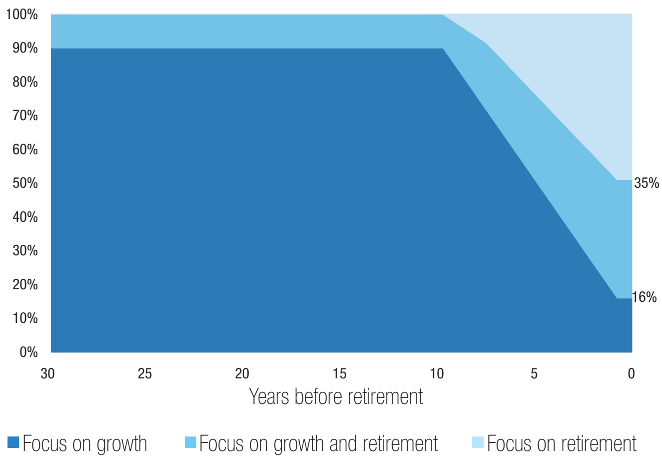
The lifecycle consists of three parts, also called building blocks:

- **Focus on growth**
  This part aims to generate potentially attractive returns. To accomplish this, we invest in the BeFrank First Class Return Index Fund, which allocates the majority of its assets to global equities, but also invests in other riskier asset classes such as high-yield corporate bonds and emerging market government bonds.

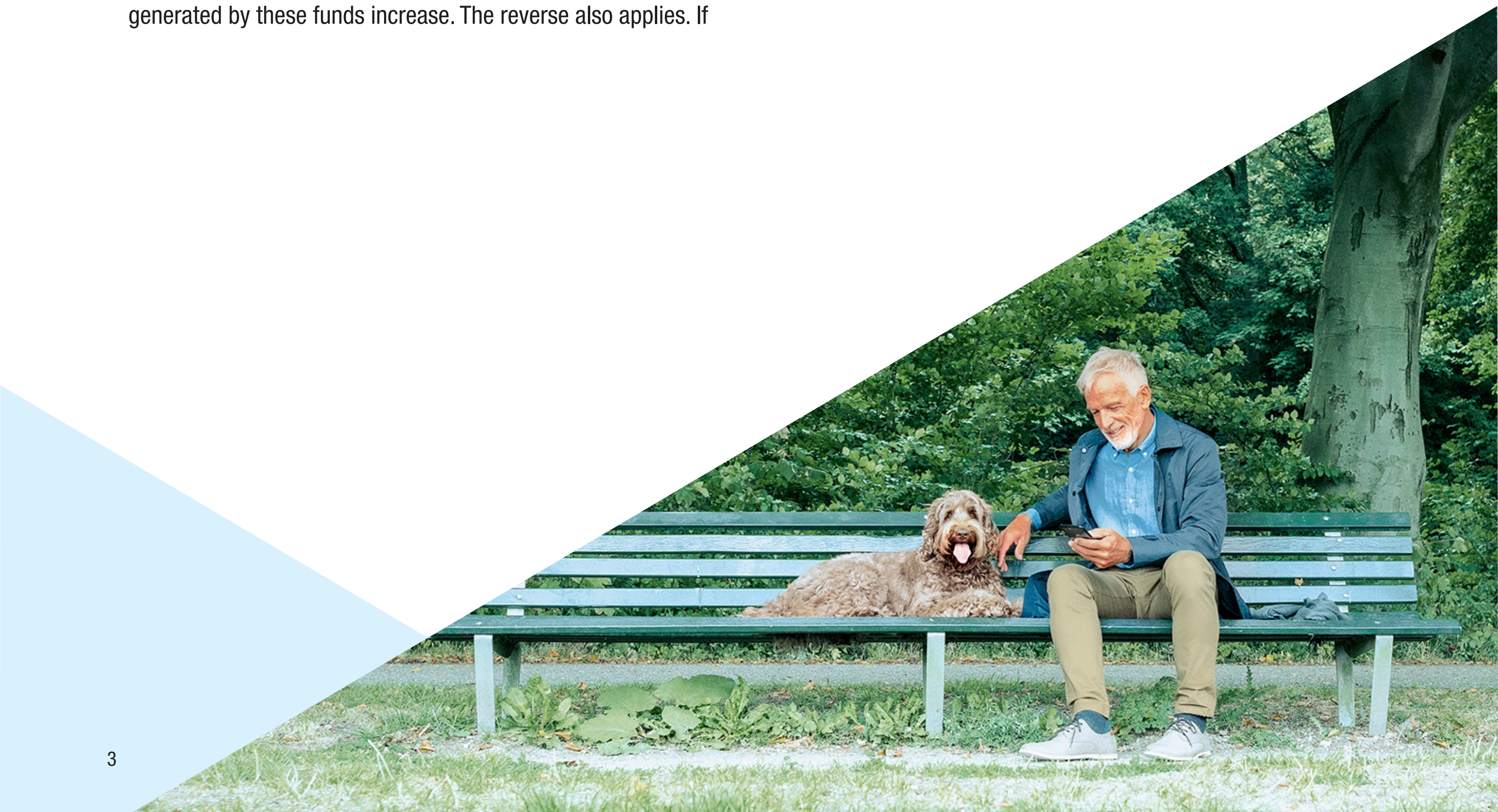
- **Focus on growth and retirement**
  This part combines generating potentially attractive returns and reducing the investment risk ready for retirement. In order to achieve this, we invest in potentially less risky investment asset classes such as green and corporate bonds with a high credit rating and Dutch mortgages (Hybrid Index Fund).

- **Focus on retirement**
  This part is intended to reduce interest rate risk. On retirement date, a benefit is purchased with the pension capital. The size of the pension benefit depends on a number of factors including the market interest rate at the time. If interest rates are low, more money is needed to buy the same pension benefit than when interest rates are high. The Duration Matching Funds reduce this interest rate risk. If interest rates fall, the returns generated by these funds increase. The reverse also applies. If interest rates rise, the value of investments decreases, but because interest rates are higher, less money is required to purchase the same pension benefit. This is how we try to ‘match’ the purchase of pensions with interest rate movements. We use three bond funds with different interest rate sensitivity profiles (Duration Matching Funds M, L, XL, XXL (NL)) that invest in European government bonds to do this. These bond funds reduce the risk associated with lower market interest rates.

Fixed pension benefit neutral profile



Source: Goldman Sachs Asset Management. Data as of 01/01/2024.



Financial markets

Lifecycle returns depend on what's going on in the financial markets. So how did markets perform last quarter?

After a difficult month of March, stock markets experienced a strong recovery in the second quarter of 2026. Resilient growth in the US, declining geopolitical risks related to the US-Iran conflict, and robust earnings momentum outweighed the more aggressive tone of the US Federal Reserve (Fed) and the continued uncertainty surrounding inflation.

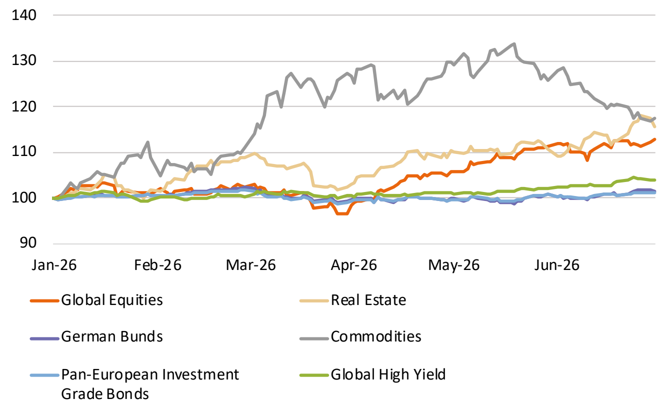
The quarter began against a backdrop of uncertainty regarding the conflict in the Middle East and the associated energy shock. However, geopolitical tensions quickly eased. The Memorandum of Understanding of June 12, which restored traffic through the Strait of Hormuz, removed a large part of the war premium from oil prices. This also helped to reduce concerns about continued inflationary pressure and a sharper slowdown in economic growth.

Global growth remained healthy in the second quarter. Corporate surveys such as the S&P Global Composite PMI came in at 51.8 in June, unchanged from May. However, since energy prices remained relatively high in early June, regional macroeconomic differences persisted. Economic growth figures in the US were a positive surprise. The US composite PMI came in at 51.5 in June, the US labor market showed signs of improvement, and capital investments in AI continued to contribute a disproportionately large share to economic growth. In Europe, growth slowed to below the long-term average. For instance, the eurozone composite PMI fell from an average of 51.3 in the first quarter of 2026 to 47.5 in May and 48.5 in June. In China, weaker activity figures for April and May pointed to weakening domestic demand despite resilient export figures.

In terms of monetary policy, all major central banks remained focused on inflationary pressure. The US central bank kept interest rates stable at 3.50%-3.75% but signaled this through higher inflation forecasts, with possible interest rate hikes expected. In the Eurozone, the ECB raised its policy rate by 25 basis points in June, with policymakers responding to a potential impact of higher energy costs on the inflation of food, goods, and services. In Japan, the Bank of Japan raised its benchmark rate by 25 basis points to 1.0%, the highest level since 1995, due to rising inflation expectations and robust wage growth.

Equities were the best-performing asset class in the past quarter, supported by emerging markets and continued AI momentum. In June, we saw some profit-taking in Technology and the Communications Services sector, while other sectors took over the lead, thus broadening equity market performance following the interim agreement between the US and Iran.

Figure 1: performance of asset classes (euros)



Sources: LSEG Datastream and Goldman Sachs Asset Management.
Data as of 30 June 2026.

Emerging markets performed best this quarter, with a 25.0% rise for the MSCI Emerging Markets Index (NR in EUR), led by AI-exposed semiconductor stocks in Korea and Taiwan. China (+13.9%) and India (+6.5%) diverged due to weakening domestic demand.

Japanese stocks rose by 15.1% (MSCI Japan NR in EUR), supported by a weaker yen and strength in financial and IT stocks. US large-caps posted a return of 16.1% (MSCI USA NR in EUR), driven by earnings growth of over 20% year-on-year and upward earnings revisions. European stocks lagged behind, rising by 11.8% (MSCI Europe NR in EUR), as the region remains more sensitive to higher energy prices.

Looking at global MSCI sectors in euros, performance varied widely. IT was the standout performer, rising 34.7% in euros thanks to strong corporate earnings in Q1. Financial stocks and the industrial sector also posted solid gains, each rising by more than 10% following a strong month of June. In contrast, the energy sector clearly lagged behind with a decline of 12.7% in the second quarter, as diminishing geopolitical concerns put significant pressure on oil prices. Utilities (+0.9%), the basic materials sector (+2.2%), and consumer daily goods (+2.7%) also delivered moderate returns over the quarter.

In fixed-income markets, bond yields continued to rise in most developed markets during the first half of the second quarter as increased energy prices drove up inflation expectations. In the second half of the quarter, bond yields fell back slightly as oil prices dropped significantly. On balance, the US 10-year yield rose by 13 basis points over the quarter, reflecting the Fed's aggressive repricing. In contrast, the German 10-year yield fell by 11 basis points as lower energy prices tempered European inflation concerns.

As a result, euro government bonds gained 1.9% in Q2'26 (Bloomberg Euro Aggregate Treasury). Credit markets outperformed government bonds as credit spreads narrowed slightly and risk appetite recovered. Euro investment grade corporate bonds gained 2.3% (Bloomberg Euro Aggregate Corporates EUR), while pan-European high-yield corporate bonds gained 3.4% in euro terms.

Net return by age group

Fixed pension benefit

Very defensive

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	12.6	11.3	20.2	13.6	7.9
55 years	8.5	9.6	12.5	8.6	2.0
65 years	3.4	3.6	1.1	3.2	-3.5
67 years	2.2	2.3	-0.6	2.3	-4.0

Defensive

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	13.3	12.0	21.4	14.2	8.4
55 years	11.1	10.0	16.3	11.4	5.2
65 years	5.0	5.1	3.8	4.6	-2.3
67 years	3.7	3.7	1.7	3.6	-3.1

Neutral

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	13.9	12.6	22.7	14.8	8.9
55 years	13.9	12.6	22.7	14.8	8.9
65 years	6.2	6.2	6.1	5.8	-1.3
67 years	4.6	4.4	3.2	4.4	-2.6

Offensive

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	14.6	13.2	23.9	15.3	9.4
55 years	14.6	13.2	23.9	15.3	9.4
65 years	6.7	6.6	6.9	6.3	-1.0
67 years	4.9	4.7	3.6	4.6	-2.4

Very offensive

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	15.3	13.9	25.1	15.9	9.9
55 years	15.3	13.9	25.1	15.9	9.9
65 years	7.5	7.3	8.4	8.1	0.4
67 years	5.2	4.9	4.1	6.3	-1.5

Net return by age group

Variable pension benefit reduced risk to 15%

Defensive - reduced risk to 15%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	13.3	12.0	21.4	14.2	8.4
55 years	11.3	10.2	17.1	11.9	5.9
65 years	6.3	6.2	6.0	5.7	-1.6
67 years	5.2	4.9	4.1	4.9	-2.2

Neutral - reduced risk to 15%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	13.9	12.6	22.7	14.8	8.9
55 years	13.9	12.6	22.7	14.8	8.9
65 years	6.9	6.8	7.2	6.3	-0.9
67 years	5.4	5.2	4.5	5.1	-2.1

Offensive - reduced risk to 15%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	14.6	13.2	23.9	15.3	9.4
55 years	14.6	13.2	23.9	15.3	9.4
65 years	7.3	7.1	7.8	6.7	-0.6
67 years	5.5	5.3	4.7	5.2	-2.0

Very offensive - reduced risk to 15%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	15.3	13.9	25.1	15.9	9.9
55 years	15.3	13.9	25.1	15.9	9.9
65 years	8.0	7.7	9.1	7.3	0.1
67 years	5.8	5.5	5.1	5.4	-1.9

Net return by age group

Variable pension benefit reduced risk to 30%

Neutral - reduced risk to 30%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	13.9	12.6	22.7	14.8	8.9
55 years	13.9	12.6	22.7	14.8	8.9
65 years	9.0	8.3	10.4	7.8	0.5
67 years	7.7	7.2	8.2	6.8	-0.6

Offensive - reduced risk to 30%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	14.6	13.2	23.9	15.3	9.4
55 years	14.6	13.2	23.9	15.3	9.4
65 years	9.3	8.6	10.9	8.1	0.8
67 years	7.8	7.3	8.4	6.9	-0.6

Very offensive - reduced risk to 30%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	15.3	13.9	25.1	15.9	9.9
55 years	15.3	13.9	25.1	15.9	9.9
65 years	9.9	9.1	12.0	8.6	1.4
67 years	8.1	7.5	8.7	7.0	-0.4

Variable pension benefit reduced risk to 45%

Offensive - reduced risk to 45%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	14.6	13.2	23.9	15.3	9.4
55 years	14.6	13.2	23.9	15.3	9.4
65 years	10.6	10.0	13.0	8.9	1.6
67 years	9.5	8.8	10.9	8.0	0.5

Very offensive - reduced risk to 45%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	15.3	13.9	25.1	15.9	9.9
55 years	15.3	13.9	25.1	15.9	9.9
65 years	11.1	10.5	14.1	9.4	2.2
67 years	9.7	9.0	11.2	8.1	0.6

Variable pension benefit reduced risk to 60%

Very offensive - reduced risk to 60%

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
47 years	15.3	13.9	25.1	15.9	9.9
55 years	15.3	13.9	25.1	15.9	9.9
65 years	12.5	11.7	16.2	10.4	3.0
67 years	11.6	10.7	13.9	9.4	1.7

Developments in sustainable investing

At Goldman Sachs Asset Management, the asset manager of the lifecycle funds, we are committed to helping investors manage the risks and opportunities created by the transition to a more sustainable economy. Our green bond funds seek to advance the climate transition by investing in bonds whose proceeds are used to finance environmentally beneficial. In the 2025 Impact Report for Green, Social and Impact Bonds strategies Goldman Sachs looks back on the developments and impact achieved.

In 2025, the labeled bond market experienced both substantial development and new challenges. Some aspects remained unchanged; Europe remained the dominant region for issuance, and Asia continued to emerge as a significant source for sustainable debt issuance. Labeled bond issuance in 2025 has proved to be strong with issuance in green, social, and sustainability bonds reaching $912 billion. Questions around the compatibility of Artificial Intelligence with sustainability moved to the forefront in 2025, with nuclear and micronuclear power playing into the discussion. Efforts to harmonize sustainability regulation and increase interoperability continued this year, and 2025 was also the first year the EU green bond label has been used to issue green bonds. Physical climate risk took a larger focus in our engagement discussions this year as well as defense spending considerations for financial issuers. We have included additional chapters on physical climate risk and defense spending in this year's report as well as the usual annual snapshots of our quantitative and qualitative impact.

For our green bond strategy, we report for each fund annual GHG emissions avoided, renewable energy capacity added, annual renewable energy generation output and annual energy savings. Europe remained the most heavily represented region in our portfolios, while alternative energy, green buildings, and low-carbon transportation remained the largest use of proceeds categories. The average EU Taxonomy alignment came in at just under 30% across all relevant funds as of the end of 2025.

For our social bond fund, we track the number of beneficiaries from the projects financed. The most common target population for the social bonds in our portfolio was low-income individuals. As of end of 2025, access to essential services, employment generation, and affordable housing received the largest allocation in the fund. European issuers continue to play a leading role in the social bond market.

Our proprietary Impact Bond Database expanded its coverage and by the end of 2025, we were tracking 3,522 green, social, and sustainability bonds. Next to that we also included 130 conventional bonds with positive exposure1 to biodiversity themes. We also dedicated some of this report to exploring the correlational or causational nature of strong climate action and green bond issuance.

Engagement remains a key part of our strategy process. We engaged with 136 green, social, and impact bond issuers in 2025, most of which are based in Europe.

For more information please see the full report on: https://am.gs.com/cms-assets/gsam-app/documents/insights/en/2026/sustainable-and-impact-bond_impact-2025.pdf?view=true.

My sustainability impact

At BeFrank, your pension is invested sustainably. But just how sustainable are those investments? That differs from person to person and depends on the choices you make. On your personal pension page, My Sustainability Impact shows how your investments score and the impact you are making with them. Are you an employer? Then you can view the sustainability impact of the assets invested in the pension scheme via the employer portal.

This dashboard shows an indication of the ESG score and the savings in CO2 emissions, hazardous waste and non-recyclable waste. The personal pension page and the employer portal explain how these figures are measured. You can read more about sustainable investing in the Sustainable Investment Policy.

Source: BeFrank

Funds BeFrank Passive Lifecycle

BeFrank First Class Return Index

The First Class Return Index Fund achieved a strong positive return in Q2 2026, mainly driven by equities. The quarter was characterized by a strong recovery in equity markets following the de-escalation in the Middle East and renewed optimism around AI. Emerging markets and ‘small caps’ outperformed developed markets this quarter, thereby contributing positively to the fund’s result.

All fixed income positions also made a positive contribution. Government bond yields stabilized in Q2 as lower energy prices anchored inflation expectations. The ECB raised interest rates by 25 bps in June, while the Fed struck a hawkish tone at the June FOMC meeting.

Listed real estate also contributed positively to the portfolio’s return.

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
BeFrank First Class Return Index	15.3	13.9	25.1	15.9	9.9

Statistics	
ISIN code	NL0013089006
Inception date	January 2019
Ongoing charges	0.15%

Positioning

Source: Goldman Sachs Asset Management, all figures are as of 30/06/2026.

Performance

BeFrank First Class Return Index

Return (%) (net) Equities	3 months	year to date	weight
Northern Trust World Journey Equity Index Fund - A Dis Eur*	15.6	12.9	68.1
MSCI World Journey Select Index Net (EUR)	15.5	12.8	
Northern Trust Emerging Markets Journey Equity Index Fund A Dis EUR**	25.7	27.2	12.3
MSCI NT EM Custom ESG NR EUR	25.7	27.1	
Northern Trust World Small Cap ESG Low Carbon Index FGR Fund K EUR Dist	19.5	21.7	5.1
MSCI World Small Cap Select Low Carbon Index	19.4	21.5	
Real Estate			
Northern Trust Real Estate Climate Index FGR Fund I EUR	9.1	12.4	5.2
Solactive Developed Real Estate ESG Climate Index NTR	8.9	11.9	
Fixed Income			
Northern Trust EMD LC GV Bond	4.1	1.9	4.7
BBG Barclays EM LC Government 10% Country Cap index	3.9	2.2	
Global High Yield Bond Fund (NL)	3.3	4.2	4.5
Bloomberg Barclays 70% US 30% Pan-European ex Fin Subord 2% Issuer Capped High Yield EUR (unhedged)	3.3	3.9	

* Added in July 2025.
** Added in October 2025.
Source: Goldman Sachs Asset Management, all figures are as of 30/06/2026.

Hybrid Index Fund

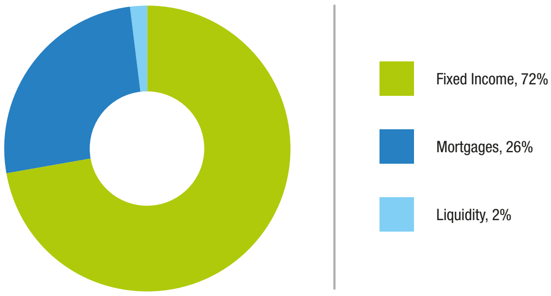
The Hybrid Index Fund achieved a positive return last quarter. The GS Corporate Green Bond sleeve was the largest contributor, with positive manager alpha. In addition, both Sustainable Credit and Social Bonds made a positive contribution. Fixed income benefited from stabilizing government bond yields in Q2, driven by lower energy prices anchoring inflation expectations.

The mortgage portfolio (Goldman Sachs Dutch Residential Mortgage Fund Non-NHG) also had a positive quarter.

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
Hybrid Index Fund	1.8	0.9	1.9	4.4	-0.3

Statistics	
ISIN code	NL0013995152
Inception date	November 2019
Ongoing charges	0.21%

Positioning



Source: Goldman Sachs Asset Management, all figures are as of 30/06/2026.

Duration Matching funds

The four Duration Matching funds have different interest rate sensitivity profiles (Duration Matching Fund (M) (NL), Duration Matching Fund (L) (NL), Duration Matching Fund (XL) (NL) and Duration Matching Fund (XXL) (NL)). They invest in a combination of euro-denominated interest rate swaps, high-quality money market funds, high-quality government bonds and cash. The interest rate sensitivity of the funds is enhanced with interest rate swaps and bond futures.

The Duration Matching Fund (M) (NL) strives for an interest rate sensitivity of about 4 years and (L) (NL), (XL) (NL) and (XXL) (NL) of approximately 20, 40 and 42 years, respectively. The four Duration Matching funds have different interest rate profiles that are composed in such a way that, used in combination, they can offer the best possible match in the period leading up to retirement.

What did the interest rates do?

In the second quarter of 2026, the interest rate environment in the eurozone changed significantly. The most important event was the European Central Bank's (ECB) first interest rate hike in nearly three years. On June 11, the ECB raised the deposit rate by 0.25 percentage points to 2.25% to bring inflation, which remained high, under control.

Despite this rate hike, rates for medium maturities fell. The 5-year and 10-year swap rates both fell by 0.15 percentage points to 2.73% and 2.91%, respectively. Interest rates for very long maturities, however, rose slightly. The 50-year swap rate increased by 0.04 percentage points to 2.82%. As a result, the yield curve became steeper: short- and medium-term rates fell, while long-term rates rose. If interest rates fall, the value of bonds rises. If interest rates rise, the value of bonds falls.

Clear differences were also visible between European countries. Investors made a greater distinction between countries with strong and weaker public finances. France and Belgium, in particular, performed weaker. The yield spread on French government bonds rose due to political uncertainty and budget concerns. Belgian government bonds were also viewed by investors as relatively riskier, resulting in higher yield spreads.

Germany and the Netherlands saw only a limited increase in yield spreads, while Ireland stood out positively. Yield spreads there fell across almost all maturities, making Irish government bonds one of the best-performing markets of the quarter.

Performance

Duration Matching Fund (M) (NL) - T

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
Duration Matching Fund (M) (NL) - T	1.4	0.6	0.5	3.2	-0.8
Bloomberg Barclays Euro Treasury AAA 1-3 Yr Downgrade Maturity Tolerant, incl derivatives to increase duration (M)	1.3	0.5	0.1	2.7	-1.1

Statistics	
ISIN code	NL0013040348
Inception date	November 2018
Ongoing charges	0.15%

Duration Matching Fund (L) (NL) - T

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
Duration Matching Fund (L) (NL) - T	3.2	4.7	-3.4	0.2	-8.9
Bloomberg Barclays Euro Treasury AAA 1-3 Yr Downgrade Maturity Tolerant, incl derivatives to increase duration (L)	2.5	4.7	-3.7	-0.4	-9.2

Statistics	
ISIN code	NL0013040355
Inception date	November 2018
Ongoing charges	0.15%

Duration Matching Fund (XL) (NL) - T

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
Duration Matching Fund (XL) (NL) - T	1.6	12.9	-6.1	-5.9	-16.8
Bloomberg Barclays Euro Treasury AAA 1-3 Yr Downgrade Maturity Tolerant, incl derivatives to increase duration (XL)	0.5	12.8	-6.1	-6.5	-17.1

Statistics	
ISIN code	NL0013040363
Inception date	November 2018
Ongoing charges	0.15%

Duration Matching Fund (XXL) (NL) - T*

Return (%) (net)	3 months	year to date	1 year	3 years (ann.)	5 years (ann.)
Duration Matching Fund (XXL) (NL) - T	6.3	6.7	-8.7		
Bloomberg Barclays Euro Treasury AAA 1-3 Yr Downgrade Maturity Tolerant, incl derivatives to increase duration (XXL)	5.4	5.8	-9.5		

Statistics	
ISIN code	NL0015001QX5
Inception date	February 2024
Ongoing charges	0.15%

* Performance measurement are as of 01/03/2024.
Source: Goldman Sachs Asset Management, all figures are as of 30/06/2026.

Disclaimer

The purpose of this report is to provide insight into the investments within the lifecycle of BeFrank and is not an investment advice. The performance overview has been compiled with care by BeFrank. No rights can be derived from this information. The returns in the report are after deduction of the fund costs but exclude the management costs charged by BeFrank.