

PENSIOENPEILING

Stichting Bedrijfspensioenfonds voor de Koopvaardij

2019 key figures

Every year, we adjust the key figures of the pension scheme. This is necessary in order to have sufficient financial resources for pensions now and in the future. The figures for 2019 are presented in the table.

	2019	2018
Build-up rate	1.604%	1.604%
Pension contribution	25.3%	25.9%
Maximum pensionable annual salary*	€ 88,614.70 annually (€ 242.78 per day)	€ 86,884.60 annually (€ 238.04 per day)
State pension offset <i>Threshold amount on which you do not build up pension</i>	€ 13,786.05 annually (€ 37.77 per day)	€ 13,344.40 annually (€ 36.56 per day)
Standard retirement age	67 years	67 years
Partner's pension: • Annual build-up • Annual risk-based part <i>You can read more about this adjustment on page 2</i>	33% 37%	24% 46%

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



Your pension has been increased in 2019

On the basis of our current financial position, we increased the pension by 0.56% as of 1 January 2019. We do so to increase your pension in line with price increases. The increase meant that this was possible to some extent. We also increased the conditional pension (VPL scheme) by 2.26%. Employees born in 1959 up to and including 1972 may under certain conditions be eligible for this extra pension. You can read more about the VPL scheme at uk.bpkoopvaardij.nl/werknemer/questions.

Build-up of partner's pension has also been increased: what does that mean?

The partner's pension is the pension your partner will receive after your death. As of 1 January 2017, the partner's pension changed. In addition to the partner's pension that you build up automatically every year, part of the partner's pension has been insured since that date on a risk basis.

What does insured on a risk basis mean?

Being insured on a risk basis means that during your employment in the merchant navy, you are insured against the risk of death. If you die during your employment and before the age of 67, your partner will receive the **built-up part** and the **risk part** of the partner's pension.

If you take a job outside the merchant navy or if you retire, you will no longer pay any pension contribution. The risk part will then be cancelled (on leaving service after three months) and your partner will receive only the **built-up part of the partner's pension** after your death. The partner's pension will therefore be less in those cases.

In 2019 you will be building up more partner's pension

In 2019, the part of the partner's pension that you build up will be increased to 33% of the occupational retirement pension (2018: 24%). Consequently, the risk-based part has been reduced (37%).

Partner's pension consists of:

1. The part that you may have already **built up** until 1 January 2017.
2. The part that you are **building up** from 1 January 2017 until you turn 67 at the latest. In 2019, this is 33% of the occupational retirement pension (2018: 24%). This part will be reserved for your partner. Also if your membership of the pension scheme ends or if you retire.
3. The **risk-based part**. That is 37% of the occupational retirement pension that you build up from 1 January 2017 up to the age of 67 at the latest (2018: 46%). This part is cancelled if you leave service (after three months) or if you retire.

Does your pension retain its purchasing power?

The answer to that question is unfortunately 'no'. In the past few years, your pension at Bpf Koopvaardij has increased only slightly in line with the cost of living (consumer price index). For instance, your pension increase in 2019 is 0.56%, while prices rose last year by 1.73%. In previous years too, no increases or only small increases were possible.

Why is this?

There are a number of reasons. Interest rates fell, so more money is required to be able to pay out the same pension in the future. Life expectancy has also increased.

This too means that we have to reserve more money for your future pension, because you are expected on average to receive pension for a longer period. The increase in your pension is paid from the investment return. Our pension returns were not sufficient to have your pension

increase entirely in line with the cost of living in addition to the required extra reserves.

Adjustment to the ambition

This situation is expected to continue in the next few years too. Our ambition, as laid down in our financial policy, was to increase pensions 100% in line with the cost of living. To create realistic expectations, we have adjusted our indexation ambition downwards. We are now aiming for an annual pension increase of 50% of the cost of living rather than 100%.

Do you wish to know more?

At uk.bpfkoopvaardij.nl/funding-ratio you will find more information about our financial situation and when we can increase your pension.

Changes to the pension scheme rules

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

2019 key figures

The amounts of the maximum pensionable pay, the state pension offset, the commutation limit for small pensions, the partner's pension percentages (built-up and risk-based parts) for 2019. You will find an overview of the 2019 key figures on page 1.

Calculation factors and years

The calculation factors applicable for 2019 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.

2015 prepension scheme rules

The commutation limit and the calculation factors that apply for 2019 will also be included in the 2015 prepension scheme rules.

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 2019, the VPL entitlements have been increased. You can read more about this on page 1. For that reason, the percentage of the VPL entitlements in the pension scheme rules will be adjusted from 14.47% to 14.88%.

Membership years and DJP age

The membership years pension (DJP) is being adjusted to the increasing state pension age. The DJP allows employees who have built up pension for more than 40 years (membership years) to take early retirement. In 2019, the state pension age is 66 years and four months. That is why the number of required membership years is being increased to 41 $\frac{1}{3}$ and the DJP age to 64 years and 4 months (in 2018 this was 41 and 64 years).

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.

No contribution for the WGA shortfall scheme

There is a WGA shortfall scheme for all members of our pension scheme. This is a possible supplement if you are occupationally disabled and you receive a WGA follow-up benefit from the Employee Insurance Agency (UWV). In connection with the existing financial reserve for this scheme, you do not need to pay a contribution in 2019.

We are also incorporating the following adjustments into your pension scheme:

Partner's pension on a risk basis is cancelled after three months when leaving service

When you left service and your membership of our pension scheme ended, the risk-based partner's pension was cancelled immediately. As brief interruptions in employment often occur in the merchant navy, this was undesirable. It has therefore been decided that the risk-based partner's pension will no longer be cancelled immediately, but three months after leaving service.

Reduction is possible if the policy funding ratio is too low for six years

Pensions may be reduced if our policy funding ratio is too low for a period of six years. This was previously five years. You can read more about the policy funding ratio at uk.bpfkoopvaardij.nl/funding-ratio. We do not expect to have to make any pension reductions in the next few years.

Automatic transfer of small pensions

Small pension under the commutation limit of € 484.09 gross per year will no longer be commuted from 2019 but automatically transferred to the new pension administrator of the former member. Very small pensions of less than € 2 gross per year were cancelled as of 1 January 2019. You will find more information on page 4.

Customer satisfaction survey 2018

Bpf Koopvaardij scores 8 out of 10

From mid-September to the end of October 2018, we held our digital customer satisfaction survey. Approximately 875 members (including pensioners) participated. With an average score of 8 for Bpf Koopvaardij from all respondents, we can be satisfied. At other pension funds, that score is on average lower. Factors that contribute to a positive score include the financial situation, the communication and the friendly attitude of Bpf Koopvaardij towards its customers.

Knowledge of pension

Although a large majority think they are aware of the situation regarding their pension, there are still many people who do not know exactly what has been arranged

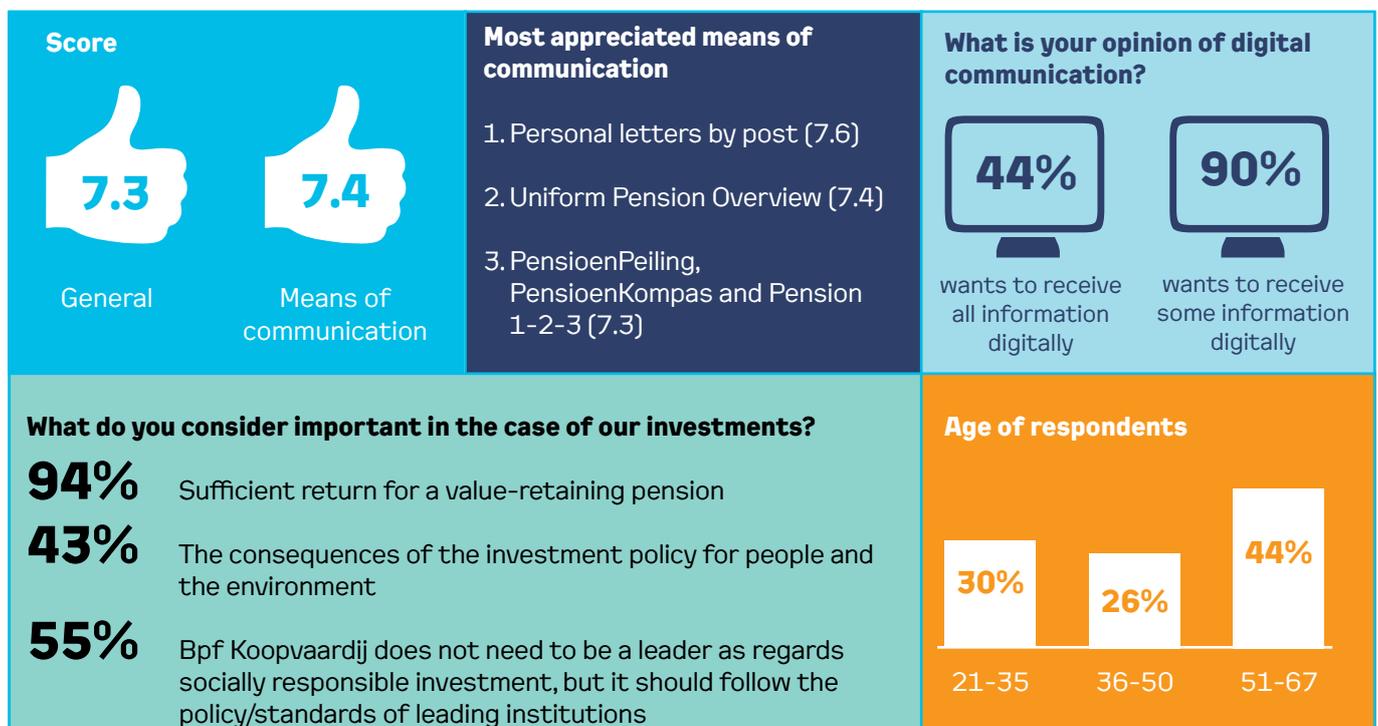
for them. For instance, whether a pension has been arranged for the partner when the member dies or whether pension continues to be built up during occupational disability. (The answer in both cases is 'yes'.) In addition, only a minority of members knows the pension choices available.

What now?

We use the results when developing policy and activities, to bring them more into line with your wishes and needs.

The winners of the lottery have now received their gift vouchers.

Results of members currently building up pension



Automatic transfer of small pensions

The government has decided that small pensions from € 2 to € 484.09 gross per year (2019 amount) may no longer be commuted (lump-sum payment). From 2019, small pensions will be transferred to your new pension administrator. This ensures that all your pensions from different pension funds are kept together. At www.mijnpensioenoverzicht.nl (using DigiD), you can see where you have built up pension and whether this is below € 484.09 per year. Read more about this subject at uk.bpfkoopvaardij.nl/small-pension.

If you would like more information about our pension scheme, an explanation of terms and the latest news, go to uk.bpfkoopvaardij.nl

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