

Pensioen **PEILING** G

→ NEWS ABOUT YOUR PENSION AND PENSION FUND

All significant figures for 2021

Each year, we adjust the amounts and percentages for the pension scheme. This may be necessary as a result of changes to the pension scheme rules or decisions made

by the employees' and employers' organisations (social partners) in the merchant navy. The figures for 2021 are indicated below.

	2021	2020
Pension build-up*	1.233%	1.604%
Pension contribution*	25.9%	25.9%
Maximum pensionable pay	€ 93,498.40 based on 365 days (€ 256.16 per day)	€ 91,071.78 based on 366 days (€ 248,83 per day)
State pension offset (AOW threshold amount over which no pension is built up)	€ 14,545.25 based on 365 days (€ 39.85 per day)	€ 14,167.86 based on 366 days (€ 38.71 per day)
Standard retirement age	67	67
Partner's pension in the case of death:**		
• Annual build-up	42.9%	33%
• Annual portion on a risk basis (expires upon retirement or employment outside the merchant navy)	48.2%	37%

* The stated percentage is calculated on your pensionable salary (less the state pension threshold amount over which no pension is built up).

** The stated percentages are calculated on the occupational retirement pension that you are building up until you turn 67 at the latest. ←

You will find more information about the terms at www.koopvaardij.nl/en/definitions.

New percentages for partner's pension; amount remains the same

Your partner, if any, will receive a partner's pension when you die. The partner's pension consists of two parts. One part consists of a risk insurance, which lapses when you leave employment or retire. You also build up part of the partner's pension each year. This is reserved for your partner, even if you leave the merchant navy or retire.

The partner's pension that you build up in 2021 will be increased to 42.9% of your occupational retirement

pension at the age of 67 at the latest (2020: 33%). The risk-based part will be 48.2% of this pension (2020: 37%). The partner's pension will therefore total 91.1% of the occupational retirement pension when participating in our pension scheme.

The level of the partner's pension will therefore remain the same as in 2020. The percentage then totalled 70%, but on the basis of the higher pension build-up in 2020. ←

Low interest rates mean less pension build-up in 2021

In 2021, your pension will grow less than in 2020. This is because you will be building up less pension this year. Lower interest rates play an important role in this respect, as they make pension build-up more expensive. A pension fund must then have more money available for every euro it pays out in pension now and in the future. The social partners have sought a solution in the form of a lower pension build-up.

To collect sufficient money for the agreed pension, the social partners could also have opted for a higher pension contribution. The social partners in the merchant navy prefer not to use this alternative. They want to keep the pension scheme affordable. A higher monthly contribution from you and your employer for your pension would not be in line with this starting point. Hence the choice for a lower pension build-up. This means that you will build up less pension this year compared with 2020. Your projected pension will therefore be lower. As a result, Bpf Koopvaardij needs a smaller reserve for the future.

What will this mean for your pension?

The agreements were made for 2021. Next year, a decision will be taken on whether the circumstances at that time make it possible to increase your pension build-up again. For now, it means that you will not build up 1.604% in pension this year, but 1.233%. This percentage is calculated on your pensionable salary less the state pension threshold

amount (the state pension offset), on which you do not build up pension.

→ Sample calculation

Suppose your pensionable salary is € 4,500 per month. Your annual pension build-up in **2020** was (€ 54,000 - € 14,167.86 (state pension threshold amount)) x **1.604%** = € **638.91**.

In **2021**, this amount in the case of the new pension build-up will be (€ 54,000 - € 14,545.25 (state pension threshold amount)) x **1.233%** = € **486.48**.

For the pension benefit payment after retirement, this means € 152.43 gross per month : 12 = € 12.70 less pension (in the case of one year less pension build-up).

Go to My Koopvaardij to view your current pension amounts

My Koopvaardij is your personal secure environment at Bpf Koopvaardij containing the details of your pension situation and a pension planner.

Go to www.mijnkoopvaardij.nl and log in with your DigiD or eIDAS. You can then see the current level of your pension and the pension for your partner in the event of your death. You can also make calculations using the various pension options. If you do not have a DigiD or eIDAS you can always contact our Servicedesk for your pension calculations. ←

Why is your occupational retirement pension not being increased?

At the end of December, we informed you that your pension will not be increased in 2021. Each year we consider whether an increase is possible, so that your pension retains its purchasing power. Why is this not possible in 2021, even if part of the price inflation were to be included?

Whether an increase in your pension is possible depends on our financial position. You do not pay a contribution for an increase in your pension. Pension increases are paid from investment returns. We have to ensure that we achieve such a return that there is enough money for current and future pensions and an extra reserve. For every euro in pension, there must be at least € 1.10 available. We failed to meet that statutory obligation in 2020 by a small margin. On the reference date (September 2020) the amount available was € 1.09.

More money is needed for your pension

The disappointing returns at the beginning of 2020 due to the COVID-19 outbreak did not play a major role as the financial markets recovered later in the year. In particular, the low interest rate was the cause. Because of the low interest rate, we have to put more money aside for the

same pension. As more money is needed for the pensions themselves, there is no financial scope for increasing those pensions.

Better prospects with the new pension system?

The new Dutch pension system is currently being detailed. The agreement reached on this system makes fewer demands on our financial reserves. This means that pensions can be increased more readily. However, if investment returns are poor, the pensions will also fall again more readily. In the period from 2022 to 2026, there will be a transition to this new system (see also page 3).

Conditional pension (VPL) will be increased

If you were born in the period from 1960 to 1972, inclusive, you may be entitled to an extra pension on the basis of the conditional pension scheme (VPL). We reserve money for this. This reserve is large enough this year to increase the conditional pension by 4.49% as of 1 January 2021. ←

You can find more information about our financial situation by going to www.koopvaardij.nl/en/funding-ratio

New pension system in the making

In the past year, agreement was reached on the detailing of the pension agreement, which the government and the employees' and employers' organisations (social partners) concluded in 2019. Work is underway on a pension system that is more in line with the current Dutch demography, economy and labour market. The legislation for this new pension system is expected to take effect on 1 January 2022. Pension funds must switch to this new system by 2026 at the latest.

Looking at the draft legislation, the new rules are expected to ensure that your pension will fluctuate more in line with economic developments. An increase in your pension is possible more readily if the investment returns are good. If the returns are poor, your pension will be reduced more readily. You'll also be getting a clearer idea of what you are contributing to your pension and what pension capital you are building up as a result. The draft legislation also changes the surviving dependant's pension to a risk insurance and makes it possible to have part of your pension paid out in a lump sum upon retirement (up to 10% of your pension). These latter changes are expected to take effect in 2022 and 2023 respectively.

Steps in the near future

By 2026 at the latest, all pension schemes in the Netherlands will have to switch to the new pension system, including the pension scheme for seafarers. The social partners and Bpf Koopvaardij will play an important role in these developments. The social partners will determine the details of the new pension scheme and draw up a plan for the transition to this new pension scheme. The need to compensate certain groups of members, who may be adversely affected by the switch, will also be considered. Bpf Koopvaardij will assess whether the new pension scheme is feasible and whether the pension contribution is sufficient for the pension envisaged by the social partners. The interests of all groups of members will be carefully weighed during this process.

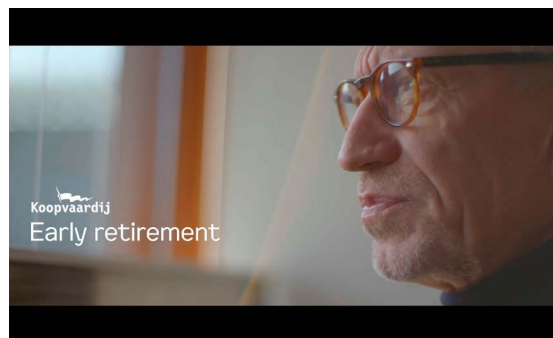
A new pension scheme will not only have consequences for you, but also for our pension administration, investments, communication, etc. The introduction will therefore be complex and time-consuming. Discussions have therefore already begun with the social partners about a new pension scheme. ←

At www.koopvaardij.nl/en/pension-agreement, you will always find the latest developments regarding the new pension system.

Do you wish to retire before you are 67?

No problem! You can have your Bpf Koopvaardij pension commence earlier, starting from the age of 55. In a short two-minute video, one of our pensioners explains how he arranged this and how this choice has benefited him. ←

Go to www.koopvaardij.nl/en/early-retirement/#options



Do you know when to take action regarding your pension?

Your retirement may still be a long way off. However, there are occasions on which you need to take action now. There are also occasions on which you need to consider the level of your pension. For example, if you enter into a new relationship, leave your job or move abroad.

So what exactly do you need to do? You can see that easily and quickly at www.koopvaardij.nl/en/pension-actions

Click on that page on your situation for more information. ←



Pension scheme rule changes

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

2021 key figures

The amounts of the pension build-up, the maximum pensionable salary, the state pension offset and the commutation limit for small pensions for 2021. You will find an overview of the 2021 key figures on page 1. The commutation limit is € 503.24 as of 1 January 2021.

Calculation factors and years

The calculation factors applicable for 2021 are included in the appendices to the 2015 pension scheme rules. For example, bringing forward and postponing factors for occupational retirement pension and exchanging factors for occupational retirement pension and partner's pension.

2015 prepension scheme rules

The commutation and the calculation factors that apply for 2021 are also 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 (VPL scheme). On 1 January 2021, the previous reduction of 11.1% was partially corrected by 4.49%. For that reason, the percentage of the VPL entitlements in the pension scheme rules for the group born in the period from 1961 to 1972, inclusive, has been adjusted from 13.23% to 13.82%.

No contribution for WGA shortfall scheme

A WGA shortfall scheme exists for all members of our pension scheme. This is a possible supplement if you are occupationally disabled and receive a WGA follow-up benefit from the Dutch Employee Insurance Agency (UWV). In connection with the available financial reserve for this scheme, you will not pay a contribution for this in 2021 either.

Adjustment of non-contributory membership earnings in the case of occupational disability

If you become fully or partially occupationally disabled, you can continue to build up pension as usual until you reach state pension age. Depending on the percentage of your occupational disability, we will pay part of your

pension contribution subject to conditions. This is called non-contributory membership. The earnings* on which membership during occupational disability is based has been changed to the weighted salary** in the calendar year before the year of illness. Periods in which you are a member but do not receive salary are not taken into account.

** Your pensionable earnings are the pensionable pay, less the state pension offset. The state pension offset is the state pension threshold amount on which you do not build up pension. The state pension offset is taken into account because you will eventually also receive a state pension benefit. This will be part of your income too.*

*** The weighted salary is calculated on the basis of an average of all daily wages in the calendar year before the year of illness.*

Voluntary continuation during 'third WW year' via SPAWW

If you voluntarily continue to build up pension at Bpf Koopvaardij while receiving a WW unemployment benefit, we will pay part of the contribution. We now also do so during a SPAWW*** benefit after the WW benefit has ended. The total duration of the continuation (WW and SPAWW) will not exceed 36 months.

**** In 2016, the statutory WW benefit was adjusted from 38 months to 24 months. In the 2013 Social Agreement, employers' and employees' organisations agreed that the rights to these benefits would remain the same as far as possible. This has been incorporated in a private arrangement, Private Supplement WW and WGA Foundation (SPAWW), to which collective agreements can be submitted. This is the 'third WW year', as it is called.*

Rules

All rules can be found at:

www.koopvaardij.nl/downloads under 'Reglementen' (Dutch only).

You can also request the rules by telephone from our Service Desk via +31 88 007 98 99. ←