

The Uniform Pension Overview Pre-retirement scheme 2018 shows your pension situation at 1 January 2018 based on the capital you have in the pre-retirement scheme. This overview provides an indication of the amount of pension that Philips Pensioenfonds will pay to you when you retire. It also contains an indication of the pension that your partner and/or children, where applicable, will receive upon your death. You will receive this overview every year.

You will receive a separate Uniform Pension Overview regarding your pension situation in the flex pension. If you add together the amounts in the overviews, you will have an indication of what you will receive when you retire.

These explanatory notes are intended as a practical guide to the Uniform Pension Overview Pre-retirement scheme. You will find a brief explanation of the various sections of this overview and you can find out where you can obtain further information .

Situation as of 1 January 2018



Your personal details/Your partner

Here you will find your personal details and, where appropriate, those of your partner, as known to us on 1 January 2018. If the details are incorrect, you can alter your partner's details by using the form 'Partner Registration'.



You will find this form under 'Zelf regelen' in MijnPPF: www.philipspensioenfonds.nl/mijnppf (in Dutch).

Your pension details

Here you will find information about your pension plan.

What pension can you expect?



What will you get when you retire?

You have a defined-contribution pension plan in which the contributions paid by you up to 1 January 2006 are invested in investment funds. On your retirement date, or if your participation in the pre-retirement scheme ends before that date, the investment value is used to purchase a pension with Philips Pensioenfonds. The investment value depends on price developments of the investment funds in which your contributions have been invested.

Indicative pension assuming end of participation before your retirement

If your participation in the pre-retirement scheme ends on 1 January 2018 the investment value at that time is used to purchase a pension which takes effect on your retirement date. The calculation is based on the current purchase tariffs and interest rate used by Philips Pensioenfonds. These values will not necessarily be the same when your participation ends.

Indicative pension assuming end of participation at your retirement date

If your participation in the pre-retirement scheme continues, a pension is purchased from Philips Pensioenfonds on your retirement date with the possible investment value. The calculation is based on the current purchase tariffs and interest rate used by Philips Pensioenfonds. These values will not necessarily be the same when you retire.

This calculation shows the possible value of your investments at your retirement date, based on a prescribed assumed investment yield of 4%. However, the yield that is actually realised at your retirement date will most likely be less than this assumed investment yield. If the realised yield is less than 4.0%, the investment value at your retirement date will also be lower. The actual investment return will depend on how the values of the investments develop. The value may turn out to be higher or lower than the amount shown here.



To find out more about these notional pension values, see www.philipspensioenfonds.nl/uniformpensioenoverzicht (in Dutch).



The value of your pre-retirement capital is linked to the investment returns. To find out more, see www.philipspensioenfonds.nl/prepensioneringsregeling (in Dutch). Your quarterly overview shows the current value of your investments. You can view your quarterly overview by going to 'Overzichten' in MijnPPF: www.philipspensioenfonds.nl/mijnppf (in Dutch).

What you need to know about your expected pension

1 January 2018: pension reference age moved to 68

If you were an active participant in the flex pension scheme (CLA or ES) on 1 January 2018, then your accrued pension rights since that date carry a pension reference age of 68. Accordingly, your overview now also shows your pension situation if you use your pre-retirement capital to purchase a pension for retirement at the age of 68. You can change this if you wish.



To find out more about the flexible options, visit www.philipspensioenfonds.nl/68jaar (in Dutch).

Divorce

If you are divorced or your registered partnership has terminated, you may have made agreements on the division of your pension with your former partner. If part of your pension has been apportioned to your former partner and you have received confirmation of the division, the retirement pension shown in your overview is your reduced share of the pension.



For more information about the amount of the divided pension, consult the Pension Planner via MijnPPF: www.philipspensioenfonds.nl/mijnppf (in Dutch).

i For more information about pensions and divorce, consult the brochure 'The end of your relationship' at www.philipspensioenfondsnl/english

Is a guarantee arrangement applicable to you?

In that case the amounts on your overview take into account the guarantee on the purchase tariff.



What do your partner and children get in the event of your death?

Indicative pension in the event of your death before your retirement

In the event of your death the value of the pre-retirement capital at that time is used to purchase a survivor's pension for your partner with Philips Pensioenfondsnl. The calculation is based on the current purchase tariffs and interest rates used by Philips Pensioenfondsnl. The amount is based on 1 January 2018 as your notional date of death.

In principle, your children only receive the orphan's pension of the flex pension scheme following your death. So, they do not receive any supplement from the pre-retirement scheme. However, if you die before your retirement date and do not have a partner, the investment value of the pre-retirement capital is used for purchasing an orphan's pension.

Indicative pension in the event of your death after your retirement

At the time when you retire the value of your pre-retirement capital is used to purchase a retirement pension for yourself and a survivor's pension for your partner with Philips Pensioenfondsnl. The amount shown here is an indication of the value of that survivor's pension. If you do not have a partner, the capital will be used for a retirement pension only.

The orphan's pension is derived from your retirement pension. This amount will be paid to your children until they reach the age shown in your overview.

i You can find out more about the (value of the) survivor's pension at www.philipspensioenfondsnl/uniformpensioenoverzicht (in Dutch).

What you need to know about the amount of pension that your partner and children may expect

Divorce

Are you divorced or has your registered partnership ended? Or are you no longer cohabiting and you have de-registered your partner with Philips Pensioenfondsnl? In that case your former partner is entitled to the survivor's pension that was purchased with Philips Pensioenfondsnl using part of the value of the pre-retirement capital at the time of the divorce. Your former partner will receive this special survivor's pension in the event of your death. In this case the special survivor's pension has already been deducted from the amount stated.



What do you get if you become disabled?

If you are disabled, you will not receive any income from the pre-retirement scheme. Are you still employed? If so, you are insured for a disability benefit via the flex pension. To find out the value of that benefit, see the Uniform Pension Overview 2018 flex pension.

Are you disabled? In that case your capital remains invested as long as your pension accrual in the flex pension is continued. You do not see this part on your overview then.

How secure is your pension?



As long as the capital remains invested, its level depends on the investment results. The level of your pension is also dependent on the tariffs in force at Philips Pensioenfondsnl at the time of purchase.

i To find out more about the indexation policy and how your pension is increased when you have retired or if you no longer accrue pension benefits in this pension plan, consult the document 'Indexation policy' at www.philipspensioenfondsnl/english

More information?



Any questions?

If you have any questions about your Uniform Pension Overview or about this guide, don't hesitate to contact our Service Desk. The contact details can be found on your overview.



Pension accrual (Factor A) in 2017

The pre-retirement scheme does not affect the factor A. In the tax return for 2018 you only need, therefore, the factor A of the flex pension. You can find this on the Uniform Pension Overview 2018 flex pension.