

**Koopvaardij**



Stichting Bedrijfspensioenfonds voor de Koopvaardij

PENSIOENKOMPAS

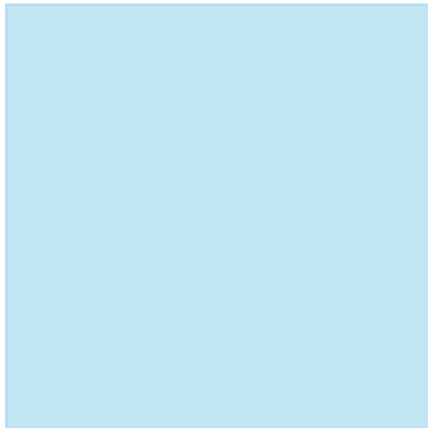
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Ladies and gentlemen,

We are pleased to present you with the latest edition of PensioenKompas. The days are gradually lengthening again, so we are happy that spring is on the horizon.

In 2017, the board organised three pension afternoons for members, pensioners and employers in Haren, Rotterdam and Bunnik. Various issues concerning your pension and your pension fund were explained by the board at these meetings. The attendance was excellent and we are pleased about the interest shown. For those who were unable to attend, the presentations can be found on our website at www.koopvaardij.nl (Dutch only).

Small increase in your pension is possible

At the time of writing, the precise financial situation of your fund as of the end of December 2017 is not yet clear. It has, however, improved compared with 2016. The board has now decided to increase your pension slightly by 0.13%. We hope that this positive development continues in 2018, so that more scope is created to increase your pension.

Further in 2018...

It's possible that there will be more clarity in 2018 regarding the detailing of the coalition agreement with respect to a new pension system. This would allow us to map out the specific consequences for our pension scheme. In addition, the term in office of Cor van der Sluis and Peter van der Horst, board members on behalf of pensioners, expires as of 1 July 2018. Both would like to continue as board members. As no other candidates have been put forward, no elections will be necessary. Both men will continue in office as of 1 July 2018 (subject to the approval of the regulator, the Dutch Central Bank).

In addition to our familiar Notice Board section, this edition of PensioenKompas also includes an explanation of the costs incurred by Bpf Koopvaardij. We also explain why we are investing for you in Dutch private mortgages and there is also an interview with Cor van der Sluis.

I hope you enjoy reading this edition. If you have any questions, you can always contact us via the website or by telephone.

Kind regards,

Erwin Cramer
Director of the Administrative
Office Bpf Koopvaardij



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Every year, our creed is that we continue to develop for our fund and for those who are dependent on it.

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Notice board



The section for old photos and notices by and for current and former seamen and interested parties.

Board member Cor van der Sluis:

‘The quality of the pension explanation is vital’

Board member Cor van der Sluis is heading for his second term in office. He considers that one of his most important tasks is to explain the details of pensions clearly and to state why the pension fund does things in the way that it does.

His son is 45 and is already working for his sixth employer and all with different pension schemes. Cor van der Sluis, who is 70, cites this as an example of how the world is changing. Particularly the pension world, in which he has been active for decades. ‘These days, people change employers more often, they work for a time as a one-man business, then they go back into paid employment again, but that may be in another sector. This means that you need to look carefully at what each pension fund is doing for you. That’s not like it used to be, when you joined, for example, a firm like Philips that looked after you for the rest of your life.’

Current circumstances mean that people must think things through and make choices. And Van der Sluis wants to help them. When he recently needed a plumb-

er at home, one of the million self-employed in the Netherlands, he raised the subject of the plumber’s pension. The man’s explanation that his reserves consisted mostly of his van and the contents of his toolbox, was hardly reassuring for Van der Sluis. ‘I said to him, think about it now and don’t wait until you are fifty.’ He calls the fact that many self-employed have not arranged a pension a ‘time bomb under an entire generation’. ‘Because if we are all going to live until 98 and we retire at 68...’

Jargon

If these types of developments are a cause for concern, Van der Sluis has concluded that the quality of the explanation is vital. That is why he considers explaining pension issues clearly to be one of the most important tasks in his board portfolio. ‘Every profession has its own jargon.



Cor van der Sluis (1947)

Has been on the board of Bpf Koopvaardij since 2010 holding the finance, control and information technology (IT) portfolio. He does not have a 'sailing' background, but started his career as an accountant. He later became financial director of the Joint Administration Office (GAK) and director of the pension fund at the Employee Insurance Agency (UWV). He is also a board member of the Pension Fund for Housing Associations and that of the KPN. Van der Sluis lives with his wife in Baarn.



6 Interview

Take doctors as an example. We pension fund board members are used to discussing the funding ratio or the longevity risk, but we sometimes make it unnecessarily complicated. We must never forget that those are difficult terms for most people, so you must always explain them clearly. That applies to the merchant navy, but it was also the case, for instance, at the Employee Insurance Agency (UWV), where he was director of the pension fund. 'Many highly educated people worked there, such as doctors and legal experts. But when the pension scheme shifted from a final salary scheme to a career average scheme, there were also many who did not understand. People often think that the pension fund takes such a decision, which is not the case, of course. These are agreements between employers and trade unions. Employers too need to explain things clearly to their staff.'

Dilemmas

Explaining pension issues clearly also gives rise to awkward dilemmas, he is quick to add. 'After all, what we communicate must in the first place be legally correct of course. But to keep that information transparent, you really want to present things as simply as possible and to omit, for instance, exceptions for the time being. So you have to add the familiar line that people 'cannot derive any rights from this text'. That can, in turn, give rise to mistrust among readers.'

Another dilemma is the fact that people like to have something individual to choose. Or at least that's what they say. 'But if you ask them if they would prefer to invest themselves, they're very hesitant about it.' But if you want to have an adequate pension you will have to invest, says Van der Sluis. 'You must not think that it all comes from interest on savings. So it's good that the pension fund does that investing for you, in an informed way and within sensible margins. The best reason for arranging pensions collectively is that longevity risk I referred to earlier. It's an annoying term for the fact that nobody knows in advance whether they will reach the age of seventy, eighty or ninety. Do you save for a pension that lasts for just a few years, or will you have to live for thirty years from what you are putting aside now? Individually you do not know, but in a collective arrangement that averages out.'

He does not wish to deny that pensions will be less generous than in the recent past. But there is something else that should be noted. 'For about 80 percent of people, the old-age provision consists of the state pension, together with a small occupational retirement pension. We have to dispel the idea that you must achieve 70 percent of your last-earned salary. That is too expensive and therefore outdated, unless that is your own private target and you are prepared to save for it yourself.'

In a canteen

At first, Van der Sluis was a board member on behalf of the employers, he now represents the pensioners. How must we interpret that change? 'That change was related to the fact that when I started, someone with a shipping background was wanted on behalf of the employers, someone who knew the mores of the sector. I was asked to change position. I had no difficulty with it and it doesn't make any difference in practice either. You always have to weigh things up and that would be the same if I was still representing the employers. If I am in a canteen, I must always be able to explain it, whether it's a canteen with pensioners or at a company with active members, where it mainly needs to remain affordable. A pension contribution is an important part of the disposable wage.'

Van der Sluis promises that he will continue to defend the value retention of pensions ('You must not take more risks than necessary') and to increase the understanding of people. The fact that he does not have a background in the sector should not be a problem. It is, moreover, a logical consequence of the demands made on board members. 'You need to know a lot about pensions and their financing to be involved right from the start and to really know what you are talking about. This also relates to the increasingly stricter regulation by the Dutch Central Bank (DNB). The screws have been tightened, particularly following the financial crisis. The Dutch Central Bank now considers pension funds – and rightly in my opinion – as financial institutions and applies the same yardstick to us as it does to banks and insurers. And why not, de pension funds jointly manage 1,200 to 1,400 billion euros. Managing that pension pot demands great professionalism.'

Healthy

Why does he wish to carry on after all these years and under these circumstances? 'I enjoy the meetings, the atmosphere on the board is very good. With my knowledge and experience I have something to contribute and I can also continue to develop. I am not a labourer, and in that sense it's easy for me to talk. But if you feel healthy and you still have your wits about you, it's great to remain involved. To still be part of everything that's going on in the world. To put it bluntly: I want to have a reason for getting up in a morning. I enjoy playing golf, but not every day. Mind you, I have friends that do so. But moaning every morning about the weather or share prices and knocking back the second sherry by twelve noon, no that's not for me. Perhaps when I'm 80.'

Vacancies on the board

As of 1 July 2018, the term in office of board members Cor van der Sluis and Peter van der Horst expires. Both are board members on behalf of pensioners on the nomination of a pensioners' association. Cor van der Sluis holds the finance, control and information technology (IT) portfolio and Peter van der Horst the pension matters and communication portfolio. This means that as of 1 July 2018, there will be a vacancy on the board for these two portfolios.

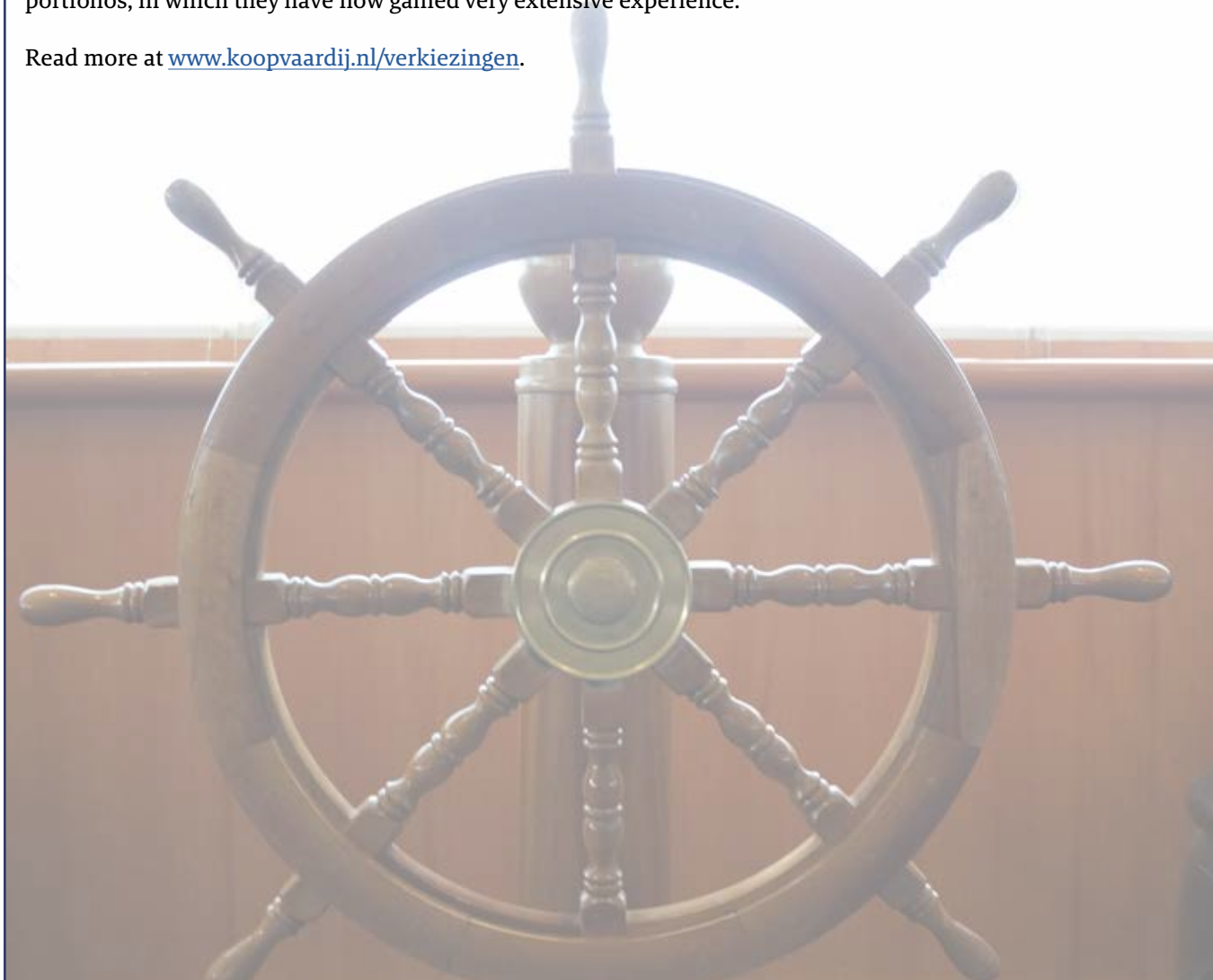
Nomination of candidates

Both board members would like to continue. They have the support of the Dutch Maritime Platform for Pensioners (*Maritiem Platform Gepensioneerden*). This association has nominated both board members as candidates for the vacancies. Other candidates could also put themselves forward or be nominated by a pensioners' association. However, no other candidates came forward during the term for nominations, which ran until 19 January. The two vacancies and the two candidates (Messrs Van der Sluis and Van der Horst) mean that elections among pensioners are not necessary.

Intended appointment of Van der Sluis and Van der Horst

According to the board, Messrs Van der Sluis and Van der Horst meet all the requirements. They have now been chosen without election in accordance with the election regulations. Both men will continue on the board as of 1 July 2018, subject to the approval of the regulator, the Dutch Central Bank (DNB). They will retain their current portfolios, in which they have now gained very extensive experience.

Read more at www.koopvaardij.nl/verkiezingen.



Your pension scheme in 2018

Every year, the need for changes to the pension scheme is assessed and also whether an increase in your pension is possible. The financial situation of the pension fund and changes to legislation play a role in this respect. The Bpf Koopvaardij board takes a decision regarding several changes. However, social partners (employer and employee representatives) do so too as pension scheme clients. The decisions as of 1 January 2018 are listed below.



Increase of your pension by 0.13%

Every year, the Bpf Koopvaardij board decides on whether your pension can be increased. The increase is not funded from pension contributions. Any increase is paid from the return on investments. As the financial situation of Bpf Koopvaardij improved slightly in 2017, an increase in your built-up pension is possible. As of 1 January 2018, the pensions of members, former members and pensioners were increased by 0.13%. We have calculated this increase on the basis of the consumer price index published by Statistics Netherlands (CBS) (1.36% for July 2016 - July 2017) and the funds that we have available.

At the end of the third quarter of 2017, our policy funding ratio – the key financial indicator of any pension fund – stood at 111.4%. This means that for every euro in current and future pension payments, we have € 1.11 available in cash. In the case of a policy funding ratio of 110%, Bpf Koopvaardij is permitted to increase your pension. However, the policy funding ratio must be at least 110% also after the increase. With a partial compensation of the rise in prices of 0.13%, this is the case.

The level of your (built-up) pension is shown at uk.bpfkoopvaardij.nl/my-pension-planner and on your 2018 Uniform Pension Overview.

VPL entitlements are also being increased

In 2005, we began operating a conditional pension scheme in addition to the pension scheme for your occupational retirement pension and surviving dependants' pension. This VPL scheme entitles people born between 1958 and 1972 to an extra pension under certain conditions. We introduced the scheme to compensate for the reduced pension build-up resulting from a change in the pension scheme at that time.

We have set aside funds for the extra pension. With the current reserve for the VPL scheme, it was possible to increase the VPL entitlements by 0.13% as of 1 January 2018. Furthermore, we restored the 2017 reduction (which was 7% at the time) in your VPL entitlements by 3.85% as of 1 January 2018.

You will find the increased VPL entitlements in early February at uk.bpfkoopvaardij.nl/my-pension-planner and on your 2018 Uniform Pension Overview.

If you wish to know whether you are eligible for VPL, you can find the conditions at uk.bpfkoopvaardij.nl/conditional-pension.

State pension offset and maximum pensionable pay

This year, the state pension offset (the amount on which you do not build up pension) and the maximum pensionable pay have been set at:

	2018	2017
State pension offset*	€ 13,344.40 on an annual basis (€ 36.56 per day)	€ 13,125 on an annual basis (€ 35.96 per day)
Maximum pensionable pay*	€ 86,884.60 on an annual basis (€ 238.04 per day)	€ 85,702.99 on an annual basis (€ 234.80 per day)

In 2018, the build-up rate of your occupational retirement pension will remain the same (just like the pension contribution).

**You will find more information about the terms at uk.bpfkoopvaardij.nl/downloads/concepts.*

Standard retirement age remains 67 for the time being

Although the statutory standard retirement age was raised to 68 as of 1 January 2018, the social partners in the merchant navy have decided to keep it at 67 in 2018. The current pension scheme offers the tax leeway to do so. This relates, for instance, to the build-up rate and the state pension offset as included in the current Bpf Koopvaardij pension scheme.

An important reason for the decision is the value attached within the merchant navy to a lower standard retirement age. In 2015, the standard retirement age was increased from 65 to 67. In the light of this, the social partners considered another raise undesirable. Furthermore, a general review of the pension system is expected in 2020. Any changes to the pension scheme can then be introduced simultaneously.

The standard retirement age is the standard age at which you will be receiving your monthly occupational retirement pension. Needless to say, you still have the possibility of opting to retire earlier or later than at 67.

Lots of interest in the Dutch pension afternoons

In 2017, Bpf Koopvaardij organised three pension afternoons in the Netherlands. For the meetings in Rotterdam (26 June), Groningen (5 October) and Bunnik (8 November) a total of around 300 people registered. Many were pensioners, but there were also active members and employers.



During the meetings, the Bpf Koopvaardij board members explained the various pension subjects, including the pension fund organisation, the financial situation, the investment policy and the changes to the pension scheme. There were also plenty of opportunities for questions and comments. The drinks after the meetings gave everyone the opportunity to meet former acquaintances again.

Positive, but also critical responses

Those present voted on various assertions about Bpf Koopvaardij and their pension. Almost everyone was content about the service provision of Bpf Koopvaardij and the way in which the pensions are arranged.

There were, however, criticisms of the government. For instance, the increase in the standard retirement age to 67 from 2015 was not considered appropriate for a sector like the merchant navy. And the system by which the financial situation of a pension fund is determined was also criticised. This influences the extent to which a pension fund is able to increase the pensions.

Valuable insights

The meetings were also very valuable for the Bpf Koopvaardij board. They provide good insights into the concerns of pensioners, active members and employers. That information can serve as input for policy formulation and pension administration.

From the pension council

The Bpf Koopvaardij pension council consists of representatives of employees, former employees, pensioners and employers. Together with the supervisory board, the pension council ensures the internal supervision of the pension fund. You can read more in this article about our tasks and observations.

The pension council performs the statutory role and tasks of an accountability body. The Bpf Koopvaardij board is accountable to the pension council and asks advice, where appropriate. The pension council meets at least six times a year, at least two of which together with the board. During these meetings, we assess and discuss the pension fund policy. The pension council exercises its right to advise if that is in the interests of members, former members and pensioners of Bpf Koopvaardij. Consultations are also held with the supervisory board. These consultations are held at least twice a year. Each year, the pension council attends knowledge sessions to update its knowledge in connection with changes within the pension world.

In the consultations with the board and the supervisory board, this subjects dealt with include the investments, the administration costs, pension increases (indexation) and the internal and external communication.

Some of the pension council members also sit on the client panel for the Bpf Koopvaardij communication. The website plays a vital role in the communication, but written publications such as PensioenKompas are still issued. In addition, three pension afternoons were held in various parts of the country, where a delegation from the pension council was present. This was an excellent initiative by the board to inform pensioners, members and employers via presentations of the fortunes of their pension fund. These presentations can be found at www.koopvaardij.nl (Dutch only).

Composition of the pension council

The pension council consists of twelve permanent members and two deputy members who replace the representatives of active members if they are absent due to their maritime activities. Nine members were nominated by Nautilus International, three by the Dutch Shipmasters' Association and two by employers' organisations (the Dutch Social Maritime Employers' Association and the Dutch Merchant Shipping Employers' Association).

Opinion in the annual report

In every annual report, the pension council describes its activities and how it has performed its tasks and exercised its powers. This can be found in the annual report in the section 'Report, opinion and observations of the pension council'. This opinion is subsequently drawn up by means of a set of standards and on the basis of the annual report and accounts, including the audit report, the actuarial report and the annual report of the board. The set of standards has been developed by the pension council and consists of ten themes that cover the entire administrative process and the administrative responsibility. The observations are indicated per theme and an opinion is issued.

Satisfied with the openness of the board

The Bpf Koopvaardij board pursues a stable policy and the costs of the pension administration are carefully monitored. The pension council is satisfied with the openness of the board in this respect. In two annual sessions, the board clearly describes its approach and its vision for the future. The contribution of the pension council is appreciated in those sessions, which provides confidence for the future.

Self-evaluation

The pension council has also performed a self-evaluation. How do we work together, what have we achieved and how can we improve? Every year, our creed is that we continue to develop for our fund and for those who are dependent on it. That is expressed not only in this article, but also in the 2017 annual report, which will be issued in May 2018. That is what we stand for!

You can find the annual reports at www.koopvaardij.nl/downloads (Dutch only).

On behalf of the pension council,

Rob Vlietman
Chairman

UPO 2018 and Annual Statement 2017 for pensioners

If you receive a pension benefit from us, you will receive two overviews from us at the start of every year: your Uniform Pension Overview (UPO) for pensioners and your Annual Statement.

The UPO provides an insight into your pension

In January, you received your UPO. This provides you with an insight into the pension that you received in 2017 from Bpf Koopvaardij and the pension that you will receive in 2018. Both the gross and the net pension are included for 2018. You can also see how much your partner and/or children, if any, will receive when you die.

You will need the Annual Statement for your tax return

You received your Annual Statement in February. This shows you how much pension you received from us in 2017 and how much was deducted in income tax and national security contributions and the statutory health insurance premiums (Zvw). You will require the information on your Annual Statement for your 2017 income tax return. You can complete the tax return from 1 March 2018. You can also use the information for requesting housing or healthcare allowance.

Do you wish to receive your UPO and Annual Statement in digital form?

If you have a DigiD, you can find in February a digital copy of both your UPO for pensioners 2018 and your Annual Statement 2017 in your personal message box at www.mijnoverheid.nl (Dutch only). This is possible only if you have activated your e-mail notification on that site for Bpf Koopvaardij. You will then receive an e-mail per document as soon as it is available. At www.mijnoverheid.nl under 'Instellingen' ('Settings'), you can see from which organisations you receive digital mail.

If you do not have a DigiD, you can request one via www.digid.nl/aanvragen*

** If you live abroad, you can request a DigiD only if you have Dutch nationality.*

If you have a partner, check the influence on your pension

If you are building up pension and you have a partner, it's important to know that this is already influencing your pension. Our new animation 'Your pension and your partner' tells you all you need to know in two minutes.

Did you know, for instance, that you must register the fact that you are partners in good time, or that separating may have major consequences for your pension? It is therefore important to check now whether the pension for your partner has been properly arranged and what influence your relationship has on your future pension.

View our new animation at uk.bpfkoopvaardij.nl/pension-and-partner.



Are you relocating within or to a foreign country?

Submit your address to the RNI

If you are relocating within or to a foreign country, it is important to submit your new address to the RNI (Non Residents Register). Our records are linked to the RNI, so that we automatically receive your new address. You can do so by completing a form from the RNI desk and sending it by e-mail to nietingezetendv@rotterdam.nl. You will find this form at www.rotterdam.nl/loket/adreswijziging-buitenland-rni.

For more information, please contact the RNI on +31 77 465 67 67.

You do not need to report relocation within or to the Netherlands

You do not need to notify us of any relocation within or to the Netherlands. We receive your new address automatically via the municipality.



Retired abroad?

Register at the RNI and do not forget wage tax exemption

If you receive a pension benefit from us, we are obliged to deduct national insurance contributions, the statutory health insurance premiums (Zvw) and wage tax from your pension. If you do not live in the Netherlands, you are exempt from national insurance contribution and Zvw* contribution. Consequently, we deduct only wage tax from your pension. Remember, this applies only if you are registered at the RNI. Without registration, we are obliged to withhold national insurance contribution, Zvw contribution and wage tax from your pension. You can register at the RNI at 19 municipalities in the Netherlands. As regards wage tax, it is important to assess whether you are eligible for exemption. If it is granted, you do not need to pay tax in both countries. You can ask the Tax and Customs Administration about this. You will find the form 'Requesting wage tax exemption [here](#).

** It may be that on the instructions of the Central Administration Office (CAK – government regulation administrator), we have to deduct Zvw contribution as yet from your pension benefit. This is called the Zvw foreign countries contribution (buitenlandbijdrage Zvw). You will find more information about this at www.hetcak.nl (Dutch only).*

New asset class: Dutch private mortga

To ensure that your pension grows – after years of membership your final pension consists for approximately two-thirds of investment return – Bpf Koopvaardij invests your pension contribution. The fund has assets under management of approximately € 4 billion. It has been decided to invest approximately € 120 million (3%) of that amount in private residential mortgages. This is a new asset class in the portfolio, which will be built up per quarter in 2018. We are opting for this asset class because extra return can be achieved without unacceptable higher risks being taken. For this purpose, government bonds are being exchanged for mortgages.



ges

The Dutch private mortgages will become elements in that part of the investment portfolio that is intended for financing present and future pension entitlements. In other words, it will be a low-risk portfolio in which interest rate fluctuations are hedged. The mortgage investments yield stable cash flows as a result of the monthly interest and principal repayments. If things do not go as planned, there is always collateral: real estate. Consequently, mortgages are a solid investment. Moreover, they contribute to the spread within the investment portfolio.

The illiquid character of a mortgages investment is a disadvantage, because it is less marketable. However, the illiquid investment total remains less than 20% of the total assets under management. The pension fund therefore has more than enough liquid investments that are easily marketable. This is vital in order to pay out the pension benefits. The contributions paid are insufficient for this purpose.

More risk is taken with another part of the investment portfolio, with the likelihood of higher return as a result. This part of the portfolio is intended for extra return so that your pension can increase, for example, in line with the cost of living.

Investment types

Investment in Dutch mortgages can be made via a mortgage fund or a discretionary mandate. In the case of a discretionary mandate, direct investments are made in mortgages and the manager (to whom the mandate has been granted) takes independent decisions on the purchase and sale of the mortgages. Needless to say, clear agreements are laid down about this in advance with the pension fund. In the case of an investment in a mortgage fund, the investor

receives units in a fund, which invests in turn in mortgages. As a result of its size, a fund often has the advantage of a better portfolio spread, so that small-scale investors can also invest in this class. The investment risks are also better spread.

Choice for greater control

After careful consideration, Bpf Koopvaardij has opted for a discretionary mandate. That has the advantage that we have more control regarding the composition of the portfolio. In addition, the size of the Bpf Koopvaardij investment means that in the case of a discretionary mandate too, a portfolio with an adequate spread can be built up.

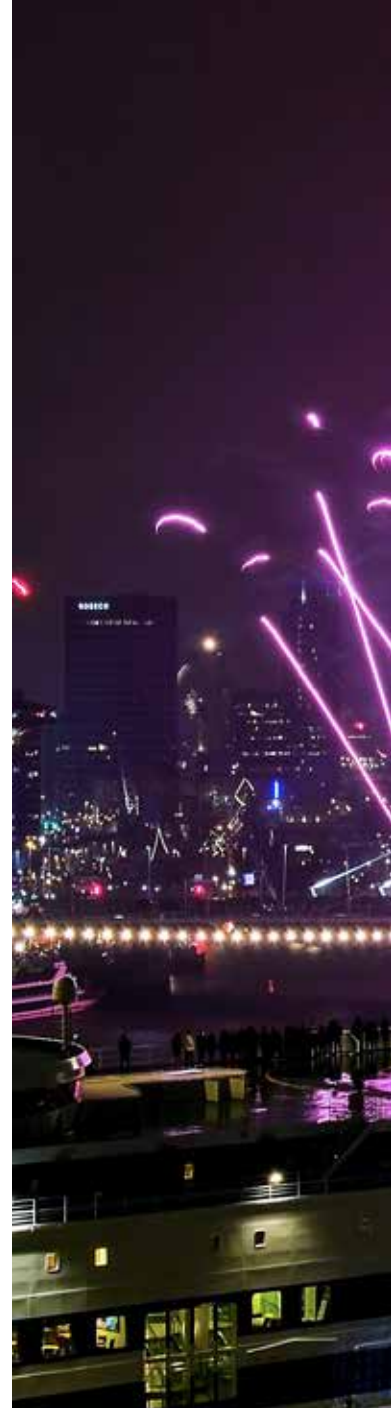
Following an exhaustive selection process, the investment mandate has been entrusted to manager DMFCO. On the basis of price, experience and knowledge, this manager was considered the best option. DMFCO offers institutional investors, such as pension funds, the possibility to have their own mortgage portfolio available within the Netherlands Mortgage Fund (NHF). Munt Hypotheken, named by financial brokers as the best Dutch money lender of 2016, offers these residential mortgages in the market.

Costs versus return

A mortgage portfolio has relatively high administration costs. Opting for a discretionary mandate also involves extra costs, particularly during the portfolio build-up. If a long-term view is taken – and a pension fund is after all a long-term investor – the costs fall from approximately 0.55% of the assets under management in Dutch mortgages in the first year to an average of approximately 0.28% in ten years. And when we consider the expected average returns, they are worth the extra costs.

‘We compete as regards quality and service and the results are excellent’

It’s pleasantly calm during the day in the P&O Ferries building in Europoort, which acts as the embarkation lounge in the evening for the ferry to Hull. That leaves plenty of time for an interview with HR manager Leonieke Verbove and Janny van Westervoort (crew payroll) regarding the situation in the sector and the direction of the company. With a view of the Pride of Rotterdam.



How are things going with P&O Ferries?

Quite well. We are making a profit again after a few loss-making years. The Pride of Bruges and the Pride of York have recently been refitted in Gdansk. All cabins have been renewed, the ships have been given a new look, so that they can continue in service for at least another five years.’

How does that work in practice if a boat is out of service for refitting?

‘You try to keep that period short, of course. The Pride of Bruges was out of service for three weeks. You try and find your customers an alternative, and a replacement ship was chartered, but that was far smaller and not what people were used to. There is no market

in which you can simply charter a similar ship. These type of vessels are built for a certain route, a certain mix of cargo and passengers. It is difficult to find a temporary replacement vessel.’

Is the profitability the result of an increase in cargo volumes?

‘The cargo mix is developing nicely. Three years ago we opted to focus on the self-drives. That’s what we call it if trucks embark and disembark with their own driver, in contrast to the transport of containers or separate trailers. All surveys show that truck drivers are pleased with us. They have their own cabin and can enjoy the cargo lounge on board. We compete as regards quality and service and the results are excellent.’

P&O Ferries

Set up
Location
Employees

Number of vessels
sailing under the
Dutch flag



1965
Europort
350 of which about
200 are crew
3

And the number of passengers?

‘We are reasonably stable as regards passenger numbers, but there are huge differences throughout the year. The summer season, Easter and the days on which we have special offers, are the busiest. In total, we have 1,5 million passengers a year on the North Sea, even though we now see that slightly fewer people come here from the UK. That may also be a matter of money, the euro has become more expensive for the British, of course.’

Isn't Brexit a cause of concern for the company?

‘Like everybody else, we can only speculate about the precise consequences. You could expect there to be less cargo going to the UK,

but we are not already adopting measures. A working group is dealing with this issue within our organisation. I am assuming that they will make the required preparations and detail various scenarios for what might happen and the steps that the company must take.’

Does it worry staff?

‘They do, of course, wonder what the consequences of Brexit will be. And we tell them the same: that we don't know. But that we are already considering the matter carefully. And that despite all uncertainties surrounding Brexit, we are assuming that transport between the UK and Europe will always continue.’



Are staff going elsewhere?

'On the contrary, we took on 54 employees last year, which is a huge number for this organisation. At some point in time it was difficult to find technical staff, but now things are going better. This organisation has always been characterised by long periods of employment and advanced age. We have a great many quayside staff who started forty years ago. And that was when it was physically still very demanding. That has now definitely changed thanks to a high degree of automation and an eye for working conditions.'

So they're likely to stay here until they retire?

'Yes, that's certainly the intention. We focus on sustainable employability. For several years now, we have had an agreement with quayside staff that from the age of sixty they can work for 60% at an 80% salary and with 100% pension build-up. We have recently agreed something similar with crew members: 80% work, 93% salary and complete pension build-up. This arrangement meant giving up extra free days for senior employees. I think that both parties are pleased with the result. Our company then has the advantage of staff advancement. A captain who starts working for 20% less provides more opportunity for a first helmsman to start doing that work. It creates staff movement elsewhere.'

Do older staff still enjoy their work after all those years?

'We have, of course, asked them that, and the working atmosphere here is in general fantastic. Needless to say, the work-private life balance is an item in this sector. Our maritime staff have schedules of two weeks on and two weeks off. If you are sixty that can, of course, be difficult for some, but there is also a demand for such conditions among the crew, it suits them. Those two weeks on board are intensive, but you can sit at home for the other two weeks.'

P&O Ferries is a subsidiary of DP World

Pride of Bruges from Zeebrugge to Hull. It is also active in the Channel between Calais and Dover and on the Irish Sea, with a cargo vessel between Liverpool and Dublin.

Changes to your pension scheme rules

2015 pension scheme rules

The following annual adjustments will be incorporated into your pension scheme rules.

2018 key figures and limit amount for commutation

The amounts of the maximum pensionable pay, the state pension offset and the limit amount that applies for the commutation of small pension entitlements in 2018* will be adjusted in the pension scheme rules. The commutation limit for 2018 has been set at € 474.11.

Calculation factors and years updated

The calculation factors applicable for 2018 will be included in the appendices to the 2015 pension scheme rules. For example, bringing forward and postponing factors for occupational retirement pension, exchanging factors for occupational retirement pension and partner's pension and commutation factors for small pensions.

2015 prepension scheme rules

The commutation limit for 2018 and the calculation factors that apply for 2018 will also be included in the 2015 prepension scheme rules.

* An overview of the 2018 key figures can be found on page 9.

Adjustment of the VPL entitlements percentage

In addition to the pension scheme for your occupational retirement pension and surviving dependant's pension, Bpf Koopvaardij also has a conditional pension scheme: the VPL scheme**. As of 1 January 2018, the VPL entitlements have been increased. You can read more about this on page 9. For that reason, the percentage of the VPL entitlements in the pension scheme rules will be adjusted from 13.91% to 14.45%.

* VPL stands for the Dutch Early Retirement, Prepension and Life Course Savings Act (*Wet aanpassing fiscale behandeling VUT/ prepensioen en introductie Levensloopregeling - VPL Act*).

Pension scheme rules

You can find all pension scheme rules at www.koopvaardij.nl under 'Downloads - Documenten - Reglementen en statuten' (Dutch only). You can also request the rules by telephone from our Service Desk via +31 88 007 98 99.

What costs does your pension fund incur?

Bpf Koopvaardij incurs costs for administering the pension scheme for the merchant navy. The pension fund tries to keep these costs as low as possible, with the service provision having to remain at a satisfactory level. In this article, you can read more about the costs we incur and how these have developed in the past year.



Needless to say, administering a pension scheme involves costs. These costs are related to various aspects. The most important cost items are listed below.

Pension administration

The pension administration costs include the costs of paying the pension benefits and collecting the pension contributions. However, they also include the costs for recording your personal data and your pension build-up in our accounting systems.

Asset management

Bpf Koopvaardij invests a total of approximately € 4 billion. Investing costs money, and we are not referring to possible negative returns, but rather to the costs of administering the assets under management. For instance, we pay specialist parties to invest our assets. There are also transaction costs, e.g. the costs resulting from buying or selling shares or bonds.

Communication

Communicating with you also costs money. The costs that we incur include those associated with our website, the letters and your pension overview. There are also the Service Desk staff who deal with questions

about your pension. By increasingly using digital communication, we can reduce these costs. Paper, envelopes and postage charges are then eliminated to some extent.

Management

Finally, there are the costs for managing the pension fund. These include the costs of the management board, the supervisory board and the pension council, such as the reimbursements for the members of these administrative bodies. In addition, Bpf Koopvaardij has an administrative office, with several staff who support these bodies. There are also the advisors we engage, such as the investment consultants and the actuaries, and we pay a contribution to the regulators.

Calculating costs

Pension funds often indicate their costs in the same manner, so that they can make comparisons with other pension funds. The costs per member (members who are still building up pension and pensioners) are then calculated. It must not be forgotten that the costs of a pension fund are related to many factors, e.g. the complexity of the pension scheme and the quality of the service provision.

However, the number of pension fund members is an important factor too. For instance, a pension fund like ABP can distribute the costs of a website among approximately two million members and pensioners. In the case of Bpf Koopvaardij, that number is slightly below 37,000. And if you have more assets under management, you also have a better negotiating position with respect to asset managers. Very large pension funds therefore benefit from economies of scale.

Cost development at Bpf Koopvaardij

The charts show the cost development at Bpf Koopvaardij in 2016 (the 2017 figures will be available on our website around May 2018).

Costs of pension management per member

The costs of pension management (pension administration and communication) per member in 2016 were € 176 (in 2015 the costs were € 138 per member). The total pension administration costs were approximately € 6.4 million (in 2015 the costs were € 5.1 million). After a sharp fall in the costs per Bpf Koopvaardij member in 2015, there was a one-off rise in the costs in 2016. This rise can be explained by the relatively high project costs of € 1.37 million (in 2015 the costs were € 0.25 million). Many of these costs related to the financing of IT projects at our pension administrator MN. Furthermore, the VAT exemption of MN was cancelled from 2015. The VAT is now recharged to us. That also plays a role in the increase of the costs. The costs per member in 2017 are expected to revert to 2015 levels.

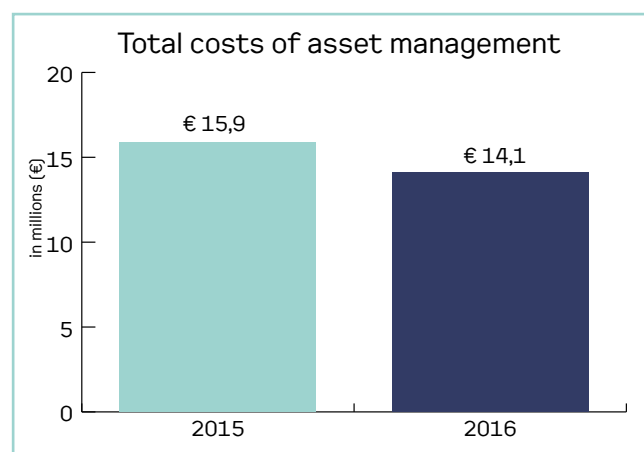
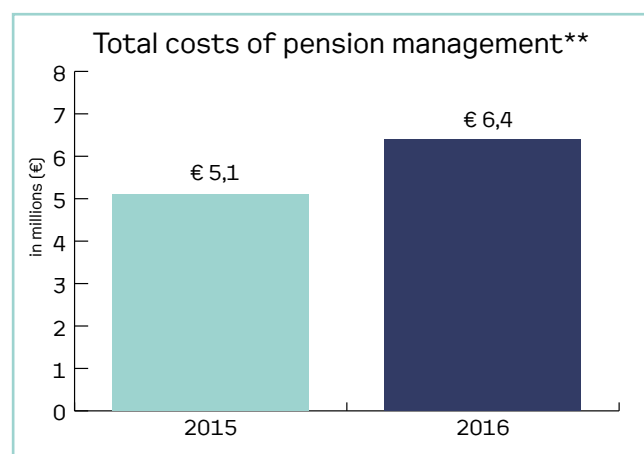
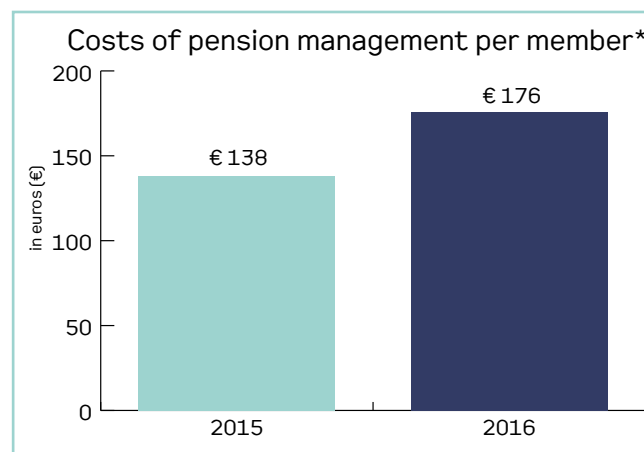
Asset management costs

Asset management costs are always linked to the investment policy of a pension fund (e.g. active or passive investment) and the risk profile of the investment mix. Investments with a higher risk profile often involve higher costs. In 2016, the total asset management costs fell to € 14.1 million (in 2015 these costs were € 15.9 million). This was caused by a fall in transaction costs of € 1.4 million to € 1.7 million in 2016. In 2015, the transaction costs were relatively high due to a number of shifts between asset classes in the investment portfolio.

Management costs

The total costs of the administrative bodies, the administrative office, consultants and regulators are distributed proportionally between the costs of pension administration and asset management. In doing so, we observe the distribution formula that is based on the relationship of the pension administration costs to the asset management costs. This is approximately 1:3. Bpf Koopvaardij is continuing its aim of reducing the costs so that as much as possible of your pension contribution and the investment returns can be spent on your pension.

You can read more about our costs in our annual report (Dutch only), which can be found at www.koopvaardij.nl/downloads.



* Member: active members and pensioners

** Pension management: pension administration and communication



Messages on the digital notice board in PensioenKompas?

Do you have nice photos or stories? Are you looking for former colleagues? Or do you wish to announce a reunion? You can post messages by going to www.koopvaardij.nl/prikbord. Or send an e-mail to servicedesk@koopvaardij.nl, and who knows, perhaps your story might be in the next PensioenKompas. The editors reserve the right to change or shorten your text.

Chevron Tankers / NPTM reunion on 1 & 2 September 2018

Bruno Ghuijs and Pieter van der Maas are organising the eleventh NPTM (Caltex) / Chevron Tankers (Netherlands) reunion on 1 and 2 September 2018. Just like last year, they will be holding this reunion in a hotel, where participants can stay the night on the Saturday. Participation is possible only after registration via e-mail address CTN4.Bruno@gmail.com. Radio officers who have sailed with us are also warmly invited to register.

If you have sailed with Chevron (or perhaps even earlier with NPTM - Caltex) and you have not yet received any information by e-mail from us, please send a short e-mail and we will provide you with information about the 2018 Chevron Tankers Reunion, free of obligation.

If you are wondering whether or not to participate, contact us via e-mail. Perhaps the reunion might be very interesting for you.

Searching for: Mr Mooibroek

I am Jan van der Wal and I am looking for Mr Mooibroek. He was 2nd engineer and lived in the early 1960s in the city of Groningen. Mr Mooibroek's probable year of birth is between 1937 and 1940. In the winter of 1960-1961 or 1962-1963, we sailed on the "Kroonborg" belonging to shipping company Wagenborg in Delfzijl. The sailing area was the Baltic and the Mediterranean. I was helmsman at the time. I was born in 1936 and originally worked on the northern inland waterways.

My recollection of Mr Mooibroek is that we used to have endless discussions and musings into the small hours about all kinds of subjects, such as the distant past, the present and the future. He also taught me to play chess. I would like to have another long discussion with him.

Please find my details below. I would very much like to contact Mr Mooibroek. Who can help me?

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janwalsumar@hotmail.com



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