

WHAT CHOICES ARE AVAILABLE IN THIS NET PAY PENSION PLAN?



Net pay retirement pension

Through your employer, you are participating in the net pay pension plan of ABN AMRO Pensioenfonds. Through this net pay plan, you are saving towards an extra, net pay retirement pension in respect of your salary above € 107,593 (2019).

Once you take retirement, your monthly income will be derived from two sources: the Dutch state pension (AOW) and your retirement pension. This pension is paid for life. The net pay retirement pension is paid over and above the state pension. At this point, we cannot predict the size of your net pay retirement pension. This is dependent on the value of your pension capital and how much pension you can buy on the date of your retirement given the circumstances prevailing at that time.

You can find an estimate of your pension in 'Mijn Pensioen'. If you choose to continue investing, the pension benefit will be variable, depending on circumstances from year to year.

The net pay pension plan is a defined contribution plan. This means that it is up to you, within the parameters set by the Dutch Tax & Customs Administration, to decide how much you pay in contributions each month towards your net pay pension. The contributions are defined, but the size of the pension capital on your retirement date is uncertain. The amount of the contributions may never be lower than 25% of the maximum contributions allowed unless you choose to only take out cover for a partner pension and orphan's pension.



Net pay partner pension and net pay orphan's pension

Your partner will be guaranteed a net pay partner pension and your children will be guaranteed a net pay orphan's pension if you continue to be a member of this net pay pension plan while on the payroll of your current employer. Following your death, your partner will receive a lifetime net pay partner pension from us. We will pay your children an orphan's pension until they reach the age of 21. For details on the size of your partner's and your children's pensions following your death, go to 'Mijn Pensioen'. The elements that affect the size of the partner pension and orphan's pension are set out in the pension plan rules. It is up to you to decide what contributions you make towards this pension.

Do you also want your partner to receive a pension if you should die after you retire? This can be arranged by allocating a portion of your pension capital towards it. Your partner will be entitled to a partner pension for the rest of his/her life. At this point, we cannot predict the size of the net pay partner pension. If you choose to do this, it will result in a reduced net pay retirement pension for yourself. This makes sense because the amount of your pension capital remaining for a net pay retirement pension will be less. This is a choice you make on retirement. No cover is provided for an orphan's pension after your retirement.

Please note: In the event of your death after you have left your current employer, there will no longer be any cover for a partner's pension and orphan's pension.



Waiver of contributions during occupational disability

You will be entitled to a (partial) continuation of pension accrual without having to pay the contributions yourself where:

- the degree of your occupational disability is 35% or more; and
- you receive a disability benefit from the Employee Insurance Agency (Dutch acronym: UWV).

You will also continue to enjoy cover for a net pay partner pension and net pay orphan's pension. The exact extent of our contribution will depend on the percentage of occupational disability. The pension plan rules tell you what part of the premium will be for our account.

The contributions in respect of the degree of occupational disability will be based on 75% of your pensionable earnings. Monthly pensionable earnings will be determined as they stood on the day prior to the start of your WIA disability benefit.



Pension plan rules

The net pay pension plan rules explain exactly what type of coverage is provided as a part of this pension plan.

WHAT CHOICES ARE NOT AVAILABLE IN THIS NET PAY PENSION PLAN?



Partner pension and orphan's pension

This pension plan only provides cover for a net pay partner pension and net pay orphan's pension for as long as you remain with this employer, and you participate in the net pay pension plan of ABN AMRO Pensioenfond. This means that no cover is provided for a net pay partner pension for your partner and net pay orphan's pension for your children from the moment you leave this employer. If you leave the employer, it is important that you and your partner check whether it is

necessary to make your own arrangements. Or you could, of course, take out your own cover.

On retirement, it is possible to use part of the accrued net pay pension capital towards a net pay partner pension. If you should die following your retirement, we will not pay an orphan's pension.



Occupational disability pension

Your pension plan does not cover an occupational disability pension. If you should become unfit for work, you will not receive an occupational disability pension from us.

HOW DO YOU ACCRUE PENSION BENEFITS?



There are three ways in which to accrue pension benefits:

A. State pension (Dutch acronym: AOW):

this is the pension you receive from the state

The state pension is the statutory retirement pension paid by the state. A full state pension is accrued over a 50-year period. A state pension only accrues while you are living and/or working in the Netherlands. The age at which you receive a state pension depends on your date of birth. The statutory retirement age is set to rise in the years ahead. Similarly, the size of the state pension is not the same for everyone. The amount of state pension is adjusted every year. For more information on the state pension and your statutory retirement age, please visit www.svb.nl.

Please note: If you have not always lived or worked in the Netherlands, your state pension may be lower.

B. Workplace pension provision

Your Uniform Pension Statement (Dutch acronym: UPO) shows you how much your pension savings are worth. We will send you this statement once a year. This sets out the pension accruing in the basic pension plan and the pension capital accruing in the net pay pension plan. To see what pension benefits you have accrued with other employers, please visit www.mijnpensioenoverzicht.nl.

C. Your own pension provision

You can make your own arrangements to top up your state retirement pension and your workplace pension provision. There are various ways in which to make additional pension savings. You can, for instance, take out an insurance-based product, such as an annuity. Whether you consider this necessary depends on your financial and personal situation. A financial adviser can help you to make choices. You might also want to take a look at the 'five-a-day' guide for pensioners on the website of Nibud (National Institute for Family Finance Information): www.nibud.nl.



Defined contributions

Every month, we invest the contributions you make. The contributions form a pension capital on your retirement date. You use this pension capital on your retirement date towards a net pay retirement pension and/or a net pay partner pension. We call this a defined contribution scheme.

We invest your money in one of the four life cycle profiles: neutral, offensive, defensive and the profile for continued investing. For more information on continued investing profile, go to 'Choices'. In the neutral, offensive and defensive life cycle profiles, we taper the risk of the investments as your retirement

date approaches. If you are choosing an investment profile for the first time or if you want to change your investment profile, it is important that we know how much risk you wish to take with your investments. That is why we will ask you to answer a few questions. We use your answers to determine your risk profile. Read more on the investment options at '[Mijn Pensioen](#)'.

Please note: Self-directed investing is not an option. You are expected to choose between the three lifecycle profiles.



Pension capital

Your defined contributions are based on your salary in excess of € 107,593 (2019). The qualifying salary for pension accrual purposes is your pensionable salary. Your pensionable salary is made up of the same components as the basic pension plan. The size of your pensionable salary is shown on your Uniform Pension Statement (Dutch acronym: UPO). The maximum defined contributions are a percentage of your pensionable salary in excess of € 107,593 (2019) including the contributions for a net pay partner and net pay orphan's pension. The minimum defined contributions are 25% of the maximum defined contributions unless you only choose to take out cover for a partner pension and orphan's pension. In the case of the latter, there is no minimum contribution.

The percentage depends on your age. The table shows what percentage we apply for what age. We calculate your contributions using this percentage.

Your age	Percentages
20-24	4,4%
25-29	5,1%
30-34	5,8%
35-39	6,7%
40-44	7,7%
45-49	8,9%
50-54	10,2%
55-59	11,8%
60-64	13,6%
65-67	15,1%

Worked example

Pensionable salary of Mr Smith

The salary on which Mr Smith can accrue a pension is €130,000.

Statutory limit for tax-efficient pensions

The maximum salary permitted in the basic pension plan is € 107,593 (2019).

Maximum defined contribution percentage

Mr Smith is 38 years of age. His age corresponds to a percentage of 6.7%.

Calculating the maximum defined contributions of Mr Smith

The maximum contributions to the pension plan of Mr Smith are:

$(€130,000 \text{ less } € 107,593) \times 6.7\% = € 1.501,27$ per year. This equates to € 125.11 per month. The minimum contribution to participate in the net pay pension plan is 25% of the maximum contributions. For Mr Smith, this is $25\% \times € 125.11 = € 31.28$.



Allocation of contributions where only the employee pays

Your employer withholds the contributions each month from your net pay and pays them to ABN AMRO Pensioenfonds. The contributions that you pay are shown on your pay slip.

WHAT OTHER CHOICES DO YOU HAVE?



Voluntary supplemental pension provision

This pension plan is a voluntary supplemental pension plan. If you decide not to participate in the net pay pension plan, you can opt out by going to 'Mijn Pensioen'.



Transfer of accrued benefits

If you change jobs and want to take your pension with you, you can transfer your accrued benefits. A transfer of accrued benefits is only possible if your new pension provider also offers a net pay pension plan. A transfer of accrued benefits may be beneficial if your new employer offers a better net pay pension plan, for instance. Or perhaps you want to move all your pensions to a single provider. In that case, you can request a transfer of accrued benefits from your new pension administrator.

If you do not wish to move your net pay pension capital, we will continue to invest your pension capital in accordance with the life cycle profile you have chosen. You will continue to pay annual administration fees. For more details, see the information under the heading 'What is included in your pension plan?' If you need help making your choice, please consult a financial adviser.



Earlier or later retirement

You may choose to have your pension come into payment earlier or later than at the age of 68. This applies to your pension from the basic pension plan as well as your net pay pension. However, this does mean that your pension accrual will end earlier. Your pension benefits will also be lower. You should also bear in mind that your state retirement pension may come into payment later than your early retirement pension. Please visit www.svb.nl to find out when you will be eligible for the state retirement pension. You may also choose to have your pension come into payment later, but

no later than five years after your statutory retirement date. If you select this option, your pension capital will continue to be invested. You will find more information at www.abnamropensioenfonds.nl/mijnpensioen. Please consult the pension plan rules for the conditions.

Please note: If you choose to retire early or retire later, this choice will apply to both the basic pension plan and the net pay pension plan.



Investment choice

We invest your defined contributions in accordance with the life cycle principle by default. There are four life cycle profiles: neutral, defensive and offensive. The fourth life cycle profile is the continued investing profile. When you enrol for the net pay pension plan on 'Mijn Pensioen', you will first have to complete a questionnaire. Your answers will be used to determine your risk profile, which you use in turn to choose a life cycle profile. You may choose an alternative risk profile. If you change your life cycle profile, you will be presented with a questionnaire again to determine your risk profile.

Any change submitted in 'Mijn Pensioen', before the twelfth day of a month will be processed in the same month. The life cycles will be balanced out once a year in a process known as rebalancing. The reference date for the pricing is the last day of the month in which a price is available for all funds.



Choices

Approximately ten years before your retirement age (68 years), you will be asked whether you want to opt for a defined net pay pension or a variable net pay pension. This is a provisional choice. However, the choice will have consequences for the way in which we invest your pension capital. If you opt for a variable pension, we will invest your pension capital in a way

that is exposed to more risk than when you opt for a defined pension. You can still change your provisional choice until three months before your retirement date. If you wish to make a choice or change it, you can make the necessary arrangements via 'Mijn Pensioen'.



Buying pension benefits

Your pension capital will be released on your retirement date. You make your final choice for either a defined pension or a variable pension no later than three months before your retirement date. If you opt for a defined net pay pension, we

will transfer your net pay pension capital to the insurer of your choosing. If you opt for a variable pension, your pension capital will remain with ABN AMRO Pensioenfondsen and we will continue to invest it.

HOW CERTAIN IS YOUR PENSION?



Risks associated with a defined pension via an insurer

Your pension is not a previously defined benefit. Not until your retirement date will you be certain about the level of your retirement benefit. This is because your retirement benefit depends on the amount of the contributions made, the return on the investments and the insurer's pricing of pensions at the time of purchase.

Insurers base their pricing on a number of factors. These are:

- interest;
- life expectancy of people; and
- the fees they charge.

In the case of a defined retirement benefit, you will receive the same pension each year. One risk is that you will eventually achieve a lower pension than you would in the case of a variable pension.



Risks associated with variable retirement benefit via ABN AMRO Pensioenfond

Your pension is not a previously defined benefit. The pension fund will determine the amount of the retirement benefit each year. The size of this retirement benefit depends on the sum of

the investment returns achieved in the past year and developments in the collective allocation group of the life expectancy (mortality risk) and mortality experience.

WHAT FEES DO WE CHARGE?



Fees

The fund manager charges fees for managing your investments. We deduct these fees from your investments. You can see what the fees are in 'Mijn Pensioen'.

WHEN DO YOU NEED TO TAKE ACTION?



Changing jobs

You can take your pension with you if you change jobs. We call this a transfer of accrued benefits. A transfer of accrued benefits is only possible if the receiving pension administrator offers a net pay pension plan. A transfer of accrued benefits may be beneficial if your new employer offers a better pension plan. Or perhaps you want to move all your pensions to a single provider. If so, you need to let your new pension administrator know.

If you do not wish to move your pension, we will preserve your pension capital for you. You then use this capital on the retirement date to buy a pension for yourself and your partner (where applicable) from an insurer (for a defined retirement benefit) or from us (for a variable benefit). For more on this, see the information under the heading 'What is included in this pension plan?'. If you need help making your choice, please consult a financial adviser.



Occupational disability and waiver of premiums

If you become unfit for work, your employer will let us know about this. We will then take over a part of your pension contributions. The exact extent of our contribution will depend on

the percentage of occupational disability. If the extent of your occupational disability increases or decreases, this will affect the amount of the contributions we pay.



Cohabiting, marriage, civil partnership

Your pension scheme does not distinguish between marriage and a civil partnership. Your Pension 1-2-3 explains what arrangements are in place for your partner and any children in the event of your death. If you do not consider this to be sufficient, you should arrange for supplementary cover.

Please note: If you cohabit and are unmarried, entitlement to a net pay partner pension is not automatic. If you wish your partner to qualify, you and your partner must meet certain criteria. Please consult the pension plan rules for the conditions. Key conditions are that you have entered into a cohabitation agreement before a civil-law notary and that you notify the pension fund of your partner. You can notify us via 'Mijn Pensioen'.



Divorce, termination of a civil partnership and termination of cohabitation

If you divorce or you terminate your civil partnership, your partner will be entitled to half of the pension that you have accrued during the marriage or civil partnership. This is called pension equalisation. If you and your ex-partner wish to divide the net pay pension capital, you and your ex-partner must notify us of this within two years. You can use the form 'Division of retirement pension on divorce' (Dutch: 'Mededelingsformulier in verband met verdeling van ouderdomspensioen bij scheiding') to let us know about this. Please

enclose a description of what arrangements (including alternative arrangements, where applicable) have been made. The form can be found on the Government website. If you do this after two years, we will assess whether we can process your request. If we proceed with the equalisation, you will be charged a fee. If you cohabit and are unmarried, your ex-partner will not be entitled to half of your net pay pension. However, you may make alternative arrangements with your ex-partner. You must set these out in a written agreement.



Moving abroad

If you move abroad, you are expected to inform ABN AMRO Pensioenfond's of your new address. This may have consequences for your pension. That is why you need to contact us to discuss the consequences. Moving abroad also affects your state retirement pension.

Please note: Even if you move while abroad, you must let ABN AMRO Pensioenfond's know. We are not automatically informed of address changes outside the Netherlands.



Making choices

Use '[Mijn Pensioen](#)' and let us know about your choice in good time.



Any questions about your pension plan?

For more information, go to '[Mijn Pensioen](#)'. Please contact us if you have any questions or want to take action. Send your e-mail to pensioendesk@abnamropensioenfond's.nl or call

+31 (0)20 - 237 57 77. We are available on Monday to Friday from 8:30 a.m. to 3 p.m.



Unemployment

If you become unemployed, you will no longer be saving towards a net pay pension. However, you will retain insurance cover for a net pay partner pension and net pay orphan's pension as long as you receive an unemployment benefit

from the state. You do not need to notify us personally if you become unemployed. We receive an automatic notification from the Employee Insurance Agency (Dutch acronym: UWV).



Mijnpensioenoverzicht.nl

Check annually how much pension you have saved at www.mijnpensioenoverzicht.nl. Here you will find a full

summary of your state retirement pension and your pension accrual with other employers, if any.



Net pay pension plan

The net pay pension plan rules explain exactly how your net pay pension plan works. They explain what has been arranged

and what has not under the the net pay pension plan of ABN AMRO Pensioenfond's. [View the net pensioen plan.](#)

WANT TO FIND OUT MORE ABOUT YOUR PENSION?
VISIT WWW.ABNAMROPENSIOENFONDS.NL/MIJNPENSIOEN