

Philips Pensioenfonds



Pension Plan Rules – Flex Pension CLA

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Core amounts

Core amounts Flex Pension CLA

The current version of this table can be found at www.philipspensioenfonds.nl/en/downloads

		Date	Amount
AO-limit amount	(article 1, paragraph 6)	01-04-2024	€ 66,486
		Date	Amount
Offset*			
- Statutory Offset	(article 1, paragraph 11)	01-01-2024	€ 17,545
- Pension Fund Offset		01-04-2024	€ 16,478
		Date	Amount
ANW shortfall insurance	(article 9, paragraph 2)	01-04-2024	€ 21,608
		Date	Amount
Maximum full-time pensionable salary	(article 1, paragraph 16)	01-01-2024	€ 137,800
		Date	Amount
Surrender limit	(articles 16 to 18)	01-01-2024	€ 592.51

* The Offset can never be less than the minimum defined by law under the Wages and Salaries Tax Act 1964. At 1 January 2023, the Statutory Offset is higher than the Pension Fund Offset. As such, the Statutory Offset is used.

Pension accrual

Year	Ambition	Actual
2014	1.85	1.85
2015	1.85	1.85
2016	1.85	1.85
2017	1.85	1.85
2018	1.85	1.85
2019	1.85	1.85

Year	Ambition	Actual
2020	1.85	1.85
2021	1.85	1.85
2022	1.85	1.65
2023	1.85	1.85
2024	1.85	1.85

Employee premiums

1. Pension premium (article 1, paragraph 19) in terms of the pensionable salary

- 8% for Philips
- 5% for Signify
- 2% for the Designated Companies (in 2024: Versuni)
- 2% for Philips Pensioenfond

2. ANW shortfall insurance premium (article 4, paragraph 4)

Age	Monthly premium (from 01-04-2024)
-35	€ 3,63
35-40	€ 7,27
40-45	€ 12,72
45-50	€ 18,17
50-55	€ 27,26
55-60	€ 36,34
60-65	€ 39,98
65-AOW-age	€ 36,34
From AOW pension age	Individual premium



Pension Plan Rules

Article 1

Definitions

All terms defined start with a capital letter. The meaning of all terms defined in the Articles of Association of Stichting Philips Pensioenfonds shall be identical for the purposes of these Pension Plan Rules, unless otherwise has been provided. All references in these Pension Plan Rules to “he”, “him” or “his” should also be read as meaning “she” or “her”.

Additionally, in these Pension Plan Rules the below terms are understood to mean:

- 1.1 **Member (Beneficiary)**
Any person who is the beneficiary of a pension but has not started drawing that pension.
- 1.2 **Actuarial factors**
The actuarial factors established by the Board of Trustees from time to time, though in principal on an annual basis. The Actuarial factors that apply at the time of establishing the present Pension Plan Rules are described in Appendix 1 to these Pension Plan Rules.
- 1.3 **Surrender limit**
The amount referred to in the articles 66, paragraph 1, 67, paragraph 1 and 68, paragraph 1 of the PW.
- 1.4 **Board of Trustees**
The management board under the Articles of Association of the Stichting.
- 1.5 **ANW**
Surviving Dependants Benefits Act.
- 1.6 **AO (occupational disability) limit amount**
The amount as stated in the table Core Amounts in these Pension Plan Rules, increased annually at 1 April with and in line with the percentage of the Wage inflation, multiplied by the Part-time factor valid in the month previous to the first day of illness.
- 1.7 **AOP (Disability pension) base figure**
The base figure for the calculation of a Disability pension as referred to in article 13, which is equal to the Pensionable salary as referred to in article 1, paragraph 21 at a, at 1 April preceding the first day of illness, increased by the collective salary scale adjustments as defined in the CLA that is in place at the Employer or the Employee’s terms of employment and that took place during the period from 1 April preceding the first day of illness up to and including 1 April preceding the start date of the Disability pension. The final sentence of article 1, paragraph 21 at a is disregarded for the purposes of establishing this base figure. In this context, the first day of illness is understood to mean the day on which the waiting time for the WIA commenced.

1.8 **AOW**
Old Age Pensions Act.

1.9 **Member**
Any person

- a. who is an employee of Philips, Signify, a Designated Company of the Stichting and who is designated as a member in the Employer's CLA or in the contractual terms governing his employment; or
- b. who was an employee as defined above and whose pension accruals continue under the present Pension Plan Rules despite termination of the employment as meant above at a.

For the purposes of the present Pension Plan Rules, a Former Member who re-joins the Employer and accordingly then once more satisfies the description given above at a, is qualified exclusively as a Member from that moment forward in terms of all his rights and obligations in respect of the Stichting, unless he objects within two months after the date on which his employment commences.

1.10 **Part-time factor**
A factor, the numerator of which is the number of working hours of the actual working time as specified in the Member's contract of employment with the Employer, and the denominator of which is the full working time as laid down in the collective labour agreement (CLA) applicable to him or in his terms of employment. If no fixed number of working hours is recorded in the employment contract, the numerator of the above calculation will be the number of working hours actually worked during the period over which the part-time factor is determined. The part-time factor cannot be greater than 1.

1.11 **Offset**
The Offset at any given moment is the higher of:

- a. The Pension Fund Offset, which is raised at 1 April of every year to reflect Wage inflation; and
- b. The Statutory Offset, being the minimum prescribed by tax law within the meaning of Article 18a of the Wages and Salaries Tax Act 1964.

1.12 **Former Member**
Any person who was a Member as defined in Article 1, paragraph 9, who no longer accrues a pension under the present Pension Plan Rules and whose participation ended before retirement but who nevertheless retained a pension entitlement in respect of the Stichting.

1.13 **Retired Member**
A Pension Beneficiary whose retirement pension has commenced.

1.14 **Child(ren)**
The Child with whom the Member, Former Member or Retired Member as a father or mother has a legally binding family relationship, as defined in book 1 of the Dutch Civil Code.

The stepchild or foster Child of the Member, Former Member or Retired Member raised and maintained sustainably until the death of the Member, Former Member or Retired Member as his/her own Children, such to the Fund's discretion.

1.15 **Wage inflation**

The (cumulative) salary scale adjustments as evidenced by the CLA in place at Philips during the period from 2 April of the previous calendar year to 1 April of the current calendar year.

1.16 **Maximum full-time pensionable salary**

The Maximum full-time pensionable salary is equal to the amount stated in article 18ga of the Wages and Salaries Tax Act 1964.

1.17 **Partner**

- a. The spouse of the Member, Former Member or Retired Member;
- b. The person who has entered into a registered Partnership with the Member, Former Member or Retired Member as referred to in Book 1 of the Dutch Civil Code, which Partnership has not ended;
- c. The person who runs a joint household with the Member, Former Member or Retired Member, who has no spouse or registered Partner, is unmarried, has no registered Partner and is not a relative by blood or affinity to the first degree of the Member, Former Member or Retired Member and who is registered as a Partner in writing to the Fund by the Member, Former Member or Retired Member before the latter's retirement age. A joint household shall be understood to mean a joint household as defined in the ANW.

1.18 **Partnership**

- a. A marriage;
- b. A registered Partnership as referred to in Book 1 of the Dutch Civil Code;
- c. A relationship as Partners, where the Member or Former Member conducts a joint household with a Partner registered to the Fund as referred to in article 1, paragraph 17 at c.

In all instances, the partnership must commence before the Member reaches his Retirement age and, in the case of a Partnership as described at c, the Partner must be registered with Philips Pensioenfond. Where the Member is in part-time retirement, the first moment of retirement is deciding.

1.19 **Pension contribution**

The contribution payable to the Employer by the Member as described in article 1(9)(a) for insuring the pension entitlements resulting from the present Pension Plan Rules, except as arranged in Article 9.

1.20 **Pensioner**

A person who has started drawing his pension under the present Pension Plan.

1.21 Pensionable salary

For the application of these Pension Plan Rules, the Member's Pensionable salary is annually determined as per 1 April, consisting of:

- a. A fixed Pensionable salary, adjusted for the Part-time factor, equivalent to 12 times the monthly salary at 1 April, if and insofar applicable, increased by structural gross salary components that qualify for inclusion in the fixed Pensionable salary under the arrangements that are in place between the Employer and the Employee. The fixed Pensionable salary cannot be more than the Maximum full-time pensionable salary, multiplied by the Part-time factor;
- b. A variable Pensionable salary, equivalent to the sum of the variable gross income components that were payable by the Employer to the Member during the 12-month period directly preceding 1 April, and that, qualify for inclusion in the variable Pensionable salary under the arrangements that are in place between the Employer and the Employee.

The fixed Pensionable salary as referred to at a, and the variable Pensionable salary as defined here can together amount to no more than the Maximum full-time pensionable salary, taking into account the Part-time factor.

1.22 Pension base

The Pensionable salary as referred to in article 1, paragraph 21 at a, decreased by the Offset, multiplied by the Part-time factor and supplemented by the variable Pensionable salary as referred to in article 1, paragraph 21 at b.

1.23 Retirement age

The age on which the Retirement pension actually starts paying out partly or in full. The Retirement age is the same as the Pension reference age, unless the Member or Former Member chooses an alternative Retirement age in accordance with the provisions of article 5 or 6.

1.24 Pension agreement

The agreements on pension made between the Employer and the Employee in the applicable CLA or in the Employee's terms of employment.

1.25 Pension Plan Rules

The present Pension Plan Rules, also called the Flex Pension CLA.

1.26 Normal retirement age

This is the age of 68.

1.27 Philips

Koninklijke Philips N.V., its group companies in the Netherlands and any legal entity or company which is deemed equivalent with Koninklijke Philips N.V. or (one of) its group companies by decision of the Board of Trustees in terms of insurance of retirement and other pensions and which is party to an Administration agreement.

- 1.28 **Premium ANW shortfall insurance**
The premium due by the Member or Retired Member for the ANW shortfall insurance as referred to in article 9.
- 1.29 **Price inflation**
The percentage by which the 'derived Consumer price index figure for all households' of the Statistics Netherlands (CBS) for the month of January of the current calendar year has risen in relation to the month of January of the preceding calendar year.
- 1.30 **PW**
Pensions Act.
- 1.31 **Salary base figure for non-contributory pension accrual**
The basis for calculating the non-contributory continuation of pension accrual under article 14 corresponds to the Pensionable salary within the meaning of article 1, paragraph 21, at a, on 1 April preceding the first day of sick leave plus the collective salary scale adjustments as evidenced by the CLA that applies at the Employer or the Employee's terms of employment and made during the period between 1 April preceding the first day of sick leave and 1 April preceding the date on which the non-contributory continuation of pension accrual commences, capped at the Maximum full-time pensionable salary multiplied by the Part-time factor. For these purposes, the first day of sick leave means the day on which the waiting period for the WIA commenced.
- 1.32 **Signify**
Signify N.V., its group companies in the Netherlands and any legal entity or company which is deemed equivalent with Signify N.V. or (one of) its group companies by decision of the Board of Trustees in terms of insurance of retirement and other pensions and which is party to an Administration agreement.
- 1.33 **Stichting**
Stichting Philips Pensioenfond, a foundation established under Dutch law.
- 1.34 **Supervisor**
The Financial Markets Authority or De Nederlandsche Bank N.V., each in so far as charged with the supervision by or by virtue of article 151 of the PW.
- 1.35 **Fixed pension base**
The Pensionable Salary as defined in article 1, paragraph 21 at a, less the Offset that is multiplied by the Part-time factor.
- 1.36 **Defined benefit agreement**
A Pension agreement with respect to fixed pension payments within the meaning of Article 1 of the PW.
- 1.37 **a. Administration agreement**
The agreement(s) between Stichting Philips Pensioenfond and the Employer about the performance of the Pension agreement.

b. Administration rules

The rules describing the Stichting's obligations for directly administering the pension agreements that it has formed with its employees, in its capacity as an Employer.

1.38 Employer/Employers

Philips, Signify or the Designated Company or Companies, as appropriate.

1.39 Employee or Employees

The employee or employees of Philips, Signify, the Designated Company or Companies or the Stichting, as appropriate, who are designated as Members under the Flex Pension CLA pension plan in the CLA or in the terms of their employment with the Employer.

1.40 WIA

Work and Income according to Labour Capacity Act.

1.41 Designated Company

A former group company of Philips or Signify that the Board of Trustees has designated as a Designated Company under article 1, paragraph d of the Articles.

Article 2

Pensions

Subject to that provided in these Pension Plan Rules, the Members, Former Members and Retired Members and their (former) partners and child(ren) are entitled, have a right, respectively, to:

- Retirement pension (article 5);
- Survivor's pension (article 8);
- Benefits pursuant to the ANW shortfall insurance (article 9);
- Special survivor's pension (article 11);
- Orphan's pension (article 12);
- Disability pension (article 13);
- Non-contributory accrual of pension relating to occupational disability (article 14).

Article 3

Determination of base figures / Part-time factor / Partnership

Establishment of the underlying principles

- 3.1 The applicable Pensionable salary is determined for each Member at the starting date of participation and then annually at 1 April. The Offset and the Fixed Pension base and also, insofar as necessary, the AOP base figure and the Salary base figure for non-contributory pension accrual are determined annually on 1 January and on 1 April. The effective date of participation is considered the date of employment with the Employer if this falls on the first day of a calendar month. If the date of employment with the Employer does not fall on the first day of a calendar month, the starting date of participation will be the first day of the month following the starting date of employment with the Employer.

Part-time factor

- 3.2 In the event of a change to the Part-time factor, the Offset, the Pensionable salary as referred to in article 1, paragraph 21 at a, and the Fixed Pension base as defined in article 1, paragraph 35 will be recalculated. In accordance with these Pension Plan Rules, future pension accrual will be based on the last Part-time factor registered in the system. A change to the Part-time factor as per the first day of the calendar month will be a factor in the future pension accruals as per that date. A change to the Part-time factor that is not effective on the first day of a calendar month will be a factor in the future pension accruals as per the first day of the following calendar month.

Partnership

- 3.3 A Partnership as defined in article 1, paragraph 18, at a (marriage) or in article 1, paragraph 18, at b (registered partnership) commences effective the day on which the marriage or registered partnership is formed in accordance with the legal rules. A Partnership as defined in article 1, paragraph 18, at c (cohabiting partners) commences effective the day on which the Partner satisfies the requirements described in article 1, paragraph 17, at c, and the Stichting has received the registration from the Member or Former Member as meant there.
- 3.4 The Member or Former Member must notify the Stichting if they form a Partnership in the following situations:
- a) if the marriage or registered partnership as per the respective definitions in article 1, paragraph 18, at a and b, was formed outside the Netherlands. The Member or Former Member must provide this information to the Stichting within six months after the marriage or registered partnership was formed. If the marriage or registered partnership was formed before the employment

started, the Member or Former Member must provide this information to the Stichting within six months after the employment started.

- b) if the Member or Former Member has formed a partnership as described in article 1, paragraph 18, at c (cohabiting partners) and wishes their partner as defined in article 1, paragraph 17, at c, to be considered their Partner for the purposes of these Pension Plan Rules.

Notification as meant above at a and b, may be given using the appropriate form on the Stichting's website (<https://philipspensioenfonds.nl/en/downloads>).

- 3.5 No more than one Partner as meant in article 1, paragraph 17, may be registered at any given time. A new Partner may only be registered if the Partnership with a previous Partner has ended and the Stichting has been notified accordingly.
- 3.6 A Partnership as defined in article 1, paragraph 18, at a (marriage) or in article 1, paragraph 18, at b (registered partnership) ends effective the day on which the marriage or registered partnership is dissolved in accordance with the legal rules. A Partnership as defined in article 1, paragraph 18, at c (cohabiting partners) ends effective the day on which the relationship no longer satisfies the requirements under article 1, paragraph 17, at c, and article 1, paragraph 18, at c. A Partnership will also end if and when the Partner dies.
- 3.7 The Member, Former Member or Retired Member must notify the Stichting in writing and within six months that the Partnership has ended, except in the case of marriage or registered partnership as per the respective definitions in article 1, paragraph 18, at a and b, that was formed and dissolved in the Netherlands. Notification as meant above may be given using the appropriate form on the Stichting's website (<https://philipspensioenfonds.nl/en/downloads>).
 - a. For a Partnership as defined in article 1, paragraph 18, at a or b (marriage or registered partnership) that was formed and/or dissolved outside the Netherlands, the notification form submitted by the Member, Former Member or Retired Member must be accompanied by legal proof showing that the marriage or registered partnership was dissolved, and when.
 - b. For a Partnership as defined in article 1, paragraph 18, at c (cohabiting partners), the notification form submitted by the Member, Former Member or Retired Member must state the date on which the Partnership ended.
- 3.8 The Stichting will give the Member, Former Member or Retired Member and the former Partner written confirmation that the end of the Partnership has been processed in its records. The former Partner will be informed by sending this confirmation to the former Partner's last known address that the Stichting has on file.
- 3.9 The Board of Trustees may impose further conditions for the method of informing the Stichting about the start or end of a Partnership as meant in this article.

Article 4

CDC character / Financing

- 4.1 The Flex pension CLA has the character of a Collective Defined Contribution plan. Consequently, Members' accrual of pension entitlements depends on the financing as will be agreed from time to time in the Administration agreement or the Administration rules, as set down in this article 4.

Under the Administration agreement or the Administration rules, the Employer agrees a fixed premium each year over the period from 1 January to 31 December. For the period from 1 January 2022 to 31 December 2024, a fixed annual premium has been agreed of 29.4% of the sum of the Pension bases in that year of all Employees (including the Pension contributions payable by the Employees). Philips is permitted to terminate the aforementioned period one year before the specified end date, if a new pension plan comes into effect at 1 January.

With the payment of the fixed premium and the purchase prices as defined in the Administration Agreement or the Administration rules, the Employer will have met all its financial obligations towards the Fund.

The following description of the use of the fixed premiums applies to the total fixed premium made available for all Members of the Flex pension CLA as defined in the present Pension Plan Rules and the Flex Pension ES as defined in the pension plan rules for Executives and Senior Directors.

The Fund will utilise the fixed premium paid by the Employer for successively financing the costs consisting of:

- a. the Fund's operational expenses;
- b. the risk premiums related to the Survivor's and Orphan's pension, non-contributory pension accrual due to disability and the Disability pension; and
- c. the Retirement, Survivor's and Orphan's pension entitlements that are to be accrued.

An annual pension accrual of 1.85% of the Pension Base is targeted, as per article 5. If and insofar as in any year fixed premium is not sufficient to finance the annual expenses referred to in at a. to c., the accrual of pension entitlements as meant at c in that year may be reduced proportionately.

The premium percentages for the ANW shortfall insurance are set each year. The premium for the ANW shortfall insurance is not included in the fixed premium as referred to in this article.

- 4.2 Each Employer undertakes towards the Fund by agreement to pay the total annual amount as referred to in paragraph 1 of this article, in so far as this concerns the

Employees for which it bears the cost, with the proviso that the relevant Employer's contribution (not including the Pension Contributions payable by Employees) may be reduced in the event of a radical change of circumstances. If an Employer invokes this conditional payment provision, the Stichting will decide on how this might affect the pensions (or pension entitlements) of the Employer's Employees.

- 4.3 The Pension premium is payable from the date on which the Member joins, as described in article 3, paragraph 1, until the month in which the Member reaches Retirement age, but no longer than until the Pension Reference Age.
- 4.4 The ANW shortfall insurance premium is due from the effective date of the insurance until the first day of the month following the termination date of the insurance.
- 4.5 The Pension premium and the ANW shortfall insurance premium due from a Member as defined in article 1, paragraph 9 at a is withheld monthly from the salary by the Employer. The ANW shortfall insurance premium is transferred monthly to the Fund. The Fund withholds the monthly ANW shortfall insurance premium due from a Member as defined in article 1, paragraph 9 at b from the disability pension payable to that Member. The ANW shortfall insurance premium due from a Retired Member is withheld monthly by the Stichting from the retirement pension to be paid to the Retired Member.
- 4.6 The entitlement to Retirement pension as referred to in article 55, paragraph 1 of the PW, must be financed in full for the Member at the end of every year, or, if such is sooner, upon termination of the participation.

Article 5

Retirement age / Retirement pension / High-low plan

Retirement age for Members

- 5.1 Unless a different Retirement age has been selected under application of paragraph 2 of this article, the Retirement age is equal to the Normal retirement age.
- 5.2 The Member is entitled to select a Retirement age once that varies from the Normal retirement age, on the understanding that the Retirement age may not fall before the age of 60 or after the age of 70 of the Member, taking into account article 7 of these Pension Plan Rules. A Retirement age after the age of 68 is possible only with the Employer's consent.

If the Member makes use of the right to choose a non-standard Retirement age as described in this paragraph, he must notify his preferred Retirement age to the Stichting in writing no later than 6 months before reaching his proposed Retirement age, but no earlier than before reaching the age of 58. If the Member chooses a Retirement age between 68 and 70, that choice must be notified to the Stichting in writing no later than when the Member turns 67.5.

Retirement pension – accrual rate

- 5.3 Every calendar year, the Member accrues an entitlement to Retirement pension up to maximum of 1.85% of the Fixed Pension base, allowing for the determination of the Fixed Pension base at 1 January and 1 April. The accrual is calculated proportionally if the Member does not have a full year's entitlement to pension accrual. Additionally, an entitlement to Retirement pension is accrued annually as 1 April, similarly amounting to a maximum of 1.85% of the variable Pensionable salary as referred to in article 1, paragraph 21 at b. The table entitled "Core Amounts" provides an overview of the targeted and realised pension accruals.

For the Member, pension accrual terminates upon reaching the Retirement age, or upon reaching the Normal retirement age applicable to the Member at the latest. The Retirement pension is a Defined benefit agreement in nature.

Retirement pension – indexation

- 5.4 The entitlement to Retirement pension accrued by a Member can be conditionally indexed annually 1 April based on the Wage inflation in accordance with the method, conditions and limitations included in article 22.

Indexation of the pension entitlement under this paragraph terminates at the Retirement age, yet no later than when the Member reaches the Normal retirement age.

Retirement pension – benefits period

- 5.5 The Member or Former Member is entitled to a Retirement pension upon reaching the Retirement age.

The Retirement pension will start as per the first day of the month following the month during which the Normal retirement age is reached, or on the date selected if article 5, paragraph 2 is applicable. In derogation of the foregoing, the Retirement pension takes effect from an earlier date should such be required by virtue of statutory provisions relevant to this matter.

Payment of the Retirement pension will continue until the month in which the beneficiary dies.

- 5.6 Subject to the provisions of article 6, the Retirement pension amounts to the sum of the annual pension entitlement accrual as described in paragraph 3 of this article, indexed in accordance with paragraph 4 of this article.

High-low plan

- 5.7 Insofar as in agreement with article 63 of the PW and in accordance with any further regulations to be determined by the Board of Trustees, the Member or Former Member are once-only entitled at the Retirement age to choose the option of a pension with a variable value ('high-low plan'). The Member or Former Member may then choose to have:

- a Retirement pension that is higher than the Retirement pension at the Retirement age without the high-low plan during the period until the first day of the month following their AOW pension and lower during the subsequent period, or
- a Retirement pension that is higher than the Retirement pension at the Retirement age without the high-low plan during the period until the first day of the month after reaching the age of 72 and lower during the subsequent period.

The benefit after the AOW pension age or the age of 72 (as applicable) may not be lower than 75% of the benefit up to the AOW pension age or the age of 72 (as applicable) and the amount of any bridging benefit pursuant to article 7, paragraph 2 is not considered. Calculation takes place on the basis of the Actuarial factors. The survivor's pension is not taken into account when the high-low plan is applied and does not change.

- 5.8 If the Member or Former Member has opted for the high-low plan as described in article 5, paragraph 7, at a, and the AOW pension age changes before he reaches the new, changed AOW pension age, the high-low plan will be modified as follows:
- a. If the AOW pension age is raised:

The period during which the higher retirement pension is paid out will be extended until the new, higher AOW pension age is reached. The new duration of the higher retirement pension benefits will result in an adjustment (downward) of the lower retirement pension based on the Actuarial factors. If, as a result of this adjustment, the lower retirement pension becomes less than 75% of the higher retirement pension, and/or falls below the Surrender limit, both the higher and the lower retirement pension will be adjusted to become compliant with the tax rules, with the lower retirement pension not being less than 75% of the higher retirement pension and/or not being below the Surrender limit.
 - b. If the AOW pension age is lowered:

The period during which the higher retirement pension is paid out will be shortened until the new, lower AOW pension age is reached. The new duration of the higher retirement pension benefits will result in an adjustment (upward) of the lower retirement pension based on the Actuarial factors.

The Member or Former Member may object to the adjustment to the high-low plan to reflect the AOW pension age within two months after receiving the Stichting's letter about this change, in which case the original AOW pension age will be used, and the higher and lower retirement pensions when the pension commences, calculated in accordance with article 5, paragraph 7.

Article 6

Partial retirement

- 6.1 The Member has the option of Partial retirement prior to full retirement from the age of 60, in accordance with the conditions described in the CLA or in his terms of employment. The provisions of article 5, paragraph 2 similarly apply. Partial retirement from the age of 68 is possible only with the Employer's consent.

If the Member wishes to take this option, he/she must inform the Fund in writing 6 months before the effective date of the Partial retirement at the latest, however upon reaching the age of 58 at the earliest, about the date(s) on which he/she wishes to (partially) retire and what percentage of the full retirement pension the Member wishes to start. If an intended effective date of the part-time pension at an age between 68 and 70 is selected, the Fund must have been informed of this choice upon reaching the age of 67.5 at the latest.

- 6.2 Upon reaching the date of Partial retirement referred to in the preceding paragraph, the Member is entitled to a Retirement pension and a Survivor's pension calculated in accordance with article 5 paragraph 6 in conjunction with article 7 paragraph 1 or paragraph 4, multiplied by a factor the numerator of which is the number of hours the volume of the employment diminishes upon Partial retirement, and the denominator of which is the volume of the Member's employment expressed in hours immediately preceding the Partial retirement. Article 10, paragraph 1 is similarly applicable.
- 6.3 Upon Partial retirement, with respect to the part of the retirement pension and survivor's pension that has not yet commenced pursuant to Article 6, paragraph 2, that provided in these Pension Plan Rules with respect to the Member remains applicable unimpaired. From the moment of reaching the Normal retirement age, pension accrual stops.
- 6.4 The Board of Trustees is authorised to implement further and/or deviating rules relating to the method of exercising the right to partial retirement.

Article 7

Advancement and deferral when selecting the Retirement age

7.1 If the Retirement age is before the Normal retirement age, the Retirement pension calculated in accordance with article 5 is decreased on the basis of the Actuarial factors. Bringing forward the Retirement age will not affect the Survivor's pension, which will remain unchanged.

7.2 If the chosen Retirement age is before the AOW pension age, the Member as referred to in Article 1, paragraph 9 sub a, in addition to the previous paragraph, has – only once – the option to exchange part of the Retirement pension for a bridging benefit, with the same value as one of the following standard amounts established by Dutch social insurance agency SVB: 'AOW pension with partner below AOW pension age', 'AOW pension with partner above AOW pension age' or 'AOW pension for single persons', effective from the Retirement age and ending on the AOW pension age, such on the basis of Actuarial factors. Any Member who makes use of an early retirement plan offered by the Employer may opt exclusively to draw a bridging pension with the same value as the standard amounts established by SVB for 'AOW pension with partner below AOW pension age'. This exchange will not affect the Survivor's pension, which will remain unchanged.

If exchanging retirement pension for a bridging pension would result in an annual retirement pension that is less than the Surrender Limit, the ratio between the retirement pension and the bridging pension will be modified to ensure that the annual retirement pension is more than the Surrender Limit.

The bridging benefit amounts to a maximum of the amount referred to in article 18d, paragraph 3 of the Wages and Salaries Act 1964. The Board of Trustees may set further conditions to the amount and calculation method of the bridging benefit.

7.3 If the Member or Former Member has opted for a bridging pension in accordance with article 7, paragraph 2 or article 15, paragraph 3, and the AOW pension age changes before he reaches the new, changed AOW pension age, the bridging pension will be adjusted as follows:

- a. If the AOW pension age is raised:

The period during which the bridging pension is paid out will be extended until the new, higher AOW pension age is reached. If the duration of the benefits changes, the retirement pension will be adjusted (downward) on the basis of the Actuarial factors. If, as a result of this adjustment, the retirement pension falls below the Surrender limit, the bridging pension will be adjusted (downward) so that the retirement pension is not lower than the Surrender

limit. The Member or Former Member has two months after receiving the Stichting's letter about this adjustment to lodge an objection. In that event, the bridging pension benefits will end on reaching the AOW pension age as it applied previously.

If the AOW pension age is lowered:

The bridging pension benefits will end on reaching the new, lower AOW pension age. If the duration of the benefits changes, the retirement pension will be adjusted on the basis of the Actuarial factors. This adjustment is not open to objection.

- 7.4 If the Retirement age is after the Normal retirement age, the retirement pension calculated in accordance with article 5 will be raised on the basis of the Actuarial factors. If the retirement is pushed back, the survivor's pension will remain unaffected and will not change.

Article 8

Survivor's pension

Survivor's pension: Members

- 8.1 After the death of a Member, his Partner is entitled to a Survivor's pension.

The value of the Survivor's pension is the sum of:

- the Survivor's pension accrued at the time of the death, for which purposes a Survivor's pension entitlement is accrued every year that corresponds to 70% of the Retirement pension accrued for the Member during that same year;
- plus 70% of the retirement pension which the Member would have attained from the date of death until the Normal retirement age on the basis of the Fixed Pension base applicable on the date of death of the Member, calculated with the following accrual rates:
 1. for the remainder of the year in which the Member died: the accrual rate applicable in the year in question;
 2. for the years after the year in which the Member died: the targeted accrual rate as referred to in article 5;
- increased by 70% of the accrual rate applicable for the year of death multiplied by the variable gross elements of income which have been/will be paid and relate to the period from 1 April of the year in which the Member's death takes place until the date of the Member's death,
- increased by any indexations applied until the date of the Member's death pursuant to article 22 of these Pension Plan Rules.

Claims to Special survivor's pension as referred to in article 11, will be deducted from the Survivor's pension to be paid out, and the remaining Survivor's pension

cannot become negative. The Survivor's pension is a Defined benefit agreement in nature within the meaning of the PW.

Survivor's pension: Former Members and Retired Members

8.2 After the death of a Former Member or a Pensioner respectively, his/her Partner is entitled to Survivor's pension, provided that the Partnership was concluded before reaching the Retirement age.

The survivor's pension for a Former Member's Partner is the entitlement established in accordance with article 15, paragraph 2 plus the indexation granted under article 22 of the present Pension Plan Rules until the date of death. The survivor's pension for a Retiree's Partner is determined as follows, as per the situation when the retirement pension commenced:

- the entitlement established with due observance of the possibility of an exchange as described in article 10, plus the indexation granted under article 22 of the present Pension Plan Rules until the date of death.

Entitlements to a special survivor's pension as described in article 11 will be deducted from the survivor's pension benefits, without the remaining survivor's pension becoming negative. The nature of the survivor's pension is that of a Defined Benefit Agreement.

Effective date

8.3 The Survivor's pension takes effect from the first day of the month during which the Member, Former Member or Retired Member dies and is paid up to and including the month of death of the beneficiary.

Article 9

ANW shortfall insurance

- 9.1
- a. The Member as defined in article 1, paragraph 9 at a, whose Partner 1) was born in 1950 or later and 2) has not yet reached the AOW pension age, is entitled in the following cases – such under the conditions as laid down in these Pension Plan Rules – to take out an ANW shortfall insurance with the Fund:
 - I. Upon commencement of the employment with the Employer;
 - II. if, after the date of employment, he comes into a family relationship with a child as referred to in Article 1, paragraph 14, by birth, adoption or on any other ground.
 - b. The Member as defined in article 1, paragraph 9 at a and who has no Partner is entitled, such under the conditions as laid down in these Pension Plan Rules, to take out an ANW shortfall insurance with the Fund, if he enters into a

Partnership with a Partner who meets the conditions referred to under a, number 1) and 2) of this paragraph.

- 9.2 The Member as defined in article 1, paragraph 9 at a who is entitled to take out an ANW shortfall insurance, has the choice between an ANW shortfall insurance with an insured amount per year of 8/7 of the most recent uncut annual ANW benefit as applicable from 1 April of a survivor as referred to in article 14 of the ANW without Children younger than 18 years, or an insured amount per year of 2/3 or 1/3 of this amount. The request for taking out an ANW shortfall insurance must have been received by the Fund 3 months after the event which created the entitlement to take out an insurance set forth in paragraph 1 of this article at the latest. Any requests received by the Fund after this period, will not be considered. The ANW shortfall insurance is a Defined benefit agreement in nature.
- 9.3 An ANW shortfall insurance in force may at any time be decreased or terminated. Increasing a valid ANW shortfall insurance is possible exclusively in cases where concluding an ANW shortfall insurance would be possible.
- 9.4 A premium is chargeable to the ANW shortfall insurance, the amount of which is determined by the Board of Trustees. The obligation to pay a premium commences on the effective date of the insurance and ends on the first day of the month following the month during which the insurance is due to end. The premium owed by the Member as referred to in Article 1, paragraph 9 sub a, is withheld from the salary by the Employer in monthly instalments and transferred to the Fund. The Stichting will withhold the monthly premium due from a Member as defined in article 1, paragraph 9 at b from the disability pension payable to that Member. The Stichting will withhold the monthly premium due from a Retired Member from the retirement pension payable to that Retired Member.
- 9.5 A request for taking out an ANW shortfall insurance must be submitted to the Fund in writing, using the appropriate form. The Member as referred to in Article 1, paragraph 9 sub a, must inform the Fund in the same manner when terminating an insurance or adjusting the amount insured.
- The insurance referred to in this article and/or the termination of the insurance or an adjustment of the amount insured takes effect from the latest of both the following dates: 1) the desired date indicated by the Member as referred to in Article 1, paragraph 9 sub a, in the appropriate form, or 2) the date of receipt by the Fund of the above-mentioned form. If no desired effective date is indicated in the form, the insurance, the termination of the insurance, or the adjustment of the amount insured takes effect in all circumstances from the date of receipt of the form referred to in the above by the Fund. Other than at the request of the Member as referred to in Article 1, paragraph 9 sub a, the insurance ends at the earliest of the following points in time:
- a. The date of termination of the Member's employment contract with the Employer, other than in connection with retirement or disability;

- b. The date on which the Member reaches the state pension age applicable to him, unless that provided in paragraph 9 of this article applies;
 - c. The date on which the Member's Partner reaches the AOW pension age applicable to him;
 - d. The date on which the Partnership ended;
 - e. The date on which the Member's Partner died.
- 9.6 After the death of a Member who has taken out an ANW shortfall insurance, his/her Partner at the time of death is entitled to a monthly benefit of a one twelfth part of the amount insured, as referred to in paragraph 2 of this article.
- 9.7 The monthly payment by virtue of the ANW shortfall insurance takes effect from the first day of the month during which the Member has died and will continue until the end of the month preceding the month during which the partner attains the AOW pension age, or until the end of the month of the partners death.
- 9.8 In the event of termination of employment in connection with retirement before the state pension age or incapacity for work, the ANW shortfall insurance will remain in effect and the provisions of paragraphs 3 to 12 of this article will continue to apply to the relevant Retired Member or the Member concerned as referred to in Article 1, paragraph 9, at b.
- 9.9 The Member (as referred to in Article 1, paragraph 9 sub a and b) respectively the Retiree who has reached the AOW-age and who at that time has an ANW shortfall insurance, is entitled to continue this insurance after having reached the AOW-age at an adjusted, individual premium until the time the insurance ends by operation of law in accordance with paragraph 5 under c, d or e of this article. An insurance thus continued may not be increased, but may at any time be decreased or terminated.
- 9.10 [Deleted]
- 9.11 The Board of Trustees is authorised, insofar it holds to be necessary according to its reasonable judgment for fulfilling the Pension agreement, to offer the possibility of taking out an ANW shortfall insurance or to continue an existing insurance to others besides those entitled by virtue of this article, under the conditions to be set by the Board. The Board of Trustees is also authorised to deny specific categories of Members the right to take out an ANW shortfall insurance insofar as in accordance with the pension agreement, in derogation of that provided in paragraph 1 of this article.
- 9.12 For terminating ANW shortfall insurance or decreasing the amount insured, written approval of the Member's or Retired Member's Partner is required.

Article 10

Exchange of pension entitlements at Retirement age

- 10.1 Upon reaching the Retirement age, the Member or Former Member is entitled, insofar as this is in accordance with the relevant legal requirements, to fully convert the entitlements to Survivor's pension pursuant to these Pension Plan Rules, into an entitlement to Retirement pension, provided that the Partner sends a notice of approval in writing and insofar as entitlements to Survivor's pension have been accrued upon reaching Retirement age. Instead of a full conversion of the Survivor's pension, the Member or Former Member may decide on a 75%, 50% or 25% part exchange.
This exchange takes place on the basis of the actuarial factors. The Board of Trustees may set further requirements and conditions to the manner in which the Partner's approval is demonstrated.
- 10.2 The conversion right as described in the previous paragraph of this article does not apply to the Special survivor's pension as determined in article 11.
- 10.3 Upon reaching Retirement age, the Former Member is entitled to convert part of his Retirement pension into an entitlement to Survivor's pension. The selected Survivor's pension may amount to 25%, 50% or 70% of the Retirement pension after the above-mentioned conversion. The person who at the time of the above-mentioned exchange is the Former Member's Partner, is entitled to the additional Survivor's pension acquired as a result of the exchange. The exchange as referred to in this paragraph does not concern the portion of the Retirement pension subject to a right to payment as referred to in article 2 of the Act on Settlement of Pension Entitlements on Divorce.
- 10.4 As a standard option, the Fund offers the Former Member for whom no entitlements to survivor's pension have been accrued pursuant to a previously applicable pension scheme referred to in the previous paragraph to exchange Retirement pension for Survivor's pension during the last year before the effective date of the Retirement pension. In the absence of a response of the Former Member within the period designated by the Fund, the Fund will proceed with the intended exchange, provided that the Former Member has a Partner. In that case, the entitlement to Survivor's pension shall, following the above-mentioned exchange, amount to 70% of the Retirement pension.
- 10.5 The exchange as referred to in this article takes place on the basis of the actuarial factors.
- 10.6 The Survivor's pension as referred to in this article takes effect from the first day of the month during which the Pensioner dies and will be paid up to and including the month during which the Partner dies.

- 10.7 If the exchange of Retirement pension for Survivor's pension as referred to in the paragraphs 3 and 4 of this article would lead to a decrease in the Retirement pension on an annual basis to a point below the Surrender limit, the proportions of Retirement pension and Survivor's pension will be adjusted to ensure that the Retirement pension will exceed the Surrender limit on an annual basis.

Article 11

Special survivor's pension

- 11.1 If the marriage of a Member is terminated before Retirement age due to divorce or dissolution by legal separation, his former Partner will obtain a non-contributory entitlement to Special survivor's pension. This Special survivor's pension is equal to the entitlement to Survivor's pension that would have arisen if the participation of the Member would end as described in article 15 at the date of divorce or dissolution by legal separation, deducting any previously determined Survivor's pension relevant to a former ex-partner. The Member is obliged to immediately notify the Fund in writing of the termination of his marriage by divorce or dissolution by legal separation.
- 11.2 The provisions of the previous paragraph similarly apply if the Partnership, not being a marriage, ends before his Retirement age. The Member must immediately notify the Fund in writing of the termination of his or her Partnership.
- 11.3 If the marriage of a Pensioner or Former Member terminates due to divorce or dissolution after legal separation, his/her Former Partner will receive a non-contributory entitlement to Special survivor's pension if the marriage was concluded before reaching Retirement age. In such an event, the Special survivor's pension is equal to the entitlement of Survivor's pension insured on the date of the divorce or dissolution after legal separation, deducting any previously determined Special survivor's pension of a former Partner. The entitlement to Special survivor's pension is eliminated if the Survivor's pension was fully exchanged for Retirement pension as described in article 10, paragraph 1.
- 11.4 The provisions of the previous paragraph similarly apply if the Partnership, not being a marriage, ends. The Pensioner or the Former Member must immediately notify the Fund in writing of the termination of his or her Partnership.
- 11.5 The former Partner of the Member or Former Member or the Pensioner will be sent a receipt confirming the non-contributory entitlement to Special survivor's pension as referred to in this article.

- 11.6 That provided by the preceding paragraphs does not apply if (1) the Member or Former Member or Pensioner and the Partner agree/have agreed otherwise by marital or registered Partnership terms or by a cohabitation contract executed before a civil-law notary or by a written agreement with relation to the divorce, on the termination of the registered Partnership or the joint household as referred to in article 1, paragraph 17 at c, and (2) the Fund has declared in writing that it agrees and is willing to cover any risk resulting from the deviation or to adjust the level of the payments. A written request for receiving a declaration as referred to in the previous full sentence at 2 must be submitted to the Fund by both parties.
- 11.7 That provided in article 8, paragraph 3 applies by analogy to the Special survivor's pension.
- 11.8 If the former Partner dies before the Member or Former Member dies, then from the time of the death of the former Partner the entitlement to a Special survivor's pension again forms part of the pension entitlement of the Member or Former Member. The preceding sentence is not applicable to Members or Former Members who have already reached the Normal retirement age of 68 at the time when the former Partner dies or whose entitlements have been transferred to another authorised pension provider.

Article 12

Orphan's pension

Orphan's pension: Members

- 12.1 After the death of the Member, Former Member or Retired Member, his Child is entitled to Orphan's pension. The Orphan's pension takes effect from the first day of the month during which the Member, Former Member or Pensioner dies and is paid up to and including the month during which the orphan attains the age of 21 or previously dies.
- 12.2 After a Member's death, the value of the Orphan's pension for each of his Children is the sum of:
- the Retirement pension accrued at the time of the death, for which purposes an Orphan's pension entitlement is accrued every year that corresponds to 14% of the Retirement pension accrued for the Member during that same year;
 - plus 14% of the retirement pension which the Member would have attained from the date of death until the Normal retirement age on the basis of the Fixed Pension base applicable on the date of death of the Member, calculated with the following accrual rates:

1. for the remainder of the year in which the Member died: the accrual rate applicable in the P year in question;
 2. for the pension years after the year in which the Member died: the targeted accrual rate as referred to in article 5;
- increased by 14% of the accrual rate applicable for the year of death multiplied by the variable gross elements of income which have been/will be paid and relate to the period from April 1 of the year in which the Member's death takes place until the date of the Member's death,
 - increased by the indexations applied until the date of death pursuant to article 22 of these Pension Plan Rules.

The orphan's pension for a Child of a Former Member is equal to the entitlement established on the basis of Article 15, paragraph 2, plus the indexations granted up to the date of death pursuant to Article 22 of these Pension Plan Rules.

The orphan's pension for a Child of a Retiree is equal to the entitlement to an orphan's pension established at the start of the retirement pension, increased by the indexations granted up to the date of death pursuant to Article 22 of these Pension Plan Rules.

The Orphan's pension is a Defined benefit agreement in nature.

- 12.3 The Orphan's pension amounts to double the amount included in paragraph 2 of this article if both parents have died.
- 12.4 If justified according to the judgment of the Board of Trustees, the Orphan's pension may also be granted to other Children of Members, Former Members and Retired Members who do not meet the conditions set forth in article 1, paragraph 14 of this article. The Board of Trustees may double the Orphan's pension referred to in this paragraph if it holds the opinion that such is justified.
- 12.5 The Orphan's pension for an underage Child is paid to their legal representative.

Article 13

Disability pension

- 13.1 A Member whose employment contract with the Employer was fully or partially terminated due to occupational disability is entitled to a Disability pension in the event of at least 35% occupational disability under the WIA act. This Disability pension is a Defined benefit agreement in nature. If the employment changes to accommodate suitable work, with a supplement on top of the salary earned from that suitable work in accordance with the Member's CLA or terms of employment, that change does not qualify as full or partial termination of the employment contract for the above purposes.

- 13.2 The Disability pension takes effect on the first day of the month following the month during which the employment was (partially) terminated due to disability. If the Member suffers an incapacity for work within the meaning of the WIA of 80% or greater, the disability pension will commence no earlier than on the first day of the month following the day falling 3 years after the first day of sick leave within the meaning of the WIA.
- The Disability pension ends on the earliest of the following dates.
- The date on which the AOW pension age applicable to the Member is reached;
 - The date of the retirement age applicable to the Member being reached;
 - The date on which occupational disability as defined by WIA drops below 35%;
 - The date of death of the Member.
- 13.3 If a Disability pension has terminated on the basis of that provided in the preceding paragraph at c, the entitlement to a Disability pension is revived if disability within the meaning of the WIA has increased to over 35%, provided such increase results from the same illnesses and/or ailments which lead to the earlier granting of a Disability pension pursuant to this article.
- 13.4 The Disability pension is calculated as follows:
- If, on the effective date of the Disability pension, the AOP base figure of the Member does not exceed the AO-limit amount on that date, the annual Disability pension for a disability within the meaning of the WIA of at least 80%, amounts to a sum equal to 5% of the AOP base figure.
- If, on the effective date of the Disability pension, the AOP base figure of the Member exceeds the AO-limit amount on that date, the Disability pension on an annual basis amounts to a sum equal to 5% of the AO-limit amount, increased by an amount equal to 75% of the part of the AOP base figure exceeding the AO-limit amount.
- 13.5 Upon a disability within the meaning of the WIA of less than 80%, the Disability pension amounts to a percentage of the Disability pension as calculated in accordance with paragraph 4 of this article. This percentage is equal to:
- | | |
|-------|------------------------------|
| 72.5% | for disability from 65 – 80% |
| 60% | for disability from 55 – 65% |
| 50% | for disability from 45 – 55% |
| 40% | for disability from 35 – 45% |
- 13.6 Upon a review of the percentage of disability within the meaning of the WIA, the Disability pension granted on the basis of this article is adjusted under application of paragraph 4 or 5 of this article with effect from the first day of the month

following the effective date of the review. The Member is obliged to immediately notify the Fund in writing of any change in the disability percentage within the meaning of the WIA as referred to in this article.

- 13.7 The Board of Trustees may attach such conditions, as it deems reasonable and advisable to granting, reviewing and continuing the Disability pension. The Board of Trustees observes relevant legislation and regulations on the authority of pension funds to grant supplements to a continuation benefit or a wage supplementation benefit as referred to in article 60 of the WIA. Relevant legislation and regulations shall also be taken to include any policy rules and directions from the Supervisor.

Article 14

Non-contributory accrual of pension

- 14.1 A Member receiving a disability pension under article 13 is also entitled to full or partial non-contributory accrual (or continuation of the accrual) of his retirement, survivor's and orphan's pensions for as long as the Member continues to receive the disability pension. If the Member suffers an incapacity for work within the meaning of the WIA of 80% or greater, he is entitled to full non-contributory pension accrual (or continuation of the accrual). If the Member suffers an incapacity for work within the meaning of the WIA of less than 80%, he is entitled to partial non-contributory pension accrual (or continuation of the accrual). The amount of the partial non-contributory pension accrual (or continuation of the accrual) is calculated in accordance with the percentages given in article 13, paragraph 5. The pension accrual (or continuation of the accrual) will be in accordance with the first sentence and the second text block of article 5, paragraph 3, where 'Fixed pension base' in that clause should be read as 'the most recently established Salary base figure for non-contributory pension accrual, less the Offset, where the calculation of the Offset is based on the Part-time factor in the month prior to the first day of sick leave'.

Article 15, paragraph 2 is similarly applicable relating to establishing non-contributory pension entitlements on termination of employment due to disability insofar this concerns the pension accrual on the variable Pensionable salary as referred to in article 1, paragraph 21 at b. The (continuation of) pension accrual takes place based on the pension plan rules, as amended from time to time, in force at the time of the annual granting of the pension accrual. Such amendments also apply to the Members to which the present paragraph refers.

- 14.2 [deleted]

- 14.3 [deleted]
- 14.4 [deleted]
- 14.5 Upon a review of the percentage of disability within the meaning of the WIA, the (partially) non-contributory (continuation of the) accrual of pension is adjusted under application of the preceding paragraph with effect from the first day of the month following the effective date of the review. A Member, for the benefit of whom a non-contributory pension is being accrued by virtue of this article, is obliged to notify the Fund immediately of any change in the degree of disability within the meaning of the WIA.
- 14.6 If after a review of the percentage of disability within the meaning of the WIA the entitlement to (partially) non-contributory (continuation of the) accrual of pension is terminated fully or partially, the Member will acquire a paid-up policy for the part of the accrual of pension which is terminated by virtue of article 15.
- 14.7 A Member, for the benefit of whom a non-contributory pension is being accrued by virtue of this article, is obliged to notify the Fund immediately of any change in the degree of disability within the meaning of the WIA.
- 14.8 The Board of Trustees may attach conditions to the granting and the continuation of the non-contributory (continuation of the) accrual of pension, to the insurance of the Survivor's pension, respectively as it deems reasonable and advisable.

Article 15

Premature termination of employment

- 15.1 Upon termination of employment with the Employer other than by death or disability, before reaching the Retirement age, the Former Member will acquire non-contributory entitlements to Retirement pension, Survivor's pension and Orphan's pension.
- 15.2 The paid-up entitlements to Retirement pension, Survivor's pension and Orphan's pension are calculated in accordance with the provisions of articles 5 paragraph 3, 8 paragraph 1 and 12 paragraph 2 on the termination date of the employment contract. When determining the paid-up entitlements as referred to above, during the year of termination of the employment contract, the variable gross income components that were/will actually be paid out by the Employer relating to the period from 1 April of the year during which the Member's employment is terminated to the date of the termination of the Member's employment contract

are taken into account, such in derogation of the provisions of article 1, paragraph 21 at b.

- 15.3 Upon a written request by the Former Member as referred to in this article, the effective date of the Retirement pension is advanced or deferred, if and insofar as such is in accordance with the statutory provisions relevant to this matter. In such a case that the Retirement is decreased or increased, respectively, on the basis of the Actuarial Factors.

The survivor's pension is not taken into account in this reduction or increase and does not change. The Actuarial factors are determined by the Board of Directors and may be amended from time to time, in principle annually. The Board of Trustees may impose further conditions on the possibility of bringing forward and/or postponement.

The effective date of the pensions referred to in this paragraph may not be before the age of 55, nor after the Former Member reaches the age of 70.

Bringing this date forward to a moment more than ten years before AOW pension age is possible only insofar as there is an equal degree of reduction in income-generating activities, in accordance with the legal provisions in this regard. It is not a reduction in income from work (expressed in money) that is decisive here, but a reduction in working time. If and when the Former Member takes partial retirement, as described in this article, it may not be his intention to later resume the income-generating activities for the portion by which those activities have been reduced in accordance with the foregoing, nor insofar as that resumption would happen during the period more than 10 years before he reaches AOW pension age. The Former Member must confirm in writing that he satisfies the relevant requirements.

The Former Member as referred to in this article may opt to take partial retirement from the age of 55 prior to full retirement. If a Former Member wishes to use this option, he must inform the Fund in writing, no later than 6 months before the target date from which part-time retirement takes effect, of the dates on which he/she wishes to (partially) retire and what percentage of the full retirement pension the Former Member wishes to have. Notwithstanding what is stated in the preceding sentence, the Fund must be informed of the choice in writing no later than when the age of 67½ is reached if part-time retirement is to take effect at an age between 68 and 70.

On reaching the date of part-time retirement as referred to in the preceding paragraph, a Former Member is entitled to a retirement pension and a survivor's pension in accordance with paragraph 2 of this article, multiplied by the percentage for which the pension takes effect. Article 10, paragraph 1 applies *mutatis mutandis*. Partial advancement and partial deferment are governed by the same conditions as full advancement and deferment respectively.

In the event of partial retirement, with regard to the part of the retirement pension that has not yet commenced and the survivor's pension associated with this part, the provisions of these Pension Plan Rules with regard to the Former Member remain in full force and effect.

The Board of Trustees is authorised to lay down further or deviating rules with regard to the way in which the right to part-time retirement can be exercised.

- 15.4 The ANW shortfall insurance as referred to in article 9 is not subject to non-contributory value. If the employment contract ends in the manner described in this article 15, the insurance in question will be cancelled.

Article 16

Value transfer / surrender / cancellation of small Retirement pension upon termination of participation

- 16.1 After termination of the participation, the Fund is entitled:
- a. to transfer the transfer value of a Former Member's pension entitlements to the pension administrator of the Former Member's new employer or industry pension plan, if the annual benefits from the Retirement pension at the Pension reference age, based on the Retirement pension entitlement accrued when the participation ended, are less than the Surrender limit;
 - b. to surrender the Former Member's pension entitlements following at least five unsuccessful attempts to transfer the transfer value of the Former Member's pension entitlements in the manner described above at a and if at least five years have passed since the participation ended;
- with due observance of the relevant legal provisions.
- 16.2 If the Former Member's Pension reference age is below the age at which he will start drawing AOW pension, the Retirement pension will be pushed back, for the purposes of the provisions set out in paragraph 1 at b of this article, until the first day of the month after the Former Member reaches AOW pension age, unless the Former Member has announced his preference for not pushing back the date on which he will start drawing his pension.
- 16.3 If the Former Member starts drawing his Retirement pension before the five transfer attempts described in paragraph 1 at b of this article have been made and/or the five-year period stated there has ended, the Fund is entitled to surrender any entitlement to Retirement pension and any other entitlements for the Pensioner or his/her Partner and Child(ren) upon the start of the Retirement

pension if the payment of the retirement annual pension amounts to less than the Surrender limit on the effective date.

- 16.4 If the Fund exercises the right referred to in the paragraph 1 at a of this article, it shall inform the Former Member accordingly when the participation ends. The value transfer will be governed by the legal factors as they apply at the moment of the value transfer.
- 16.5 If the Fund exercises the right referred to in paragraph 1 at b of paragraph 3 of this article, it will inform the Former Member accordingly before the moment of the surrender.
- 16.6 If the Stichting makes use of the right described in paragraph 1 at b or in paragraph 3 of this article, the Stichting will make the surrender value of the pension entitlements, after deduction of the payroll taxes due, available to the beneficiary. The Stichting will pay out the benefits on the day on which the entitlements or rights lapse in connection with the surrender. The surrender will use the Actuarial factors as they apply at the moment of the surrender.
- 16.7 A Former Member's pension entitlements will lapse by operation of law if and when the participation ends, if the annual benefits from the Retirement pension at the Pension reference age, based on the Retirement pension entitlements accrued until the moment of termination, represent a gross annual value of less than €2.00.
- 16.8 A person whose pension entitlements under this article are transferred or surrendered, or whose entitlements elapse, will no longer be entitled in any way to a pension from the Stichting after the value transfer or surrender has been completed, or after the entitlements have elapsed, and will cease to be a Former Member.

Article 17

Surrender of small Survivor's pension or Orphan's pension upon start of pension

- 17.1 The Fund is entitled vis-à-vis the surviving Partners and Child(ren) to surrender any entitlement to Survivor's pension or Orphan's pension for them if the payment of the Survivor's pension or Orphan's pension on the start date amounts to less than the Surrender limit on an annual basis.
- 17.2 If the Fund exercises the right referred to paragraph 1 of this article, it shall inform the person concerned within six months following the effective date and proceed to

payment of the surrender value after deduction of the payroll taxes owed to the person concerned.

- 17.3 The Fund may surrender the Survivor's pension or Orphan's pension after the term referred to in paragraph 2 of this article if:
- a. The person concerned agrees; and
 - b. The level of the Survivor's pension or Orphan's pension on an annual basis is less than the Surrender limit mentioned in the first paragraph as from 1 January of that year.
- 17.4 Article 16, paragraph 6 is similarly applicable.
- 17.5 A person whose survivor's or orphan's pension entitlements are surrendered in accordance with this article will no longer be entitled in any way to a survivor's pension or orphan's pension from the Stichting after the surrender has been completed.

Article 18

Surrender of small Special survivor's pension

- 18.1 The Fund is entitled vis-à-vis the former Partner to surrender any entitlement to Special survivor's pension if the payment of the Survivor's pension on the start date amounts to less than the Surrender limit on an annual basis.
- 18.2 If the Fund exercises the right referred to in paragraph 1 of this article it shall inform the former Partner within six months following the notification of the divorce, dissolution of the marriage by a legal separation, termination of the registered Partnership, or termination of the joint household and proceed to paying the surrender value after deduction of the payroll taxes due, to the former Partner within that term.
- 18.3 The Fund may surrender after the term referred to in paragraph 2 of this article if
- a. The former Partner agrees; and
 - b. The level of the Special survivor's pension or Orphan's pension on an annual basis is less than the Surrender limit mentioned in the first paragraph as from 1 January of that year.
- 18.4 Article 16, paragraph 6 is similarly applicable.
- 18.5 A person whose special survivor's pension entitlements are surrendered in accordance with this article will no longer be entitled in any way to a special survivor's pension from the Stichting after the surrender has been completed.

Article 19

Transfer of value

- 19.1 The Fund shall:
- a. Upon written request of a Former Member transfer any entitlements to a pension to another authorised pension administrator in the case of a statutory right to transfer of value, if such transfer of value enables the person entitled to acquire pension entitlements from another institution under appropriation of that transfer amount;
 - b. Upon written request of a Member appropriate a transfer amount offered within the scope of the statutory right to transfer of value for acquiring entitlements to a pension for that Member by virtue of these Pension Plan Rules.
- All this takes place if the requirements set by or by virtue of the PW are met.
- 19.2 If the statutory right to transfer of value as referred to in paragraph 1 of this article is not applicable, the Fund is authorised to transfer a pension or an entitlement to pension to another authorised pension administrator at the written request of the person entitled if the requirements referred to in article 75 of the PW are met, such with due observance of any rules set by the Board of Trustees pertaining to this matter.
- 19.3 If the statutory right to transfer of value as referred to in paragraph 1 of this article is not applicable, the Fund is authorised to appropriate at the written request of the Member a transfer amount offered by another authorised pension administrator, to acquire entitlements to a pension for that Member, such with due observance of any rules set by the Board of Trustees pertaining to this matter.
- 19.4 All transfers of value by virtue of paragraphs 1 to 3 of this article take place on the basis of the legal factors with due observance of the rules set by or by virtue of the law.
- 19.5 In derogation from the provisions of this article 19, any other individual value transfers and collective value transfers will be based on the Actuarial principles established for that purpose by the Stichting.
- 19.6 A person whose pension entitlements are transferred to another authorised pension administrator in accordance with this article will no longer be entitled in any way to a pension from the Stichting after the value transfer has been completed, and will cease to be a Former Member.

Article 20

Maximising

20.1 A pension debited to the Fund shall not exceed the maximum amounts as referred to in Chapter IIB of the Wages and Salaries Tax Act 1964 or other maximum amounts resulting from tax law and legislation. In the event of a statutory maximum being exceeded, the pension to be debited to the Fund is decreased by the amount of the excess.

Exceeding the maximum amounts due to causes described in article 18d of the Wages and Salaries Act 1964 shall not be taken into consideration.

20.2 The Board of Trustees may impose further conditions and limitations to the provisions of this article.

Article 21

Payment of pensions

21.1 All pensions granted by virtue of these Pension Plan Rules are paid in Euros after deduction of the payroll taxes due, at the beginning of every month.

21.2 At the request of the Fund, recipients of a pension in payment are obliged to submit a declaration of being alive by means of a specific form provided by the Fund.

21.3 Any legal action brought against the Fund for making a pension payment shall not lapse during the lifetime of a recipient of a pension in payment.

21.4 If the Stichting ascertains that a pension has been granted or paid incorrectly, the granting of the pension will be reviewed or payment corrected. Reviewing or correction will take place with retroactive effect. If reviewing or correction is to the advantage of the person for whom the granting or the payment of the pension is intended, the Stichting will pay the missing amount of pension. If reviewing or correction is to the disadvantage of the person who is the recipient of the granting or the payment of the pension, the latter will be obliged to repay the incorrectly paid amount of pension.

Article 22

Indexation

22.1 Conditional indexation

A supplement amounting to a maximum of 100% of the level of Price inflation is granted annually on the pension entitlements. The pension entitlements and rights of the Former Members, Pension Beneficiaries and other Beneficiaries may be indexed annually by a maximum of 100% of the Price. The Board of Trustees of the Fund determines each year to what extent pension rights and pension entitlements are to be adjusted.

No reserve has been created for these conditional indexations and no premium is paid. The indexation is financed from the return on investments.

There is no existing right to indexation and it is unsure if and to what extent any indexation shall take place. Any decision to grant an indexation in any year on the basis of this article forms no guarantee for any indexations to be granted in future years and does not constitute any restriction for the policy freedom vested in the Board of Trustees with respect to this matter.

22.2 Realisation percentage

On the basis of Wage and Price inflation, the financial position of the Fund, the developments in this financial position expected by the Board of Trustees, the requirements set by or by virtue of the law and all other facts and circumstances deemed relevant by the Board of Trustees, a Realisation percentage is established every year in order to determine the indexation. That percentage is then established for the period from 1 April of the current year to 31 March of the next year. The Realisation percentage relates to the percentage of the Wage inflation that will be awarded to the Members and the percentage of the Price inflation that will be awarded to the Former Members, Pension Beneficiaries and other Beneficiaries.

The Realisation percentage (or, as applicable, the Realisation percentages for Members, Former Members, Pension Beneficiaries and other Beneficiaries) may vary from 0 to 100.

22.3 Indexation and funding ratio

The basic premise for establishing the Realisation percentage as meant in paragraph 2 of this article is the relevant policy as it applies at a given time and that is recorded in an indexation policy ladder. In no instance may the indexation that is awarded exceed the maximum permitted by law. How much indexation is permitted by law varies over time, since it depends on factors such as movements in interest rates. For this and other reasons, the indexation policy ladder is reviewed every calendar quarter to determine whether it needs to be adjusted. The most recent indexation policy ladder is published on the website. If the maximum

full or partial indexation permitted by law is greater than the maximum values according to the indexation policy ladder, the maximum values permitted by law apply. The Board of Trustees may at all times adjust the indexation policy ladder, and/or deviate from the indexation policy ladder based on circumstances and expectations that the Board of Trustees considers to be of relevance.

On the basis of the financial position of the Fund, the developments in this financial position expected by the Board of Trustees, the requirements set by or by virtue of the law and all other facts and circumstances deemed relevant by the Board of Trustees, the Board of Trustees may decide – in the event of a financially sound situation of the Stichting – to fully or partially reverse any reductions or to make up for missed indexation which is based on Wage or Price inflation.

Article 23

General expat provision

The Board of Trustees has the power to set different rules with regard to expats insofar as it reasonably considers this to be necessary for the implementation of these Pension Plan Rules. An expat is understood to mean a person who is employed outside the Netherlands and is deemed by the Employer to be an expat.

Article 24

Amendments to the Pension Plan Rules and pension reduction

- 24.1 The Board of Trustees is authorised to change these Pension Plan Rules, with due observance of that provided in the Trust Deed. In the event of any amendment to these Pension Plan Rules the pension entitlements accrued for the Members, Former Members, Pension Beneficiaries and other Beneficiaries until the time of amendment shall not be adjusted, with the exception of that provided in the articles 76, 78, 83 and 134 of the PW.
- 24.2 The Board of Trustees is authorised subject to article 134 of the PW to reduce the accrued pension entitlements and/or the pensions in payment if:
- in view of the policy funding ratio the Fund does not meet the requirements of or pursuant to article 131 of the PW regarding the minimum funding requirements or the requirements of or pursuant to article 132 of the PW regarding the funding requirements and

- this cannot be realised within a reasonable period of time without the interests of the Members, Former Members, Pension Beneficiaries and other Beneficiaries, or the Employer being disproportionately harmed; and
- all other management tools available, with the exception of the investment policy, have been deployed as outlined in the recovery plan, as referred to in article 138 or 139 of the PW.

24.3 The Board of Trustees is authorised, with recourse to, and within the framework of, article 83 of the PW, to convert at the Employer's request the accrued retirement pension entitlements to an altered Normal retirement age without there being a right of objection by the Member or Former Member.

Article 25

Special provisions

- 25.1 The Board of Trustees is authorised in those cases where a strict application of these Pension Plan Rules would result in unfairness, to deviate from the provisions in these Pension Plan Rules in favour of those concerned. In those cases not provided for by these Pension Plan Rules, or where these Pension Plan Rules are ambiguous, the Board of Trustees will decide.
- 25.2 Any amendments to these Pension Plan Rules resulting in a decrease of pensions, inter alia as referred to in article 14 of the Trust Deed and article 24 of these Pension Plan Rules shall in all reasonableness and fairness apply to all Members, Former Members, Pension Beneficiaries and other Beneficiaries.
- 25.3 If the Employer notifies the Fund in writing that it shall reduce or terminate its contribution as referred to in article 4, paragraph 2 due to a radical change of circumstances, the Board of Trustees supplies the Members who are or formerly were Employees of that Employer with a copy of this statement.
- 25.4 Upon joining, the Members are informed in writing of the contents of the applicable Trust Deed and Pension Plan Rules. Within three months after joining, the Members will receive information about the pension plan, including a summary of the pension plan in compliance with the provisions of and under article 21 of the Pensions Act. Within three months after any amendment that affects the Members, Former Members and/or Pension Beneficiaries, the Members, Former Members and/or Pension Beneficiaries will be notified in writing of those amendments.
- 25.5 Without prejudice to that provided elsewhere in these Pension Plan Rules, the Fund supplies the Member or Former Member upon his/her request with a statement on the level of the accrued pension benefits by virtue of the present Pension Plan

Rules within three months. The Fund may request a fee for the costs involved in this statement.

- 25.6 Annually, a statement is supplied to all Members of the pensions attainable under the Pension Plan Rules, the pension accrued, as well as of the accrued pension benefits to be allocated to the preceding calendar year in accordance with article 3.127 of the Wages and salaries Act 2001 and the provisions provided therein. In addition, all Members receive information about the indexation annually. The statements and information are made available with due observance of the requirements set by the PW.

In the event of premature termination of the participation as referred to in article 15, and afterwards once every five years, a statement will be issued to the Former Members showing the value of the pension that they have accrued and all other information as required by and set forth in the PW. A digital version of this statement will be issued each year. Upon the start of receiving pension and annually after that, the Fund provides the beneficiary with at least the information required by and set forth in the PW. The Fund provides the Partner with at least the information as required by and set forth in the PW at the time when the Partner acquires the status of Former Partner as referred to in article 11, and after that once every five years.

Without prejudice to the other provisions of these Pension Plan Rules, any information and/or statements that the Stichting issues to Members, Former Members and/or Pension Beneficiaries cannot result in a higher entitlement than the value for the Member, Former Member or Pension Beneficiary pursuant to the present Pension Plan Rules.

- 25.7 Any entitlements to a pension by virtue of these Pension Plan Rules may not be surrendered, alienated or abandoned, or constitute formal or de facto collateral, other than in those cases provided by or by virtue of the PW.
- 25.8 By virtue of the PW, the Supervisor is authorised to inter alia issue instructions to the Fund. Such instruction may obligate the Board of Trustees to deviate from that provided in these Pension Plan Rules, or to interpret the policy freedom vested in the Board by virtue of these Pension Plan Rules in a specific manner.
- 25.9 The Member's periods of leave are not considered as a factor in accrual of Retirement pension pursuant to these Pension Plan Rules, such in accordance with the conditions of the CLA and/or employment conditions of the Employer. During a period of unpaid leave, coverage of the Survivor's pension, Orphan's pension and Disability pension will be continued subject to the provisions of article 56 of the PW, the applicable CLA and/or other employment conditions of the Employer, the Wages and Salaries Tax Act 1964 and other applicable tax laws and regulations.

The previous full sentence is similarly applicable to coverage pursuant to article 14 (non-contributory pension accrual).

- 25.10 The Fund is authorised to execute pension contracts other than as recorded in these Pension Plan Rules for the Members, and to pay out pensions to the Members and Former Members and (Former) Partners and Child(ren), provided that the Employer provides the required funds. The allocation and details of such pension entitlements or pension rights will be announced to the beneficiary in writing.
- 25.11 The Employer (or the Stichting acting on the Employer's behalf) is authorised to make a request to the tax authorities in accordance with the provisions of the Dutch Wages and Salaries Tax Act 1964 for confirmation that the present pension plan satisfies the requirements for pension plans under that Act. If it is irrevocably established on the basis of the foregoing request that the pension plan does not satisfy the requirements for pension plans under the Dutch Wages and Salaries Tax Act 1964, the pension plan will immediately be amended with retroactive effect (in so far as is applicable) into a pension plan that satisfies the requirements for pension plans under that Act.
- 25.12 The Stichting is justified in assuming that the data concerning the Member, Former Member, Pension Beneficiary or other Member (Beneficiary) that has been supplied to the Stichting by the competent Dutch or non-Dutch authorities, by the Employer, or by the Member, Former Member, Pension Beneficiary or other Member (Beneficiary) in connection with the performance of these Pension Plan Rules are correct and accurate.

Article 26

Pension settlement / Conversion

- 26.1 In the event of divorce, dissolution of the marriage by a legal separation, termination of the registered Partnership other than due to death or the missing of a person, the former Partner of the Member, Former Member or Retired Member is entitled to settlement of Retirement pension in accordance with the relevant provisions in the Equalization of Pension Rights in the Event of a Divorce Act.
- 26.2 With respect to pension settlement or conversion by virtue of the Equalization of Pension Rights in the Event of a Divorce Act, the Board of Trustees is authorised to set further rules.

Article 27

Complaints procedure

Any person who is unhappy with a decision or an action (or omission to act) by the Stichting may make use of the complaints procedure, which is explained on the Stichting's website ([www.philipspensioenfonds.nl/ what-do-if-you-have-complaint](http://www.philipspensioenfonds.nl/what-do-if-you-have-complaint)).

The first point of contact is the Service Desk, which can be reached as follows:

Address: Philips Pensioenfonds
Postbus 123
1180 AC Amstelveen

Telephone: 088-015 79 00

MijnPPF: www.philipspensioenfonds.nl/mijnppf

Video chat: www.philipspensioenfonds.nl/videobellen

Complaints may also be submitted to the Stichting's Complaints Committee. The Complaints Committee reviews complaints in accordance with the Rules of procedure Complaints Committee (which can be downloaded at [www.philipspensioenfonds.nl/ what-do-if-you-have-complaint](http://www.philipspensioenfonds.nl/what-do-if-you-have-complaint)). Those Rules of procedure Complaints Committee is adopted by the Board of Trustees and may be subject to change from time to time.

Article 28

Liquidation of the Fund

- 28.1 If the Fund is liquidated in accordance with article 20 of the Trust Deed, all Members as defined in article 1, paragraph 9, sub a shall be deemed to have left the employment of the Employer at the time of the liquidation and shall be granted non-contributory entitlements to a pension, determined in accordance with article 15 of these Pension Plan Rules.
- 28.2 In the event of liquidation of the Fund, the rights of persons with a pension in payment, holders of (non-contributory) entitlements to a pension and their (Former) Partners and Child(ren) will be guaranteed. In the event of liquidation, the Fund has the obligation of transferring its obligations to an authorised pension administrator, as referred to in article 1 of the PW.

Article 29

Transitional provisions

29.1 **Transition scheme internal value transfer as per 1 January 2014**

For the Members referred to in article 1, paragraph 1 at 2 of the Pension Plan Rules of the Philips flex pension (Flex 67) applicable on 31 December 2014, the pension entitlements accrued pursuant to the Pension Plan Rules Philips flex pension 1 April 2011 (Flex 65) became non-contributory as per 31 December 2013 in accordance with the provisions of the Pension Plan Rules Philips flex pension 1 April 2011 (Flex 65).

The Members referred to in this article were offered the once-only opportunity (with the option of lodging an objection) to transfer these non-contributory pension entitlements with effect from 1 January 2014, in an actuarially neutral manner based on the actuarial factors stated in appendix 2 to those Pension Plan Rules, to the pension plan as formulated in these Pension Plan Rules, with due observance of article 83 of the PW. The Members who objected to the aforementioned offer relating to internal value transfer have kept their non-contributory pension entitlements in the Pension Plan Rules of the Philips flex pension 1 April 2011 (Flex 65). On 1 January 2019, those non-contributory pension entitlements were as yet converted into rights and entitlements under these Pension Plan Rules, in accordance with the provisions of article 29, paragraph 6 of these Pension Plan Rules.

Internal value transfer means that the non-contributory pension entitlements as described above are converted into entitlements to Retirement pension, Survivor's pension and Orphan's pension in the ratio 100:70:14 and on the basis of the Normal retirement age. This ratio may vary in the event that before 1 January 2014 there has been a divorce, legal separation, termination of a registered Partnership or discontinuation of a joint household.

The pension entitlements obtained after internal value transfer will be conditionally index-linked in accordance with the entitlements accrued from 1 January in the manner and on the conditions and limitations stated in article 22 of these Pension Plan Rules.

All non-contributory pension entitlements pursuant to the Pension Plan Rules flex pension 1 April 2011 (Flex 65) will be fully cancelled in respect of the internal value transfer as described in this paragraph.

29.2 **Transition scheme Pre-retirement scheme at 1 October 2019**

1. This transition scheme applies to Members and Former Members as defined in article 1 of these Pension Plan Rules, if the Member or Former Member had

accrued Pension Capital at 30 September 2019 under the Pre-Retirement Scheme that was in place until 1 October 2019.

2. The Pre-Retirement Scheme ended effective 1 October 2019. For Members and Former Members to whom the present article 29, paragraph 2 at 1 applies, their participation in the Pre-Retirement Scheme also ended on that date. Article 29, paragraph 2 of the Pre-Retirement Scheme that was in place until 30 September 2019 has been replaced by the present version of article 29, paragraph 2, which applies effective 1 October 2019.
3. At 1 October 2019, each Member's and each Former Member's total Pension Capital was divided into values for Initial Capital and Saved Capital. The Initial Capital is the portion of the Pension Capital that resulted when the pension entitlements were converted into capital under the Pre-Retirement Scheme, either at 1 April 1997 or at 1 January 2005. The Saved Capital is the portion of the Pension Capital that resulted from the Member's or Former Member's own contributions under the Pre-Retirement Scheme.
4. At 1 October 2019, the capital amounts established in accordance with the present article 29, paragraph 2 at 3 were used to purchase retirement pension, survivor's pension and orphan's pension entitlements as defined in articles 5, 8 and 12 of these Pension Plan Rules, at respective ratios of 100:70:14. That purchase cancelled the Member's or Former Member's entire Pension Capital entitlement. As it is possible that the Member or Former Member might be disadvantaged by this purchase at 1 October 2019 instead of at his or her retirement reference age, some measures were applied to compensate that possible disadvantage. One of those measures was that the accrued values for the Initial Capital and Saved Capital were raised by 5% before the purchase at 1 October 2019, less 0.3% for selling expenses. The other measures are described in this article 29, paragraph 2, at 7 and 8. The pension entitlements purchased through this process were added to the other pension entitlements that the Member or Former Member had acquired under these Pension Plan Rules prior to 1 October 2019. One consequence of this new arrangement is that the pension entitlements acquired through the purchase are subject to conditional indexation from 1 October 2019 forwards, in accordance with the provisions of article 22 of these Pension Plan Rules.
5. The Initial Capital was used as follows to purchase pension entitlements.
 - a. First, the Initial Capital was notionally raised in accordance with the interest rate term structure for pension funds at 31 December 2018, as published by the Dutch central bank DNB, adjusted according to the remaining duration until the retirement reference age.
 - b. The resulting Initial Capital was then used to purchase pension entitlements based on the actuarial factors, which in turn were based on

the premises and assumptions used to establish the original Initial Capital at 1 April 1997 or 1 January 2005, as appropriate.

6. The purchase of pension entitlements from the Saved Capital was based on the Actuarial Factors described in Appendix 2 to the version of the Pension Plan Rules that was in place until 1 October 2019. That purchase applied the factors as set out in the table referencing article 29, paragraph 2, 'Purchase from pension capital on employment termination'.

7. In addition to the measures described in the subparagraphs above, the conversion of the Initial Capital and Saved Capital also included the following measures.

The pension entitlements acquired under the present article 29, paragraph 2 at 5 and 6 were notionally raised, until the retirement reference age, by the projected future indexation for Members. The notional pension entitlements established in this manner ('pension entitlements A') were then compared with the projected pension entitlements ('pension entitlements B') that would have resulted if the Initial Capital and the Saved Capital had remained invested until the retirement reference age and only then been used to purchase pension entitlements. This comparison used the projected annual returns and indexations based on scenario analyses.

Where the pension entitlements A were less than the pension entitlements B, the Initial Capital and the Saved Capital were notionally raised until the pension entitlements A had the same value as the pension entitlements B. Where the values of the pension capital were raised in accordance with the present paragraph, the pension entitlements as meant in the present article 29, paragraph 2 at 5 and 6 were finalised based on the raised values.

8. In addition to the measures described in the paragraphs above, the pension entitlements resulting from the conversion of the Initial Capital also included the following measures.

The pension entitlements acquired from the Initial capital after application of the previous paragraphs of the present articles were at least as high as the pension entitlements that would have applied if the Member in question had not chosen to deposit an Initial Capital into the Pre-Retirement Scheme at 1 April 1997 or 1 January 2005, as appropriate. This was based on the premise that the pension entitlements would then have been raised since 1 April 1997 or 1 January 2005, as appropriate, in accordance with the indexations granted to Members until 1 October 2019. To make this comparison, the pension entitlements acquired in this manner were converted into a corresponding (for actuarial purposes) retirement pension and survivor's pension, based on the Fund's actuarial principles that applied at 1 October 2019.

29.3 Transition plan ANW shortfall insurance

The second and third full sentences of article 9, paragraph 3 shall be phrased as follows relating to the Members as defined in article 1, paragraph 9 who concluded an ANW shortfall insurance before 1 July 2001:

'Increasing an existing ANW shortfall insurance is exclusively possible in those cases where taking out an ANW shortfall insurance would also be possible, except for insurances taken out before 1 July 2001, which may be increased at all times. That provided by article 9, paragraph 2 applies by analogy to any request for increasing the amount insured by an ANW shortfall insurance policy that took effect on or after 1 July 2001.'

29.4 Transition plan Disability pension / non-contributory pension accrual

The Member whose employment contract with Philips is fully or partially terminated due to disability in the sense of the WAO (Disability Act) of at least 15% may claim a Disability pension and non-contributory pension accrual, such as far as possible in analogy to the provisions of articles 13 and 14. The Board of Trustees may attach such conditions to allocation, revision and maintenance of the Disability pension and non-contributory pension accrual, as it deems reasonable and desirable.

29.5 Conditional supplementation fee

(As of 1 January 2021, there will no longer be a purchase of additional entitlements under the supplementary scheme and this provision has lapsed.)

29.6 Transitional arrangements on raising of Normal retirement age with effect from 1 January 2019

- a. At 1 January 2019, all Retirement pension entitlements under the Final Pay Plan, Pension Plan Flex Pension 2014 (flex 67), Flex Pension 2011 (flex 65) and Flex Pension 2005 & 2006 that carried a Pension reference age of less than 68 at 31 December 2018 were converted into Retirement pension entitlements carrying a Pension reference age of 68, subject to article 83, paragraph 3 of the PW.
- b. At 1 January 2019, all Temporary retirement pension entitlements respectively bridging payment under the pension plan rules Final Pay Plan, Flex Pension 2014 Pension Plan Rules (flex 67), Flex Pension 2011 Pension Plan Rules (flex 65) and Flex Pension 2005 & 2006 Pension Plan Rules were converted as follows in accordance with article 83, paragraph 3 of the PW:
 - i. all entitlements as described above that give an entitlement to benefits starting at the age of 60, and ending at the age of 64 years and 11 months: conversion into Temporary retirement pension entitlements or a bridging pension starting at the age of 63 years and 1 month and ending at the age of 68; and
 - ii. all entitlements as described above that give an entitlement to benefits starting at the age of 62 and 6 months, and ending at the age of 65: conversion into entitlements to a temporary retirement pension or

bridging pension starting at the age of 65 years and 6 months and ending at the age of 68.

The temporary retirement pension or bridging pension, as applicable, will start at the same time as the retirement pension and end when the individual reaches AOW pension age. In the case of retirement before the age of 63 years and 1 month, or 65 years and 6 months, as applicable, the temporary retirement pension or the bridging pension, respectively, will be lowered in accordance with the Actuarial Factors as they apply at that time. In the case of retirement after the age of 63 years and 1 month, or 65 years and 6 months, as applicable, the temporary retirement pension or bridging pension, as applicable, will not be increased. Instead, the instalments of the temporary retirement pension or bridging pension that are not paid will be converted into retirement pension in accordance with the Actuarial Factors as they apply at that time.

- c. The entitlements described at a and b above were established in accordance with the Actuarial factors applying at 1 January 2019.
- d. The entitlement conversion as meant at a. does not apply to the entitlements of persons who, despite termination of their employment contract with Philips before 1 January 2015, have continued to accrue a pension after that date in accordance with the pension plan rules that applied at that time. The rules that apply to those persons until 1 January 2020 are the rules that applied when their employment contracts ended;
- e. In the case of conversion as described at a. and b., the person's survivor's and orphan's pension entitlements remain unaffected. Those survivor's and orphan's pension entitlements will remain as they were, and will not change.
- f. All rights and entitlements of individuals whose entitlements to retirement pension and, where applicable, temporary retirement pension have been converted in the manner described at a. and b. will, after their conversion, be treated as rights and entitlements under these Pension Plan Rules effective 1 January 2019. If the individual does not have a Partner when he retires, and was subject to the Final Pay Plan until 31 December 2018, his pension will be calculated with due allowance of the Single Person's Offset as described in the pension plan rules for the Final Pay Plan as they applied at 31 December 2018, and on the same terms defined there.
- g. At 1 January 2021, the entitlements to temporary retirement pension and bridging pension as described in article 29, paragraph 6, at b., starting at the age of 63 years and 1 month or 65 years and 6 months, respectively, were converted into entitlements to a retirement pension with a pension reference age of 68. The retirement pension entitlements were calculated with due observance of the Actuarial Factors that applied at 1 January 2021. Not included in the entitlement conversion described in the first sentence are the entitlements of individuals who objected to the conversion within the period allowed for objecting. For individuals who objected, the provisions of article 29, paragraph 6, at b. will continue to apply in full.

29.7 Transitional arrangements for disability pensions and non-contributory pension accrual in connection with the switch to the Flex Pension CLA pension plan

- a. These transitional arrangements apply to anyone accruing a non-contributory pension and receiving a disability pension by reason of an occupational disability at 31 December 2019 under any of the following former pension plan rules: Final Pay Pension Plan Rules, Flex Pension 2014 (flex 67) pension plan rules, Flex Pension 2011 (flex 65) pension plan rules, Flex Pension 2005 & 2006 pension plan rules or the Flex Pension 1997 pension plan rules, and who was still disabled at 1 January 2020, hereinafter: 'Subject'.
- b. The Subject qualifies as a Member within the meaning of article 1, paragraph 9, at b. of these Pension Plan rules effective 1 January 2020. The pension entitlements and rights accrued by the Subject at 31 December 2019, including the right to non-contributory pension accrual and a disability pension, under any of the former pension plan rules, were converted into pension entitlements and rights under the present Pension Plan Rules effective 1 January 2020, based on an internal value transfer, and with due observance of the provisions set out at c. to p. in this paragraph. The Subject's participation in any of the former pension plan rules as meant at a. in this paragraph ended effective 1 January 2020.
- c. Disability pension
Effective 1 January 2020, the Subject is a Member with a right to a disability pension under article 13 of these Pension Plan Rules. Effective 1 January 2020, the amount of the gross disability pension is the same as the gross entitlement before the internal value transfer.
- d. Non-contributory pension accrual
Effective 1 January 2020, the Subject is entitled to non-contributory pension accrual under article 14 of these Pension Plan Rules. In deviation from the provisions of article 14, the non-contributory pension accrual will end at the latest when the Subject reaches the Normal retirement age that applied at 31 December 2019.
- e. If the Subject was already drawing his retirement pension
Effective 1 January 2020, a retirement pension that was already being drawn at 31 December 2019 is considered to be a right under these Pension Plan Rules; for these purposes, the amount of the retirement pension is unchanged.
- f. Maximum in connection with overlapping benefits
The pension entitlements and rights accrued by the Subject were converted into pension entitlements and rights under these Pension Plan Rules effective 1 January 2020, based on an internal value transfer as described in article 29, paragraph 7, at b. Before that internal value transfer was effected, a maximum

was applied which replaced the maximum on retirement under the pension plan rules that applied to the Subject at 31 December 2019. If the total of the Subject's accrued entitlements for bridging benefits and retirement pension, plus benefits under the WAO and/or the WIA, were greater than the Subject's most recently established Pensionable Salary, the difference was deducted from the entitlement to bridging benefits, without however the entitlement to bridging benefits becoming negative.

g. Conversion of bridging benefits

In so far as any entitlement to bridging benefits remained following the deduction, that entitlement was converted into a retirement pension entitlement (for life) under article 5 of these Pension Plan Rules.

For any Subject who objected to that conversion, the entitlement to bridging benefits that remained after application of article 29, paragraph 7, at f. was converted into an entitlement to bridging benefits with the same duration as applied before 1 January 2020. The bridging benefits as established at 1 January will start paying out at the age of 63 years and 1 month, or 65 years and 6 months where applicable, and will continue until the Normal retirement age of 68. When the Subject retires, the bridging benefits will be established so as to start paying at the Retirement Age and end when the Subject reaches the AOW pension age that applies at that time. If the Subject retires after reaching the age of 63 years and 1 month, or 65 years and 6 months where applicable, no bridging benefits will be paid before the Subject reaches the Retirement Age. Any instalments of bridging benefits that are not paid out will then be converted into additional retirement pension. Any recalculation of the bridging benefits or conversion into retirement pension will be based on the Pension Fund's Actuarial factors as they apply then.

h. Conversion of accrued lifelong retirement pension, accrued survivor's pension and orphan's pension

At 1 January 2020, in accordance with Article 83(3) of the PW, entitlements to a lifelong retirement pension accrued at 31 December 2019 were converted into entitlements to a lifelong retirement pension under article 5 of these Pension Plan Rules. Survivor's and orphan's pension entitlements accrued at 31 December 2019 were converted into survivor's and orphan's pension entitlements, respectively, under articles 8 and 12 of these Pension Plan Rules. The amounts of those survivor's and orphan's pensions remained unaffected. Where the orphan's pension entitlements at 31 December 2019 carried a different end age than provided for in these Pension Plan Rules, that different age and the corresponding terms continue to apply.

i. Conversion of lifelong retirement pension and of survivor's and orphan's pensions covered by risk-based insurance

Where no survivor's pension entitlements had been accrued at 31 December 2019, the lifelong retirement pension entitlement accrued at 1 January 2020 was converted into entitlements to lifelong retirement pension, survivor's pension and orphan's pension, in a 100:70:14 ratio, on the basis of articles 5, 8 and 12 of these Pension Plan Rules. If the Subject dies before reaching Retirement Age, and for as long as the non-contributory pension accrual continues in unaltered form, the benefits under the survivor's and/or orphan's pension will be at least as high as the survivor's and orphan's pension covered by risk-based insurance arranged for the Subject at 31 December 2019. The insured amount at 31 December 2019 was established on a one-time basis at that date, and will be adjusted annually in accordance with article 22 of these Pension Plan Rules.

Where the Subject (with the Partner's consent) objected to the conversion as described above, no conversion was made. The Subject in question is not entitled to minimum benefits from the survivor's and orphan's pension as described above.

- j. Conversion of ANW shortfall insurance

If the Subject had taken out ANW shortfall insurance at 31 December 2019 under the pension plan rules applying to the Subject at 31 December 2019, that insurance will continue without change on the basis of article 9 of these Pension Plan Rules.
- k. Single Person's Offset

If the Subject does not have a Partner on retirement, and participated in the final pay plan until 31 December 2019, the Subject's pension will be established with due observance of the Single Person's Offset within the meaning of the pension plan rules for the final pay plan, and on the terms described there.
- l. Collective actuarial equivalence

The conversions described in this article 29, paragraph 7 were made on the basis of collective actuarial equivalence, meaning that the same factors were applied to both men and women, with actuarial equivalence of the entitlements before and after the conversion. This was based on the Stichting's Actuarial factors that were in place at 1 January 2020.
- m. Indexation

Indexation of the accrued pension entitlements and paying pension rights within the meaning of article 29, paragraph 7 occurs after conversion and inclusion in these Pension Plan Rules, in accordance with article 22 of these Pension Plan Rules. The first indexation date is 1 April 2020.
- n. Options

The Subject may use the options available under these Pension Plan Rules to Members as described in article 1, paragraph 9, at b. of these Pension Plan Rules, with due observance of the following.

If the retirement pension is brought forward, the benefits under the disability pension will end, except in the following situations:

- if the Subject can demonstrate that he is drawing benefits under a voluntary WAO shortfall insurance that was taken out through the Subject's employer and that continued until the Normal retirement age that applied to the Subject at 31 December 2019, and
- the Subject has opted to bring forward the commencement of part of his gross retirement pension corresponding to no more than the gross benefits that the Subject received under the aforementioned voluntary WAO shortfall insurance that was taken out through the Subject's employer.

The benefits under the disability pension will then continue until the earliest date on which the Subject reaches AOW pension age or the applicable Normal retirement age.

o. Conversion of extraordinary entitlements

In so far as the Subject, at 31 December 2019, had an entitlement to a retirement pension under the transitional arrangements for the pension plan rules that applied to the Subject at 31 December 2019, that entitlement was converted into a lifelong retirement pension in accordance with article 5 of these Pension Plan Rules and subject to the provisions set out at h. of this paragraph.

p. Supplement plan

Where the Subject had a conditional right to a supplement at 31 December 2019, that supplement (in so far as it was not yet accrued and financed) was purchased as a lump sum at 31 December 2019. Accordingly, the right to the supplement was accrued and financed in full, and ceased to be conditional. The additional pension entitlements under the supplement plan were added to the pension entitlements accrued prior to 1 January 2020, and taken into account for the purposes of the conversions described in this paragraph.

29.8 Transitional arrangements for re-employed former members under previous pension plan rules

- a. Anyone who had become a Former Member based on pension plan rules of the Stichting that applied previously, and is subsequently employed by an Employer on or after 1 January 2019 and consequently also qualifies as a Member as defined in article 1, paragraph 9, at a. of these Pension Plan Rules effective that moment is equated, for the purposes of the final sentence of article 1, paragraph 9 of these Pension Plan Rules, to a Former Member as described there. This means that, effective that moment, for the purposes of these Pension Plan Rules the individual described in article 1, paragraph 9, at

- a. will be treated exclusively as a Member in terms of all rights and obligations in respect of the Stichting.
- b. Anyone who had become a Former Member based on pension plan rules of the Stichting that applied previously, and subsequently became employed by an Employer before 1 January 2019 and consequently also meets the requirements presented in article 1, paragraph 9, at a. of these Pension Plan Rules effective that moment is equated, for the purposes of the final sentence of article 1, paragraph 9 of these Pension Plan Rules, to a Former Member as described there effective 1 January 2019. This means that, effective 1 January 2019, for the purposes of these Pension Plan Rules the individual described at b. will be treated exclusively as a Member in terms of all rights and obligations in respect of the Stichting unless he has objected, having been given the opportunity to do so. In that event, the provisions of the final sentence of article 1, paragraph 9 of these Pension Plan Rules do not apply, and the individual will be treated as a Former Member in so far as his earlier employment is concerned.

29.9 Transitional arrangements for changes to the AOW pension age

Retirees who before 1 January 2020 started drawing a higher retirement pension under the high-low plan described in article 5, paragraph 7, or started drawing a bridging pension as described in article 7, paragraph 2, are subject to the following arrangements. If the AOW pension age changes, the provisions set out in article 5, paragraph 8 and article 7, paragraph 3 apply, modified accordingly.

29.10 Administrative transfer of pension beneficiaries at 1 January 2019

Effective 1 January 2019, all pension beneficiaries' pensions, plus any survivor's and orphan's pensions linked to them, that had already commenced at 31 December 2018 under any of the Stichting's former pension plan rules are treated as rights and entitlements under these Pension Plan Rules. The values of the pensions, plus any survivor's and orphan's pensions linked to them, remain unchanged.

29.11 Survivor's pensions of former Members

This transitional arrangements apply to any individual who, before 1 January 2021, had become a Former Member as defined in these Pension Plan Rules or a Former Member as defined in any of the former pension plan rules and who when his membership ended retained a pension entitlement in respect of the Stichting and did not acquire an entitlement to a survivor's pension (whether at his own request or otherwise) when the non-contributory pension entitlements were established. For individuals as described above, at 1 January 2021 part of their retirement pension was converted into an entitlement to a survivor's pension. The survivor's pension is 70% of the retirement pension after that conversion. The entitlements to a retirement pension and survivor's pension were calculated with due observance of the Actuarial Factors that applied at 1 January 2021. Not included in the entitlement conversion described in this paragraph are:

- the entitlements of individual who objected to conversion within the period allowed for objection. Objecting individuals retain their retirement pension in unaltered form;
- the entitlements of individuals with a former partner, if the former partner has acquired an entitlement in respect of the Pension Fund to an extraordinary survivor's pension.

Article 30

Applicability, commencement and applicable law

- 30.1 The present Pension Plan Rules came into effect on 1 January 2015, and were most recently amended effective 1 October 2024. The provisions of Article 9 paragraph 9 apply from 1 April 2021. For the period up to and including 31 March 2021, Article 9 paragraph 9 of these Pension Plan Rules as it read on 31 December 2020 applies. Making due allowance for the changes that have been made to the Pension Plan Rules from time to time, these Pension Plan Rules apply to:
- a. the Members who are subject to the CLA that was in place at the Employer, who were employed by Philips on 1 January 2015 and who on 31 December 2014 fell under the Philips Flex Pension Plan Rules (Flex 67) as they applied at the time;
 - b. all persons who joined the Employer on or after 1 January 2015, in so far as they qualify as Members within the meaning of the pension plan rules that were in place when their employment commenced;
 - c. with effect from January 1 2019:
 - i. all persons whose Retirement pension entitlements and, where applicable, Temporary retirement pension entitlements were converted on 1 January 2019 to reflect a Pension Reference Age of 68 as described in article 29, at a, and their Partners, former Partners as described in article 11 of the present Pension Plan Rules and their Children. This also means that the converted Retirement pension entitlements may be brought forward or pushed back in accordance with the present Flex CLA Pension Plan Rules;
 - ii. all persons whose pensions had already started on 31 December 2018 under any of the Stichting's former pension plan rules, in the manner described in article 29, paragraph 10; and
 - d. effective 1 January 2020: to anyone whose entitlements and rights under the pension plan rules described in article 29, paragraph 7 were converted into entitlements and rights under these Pension Plan Rules at 1 January 2020;

All pension entitlements and rights of individuals as described at c. to d. have been brought under the scope of these Pension Plan Rules. As a consequence, the pension plan rules that were in place before 1 January 2015 have expired, meaning that no entitlements or rights can be derived from them.

- 30.2 All legal relationships relating to the Present Pension Plan Rules that exist between the Stichting, the Employer and/or a Member, Former Member, Pension Beneficiary or other Beneficiary are governed by Dutch law.



Appendix 1. Actuarial factors

Appendix 1. Actuarial factors

Listed under 'General' in this appendix are some general principles that apply at present to the Stichting's actuarial factors. These factors are used to determine the entitlements and benefits of Members, Former Members, Pension Beneficiaries and Other Beneficiaries. The applicable factors are also stated for a number of specific cases, with references to the relevant articles of the pension plan rules.

General

- In all cases in which pension benefits are transferred or converted, in any way whatsoever, to other pension benefits, the general principle which applies is the collective actuarial equivalence of the benefits before and after the conversion.
- The factors are the same for men and women.
- The factors apply from 1 April 2024, and are updated annually. The principles on the basis of which the factors are calculated may vary from the principles arising from the Actuarial and Technical Business Report which apply to the Stichting at any time.

Actuarial factors for Normal retirement age of 68

Article 5, clause 7

Increase in pension to the age of 72 (High-low plan), at age of 68

Before change	High/low percentage	After change	
Life-long retirement pension		Retirement pension from 68 to 72	Retirement pension from 72
1,000	100/75	1,232	924
1,000	100/82	1,157	948
1,000	100/90	1,081	972

Article 7, clause 1

Advancement of Retirement pension retirement age 68, Survivor's pension unchanged.

New retirement age	Retirement pension from the age of 67	Retirement pension from new retirement age
67	1,000	938
66	1,000	882
65	1,000	832
64	1,000	786
63	1,000	744
62	1,000	705
61	1,000	670
60	1,000	638

Article 7, clause 2

Purchase of bridging benefit until age of 68

New retirement age	Retirement pension from new retirement age	Bridging benefit until the age of 68
67	1,000	16,173
66	1,000	8,518
65	1,000	5,957
64	1,000	4,676
63	1,000	3,909
62	1,000	3,399
61	1,000	3,037
60	1,000	2,766

Article 7, clause 4

Deferral of Retirement pension retirement age 68, Survivor's pension unchanged.

New retirement age	Retirement pension	Retirement pension from new retirement age
69	1,000	1,068
70	1,000	1,144

Article 10, clause 1

Exchange of survivor's pension for retirement pension at retirement age

Retirement age	Survivor's pension before exchange	Retirement pension after exchange
60	1,000	178
61	1,000	183
62	1,000	192
63	1,000	200
64	1,000	210
65	1,000	224
66	1,000	234
67	1,000	244
68	1,000	254

Article 10, clause 3

Exchange of retirement pension for survivor's pension at retirement age of 68

Survivor's pension as a percentage of retirement pension after exchange	Retirement pension before exchange	Retirement pension after exchange	Survivor's pension
70%	1,000	848	593
50%	1,000	887	443
25%	1,000	940	235
0%	1,000	1,000	0

Article 16, clause 6

Surrender of retirement pension

Age	Retirement pension	Surrender value of retirement pension at retirement age of 68
18	1,000	7,670
19	1,000	7,751
20	1,000	7,831
21	1,000	7,912
22	1,000	7,992
23	1,000	8,073
24	1,000	8,153
25	1,000	8,234
26	1,000	8,314
27	1,000	8,394
28	1,000	8,475
29	1,000	8,556
30	1,000	8,638
31	1,000	8,721
32	1,000	8,806
33	1,000	8,891
34	1,000	8,979
35	1,000	9,067
36	1,000	9,157
37	1,000	9,249
38	1,000	9,342
39	1,000	9,437
40	1,000	9,535
41	1,000	9,636
42	1,000	9,739
43	1,000	9,846
44	1,000	9,956

Age	Retirement pension	Surrender value of retirement pension at retirement age of 68
45	1,000	10,070
46	1,000	10,189
47	1,000	10,311
48	1,000	10,439
49	1,000	10,572
50	1,000	10,712
51	1,000	10,860
52	1,000	11,016
53	1,000	11,180
54	1,000	11,353
55	1,000	11,538
56	1,000	11,734
57	1,000	11,943
58	1,000	12,165
59	1,000	12,402
60	1,000	12,652
61	1,000	12,918
62	1,000	13,198
63	1,000	13,495
64	1,000	13,809
65	1,000	14,141
66	1,000	14,493
67	1,000	14,866
68	1,000	15,270

Article 16, clause 6

Surrender of insured survivor's pension

Age	Survivor's pension	Surrender value
18	1,000	1,529
19	1,000	1,555
20	1,000	1,581
21	1,000	1,608
22	1,000	1,635
23	1,000	1,663
24	1,000	1,691
25	1,000	1,720
26	1,000	1,749
27	1,000	1,779
28	1,000	1,809
29	1,000	1,839
30	1,000	1,870
31	1,000	1,901
32	1,000	1,932
33	1,000	1,964
34	1,000	1,996
35	1,000	2,028
36	1,000	2,060
37	1,000	2,144
38	1,000	2,213
39	1,000	2,282
40	1,000	2,335
41	1,000	2,426
42	1,000	2,463
43	1,000	2,559
44	1,000	2,617
45	1,000	2,696

Age	Survivor's pension	Surrender value
46	1,000	2,735
47	1,000	2,816
48	1,000	2,855
49	1,000	2,896
50	1,000	2,937
51	1,000	2,978
52	1,000	3,019
53	1,000	3,083
54	1,000	3,149
55	1,000	3,216
56	1,000	3,307
57	1,000	3,375
58	1,000	3,443
59	1,000	3,485
60	1,000	3,527
61	1,000	3,541
62	1,000	3,606
63	1,000	3,643
64	1,000	3,704
65	1,000	3,819
66	1,000	3,846
67	1,000	3,868
68	1,000	3,885

Article 17, clause 1

Surrender of survivor's pension that has started

Age	Survivor's pension that has started	Surrender value
18	1,000	37,640
19	1,000	37,323
20	1,000	37,001
21	1,000	36,675
22	1,000	36,343
23	1,000	36,007
24	1,000	35,665
25	1,000	35,318
26	1,000	34,965
27	1,000	34,607
28	1,000	34,244
29	1,000	33,876
30	1,000	33,502
31	1,000	33,123
32	1,000	32,738
33	1,000	32,347
34	1,000	31,950
35	1,000	31,549
36	1,000	31,142
37	1,000	30,729
38	1,000	30,311
39	1,000	29,887
40	1,000	29,458
41	1,000	29,024
42	1,000	28,585
43	1,000	28,141
44	1,000	27,691
45	1,000	27,238

Age	Survivor's pension that has started	Surrender value
46	1,000	26,779
47	1,000	26,318
48	1,000	25,852
49	1,000	25,381
50	1,000	24,905
51	1,000	24,425
52	1,000	23,941
53	1,000	23,454
54	1,000	22,961
55	1,000	22,464
56	1,000	21,963
57	1,000	21,457
58	1,000	20,948
59	1,000	20,433
60	1,000	19,914
61	1,000	19,393
62	1,000	18,867
63	1,000	18,336
64	1,000	17,799
65	1,000	17,258
66	1,000	16,712
67	1,000	16,161
68	1,000	15,605

Article 17, clause 1

Surrender of orphan's pension


Age	Orphan's pension	Surrender value
0	1,000	16,360
1	1,000	15,756
2	1,000	15,139
3	1,000	14,508
4	1,000	13,862
5	1,000	13,201
6	1,000	12,525
7	1,000	11,832
8	1,000	11,120
9	1,000	10,389
10	1,000	9,838
11	1,000	8,866
12	1,000	8,074
13	1,000	7,260
14	1,000	6,425
15	1,000	5,569
16	1,000	4,692
17	1,000	3,794
18	1,000	2,877
19	1,000	1,939
20	1,000	983
21	1,000	0

Article 18, clause 1

Surrender of special survivor's pension

Age	Special survivor's pension	Surrender value
18	1,000	1,529
19	1,000	1,555
20	1,000	1,581
21	1,000	1,608
22	1,000	1,635
23	1,000	1,663
24	1,000	1,691
25	1,000	1,720
26	1,000	1,749
27	1,000	1,779
28	1,000	1,809
29	1,000	1,839
30	1,000	1,870
31	1,000	1,901
32	1,000	1,932
33	1,000	1,964
34	1,000	1,996
35	1,000	2,028
36	1,000	2,060
37	1,000	2,144
38	1,000	2,213
39	1,000	2,282
40	1,000	2,335
41	1,000	2,426
42	1,000	2,463
43	1,000	2,559
44	1,000	2,617
45	1,000	2,696

Age	Special survivor's pension	Surrender value
46	1,000	2,735
47	1,000	2,816
48	1,000	2,855
49	1,000	2,896
50	1,000	2,937
51	1,000	2,978
52	1,000	3,019
53	1,000	3,083
54	1,000	3,149
55	1,000	3,216
56	1,000	3,307
57	1,000	3,375
58	1,000	3,443
59	1,000	3,485
60	1,000	3,527
61	1,000	3,541
62	1,000	3,606
63	1,000	3,643
64	1,000	3,704
65	1,000	3,819
66	1,000	3,846
67	1,000	3,868
68	1,000	3,885



Appendix 2. Indexation ladder

Appendix 2. Indexation ladder

(Reference date 1 January 2024)*

The ladder referred to in article 22 at 3 is as follows:

- If the policy funding ratio is 110% or lower, there will be no indexation of pensions (realisation percentage = 0);
- If the policy funding ratio is higher than 110% but lower than 138.8%, there will be a partial indexation of pensions based on linear interpolation (for example, if there is a policy funding ratio of 130, $(130-110)/(138.8-110) * 100\% = 70\%$ of the indexation criterion will be granted; realisation percentage = 70%);
- If the policy funding ratio is 138.8% or higher, 100% of the indexation criterion will be granted (realisation percentage = 100%);
- If the policy funding ratio in any year is higher than 138.8%, then in that year one-fifth of the surplus above 138.8% will be used to make up for missed indexation or to compensate for past reductions. The percentage, being a percentage of the total missed indexation, will be recouped is the same for everyone. At an individual level, however, (Former) Members and Pensioners cannot recoup more than they have actually missed.

** Every quarter it is reviewed whether the indexation scale needs to be adjusted. The most recent scale is published on the website.*

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