

stichting pensioenfonds

Provisum



Summary of the Provisum pension schemes

January 2024

BRIEF SUMMARY OF THE PROVISUM PENSION SCHEMES IN 2024

This is a very concise summary. Rights can only be derived from the full text of the pension regulations.

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A. B pension scheme

The B scheme is an average salary scheme based on an official retirement age of 67 years. The scheme was introduced on 1 January 2001 for staff joining C&A Nederland or one of the other affiliated companies after 31 August 2000.

Under this scheme, pension is accrued over a maximum annual salary of € 71,628 (2024), less a deductible of € 16,108 (2024). On the salary in excess of € 71,628 up to € 137,800 (2024) pension is accrued under an additional scheme, the B top-up scheme (*B-excedentregeling*). This is a defined contribution scheme.

The minimum age for joining the B scheme is 18 years. There is no waiting period (immediate membership upon employment). Members pay a maximum contribution of 2.0% of the pension base towards the scheme. Part-time staff pay a pro rata contribution. The contribution will be withheld from the gross salary and can be found on the monthly salary specification.

A retirement pension and a survivor's pension are accrued under the scheme. Orphan's pensions are insured on an insured-risk basis. The survivor's pension equals 70% of the retirement pension; an orphan's pension equals 14% of the retirement pension. Full orphans are entitled to twice that amount.

Retirement pension is accrued at a rate of 1.679% p.a. The pension base is the pensionable annual salary (full-time employment), including holiday pay with a maximum of € 71,628, less the € 16,108 deductible. For part-time staff the pensionable salary is prorated.

Example:

For someone who works 3 days a week (=60%) and earns € 2,000 a month, given a deductible of € 16,108, the pension base is calculated as follows:

Pensionable annual salary: $12 * € 2,000$ plus 8% holiday pay = € 25,920. The full-time equivalent of this is € 43,200 (€ 25,920 divided by 60%, the part-time percentage). This results in a pension base of € 27,092 (€ 43,200 minus € 16,108).

In the example retirement pension is accrued at 1.679% of € 27,092 * 60% = € 272.92 per year.

The B scheme offers the following options in respect of pension commencement date:

- early retirement, from 10 years before the state pension, AOW (in 2024: 67 years);
- high-low or low-high pension;
- extra payments until age 67 in the event of early retirement;
- exchanging retirement pension for survivor's pension and vice versa.

The relevant gender-neutral rates, factors and conditions are laid down in an appendix to the regulations.

Pensions in payment and pension entitlements of (in-)active members are adjusted as at 1 January of each year on the basis of the price index, the financial position of the fund permitting. The applicable price index is the consumer price index 'all households', published by Statistics Netherlands (CBS).

B. Top-up scheme

Members of the B pension scheme whose annual pensionable salary exceeds € 71,628 (2024) build up extra pension in the B top-up pension scheme (*B-excedentregeling*). The maximum annual salary in this scheme is € 137,800 (2024). This is a defined contribution scheme. The salary above € 137,800 is not pensionable.

Every year the employer has to pay Provisum a contribution equal to a specific percentage of the excess pensionable salary (the top-up pension base).

The following percentages apply.

Member's age on 1 January	Contribution available p.a. (% of pension base)
18-19 years	5.3%
20-24 years	5.9%
25-29 years	6.9%
30-34 years	8.0%
35-39 years	9.3%
40-44 years	10.8%
45-49 years	12.6%
50-54 years	14.7%
55-59 years	17.3%
60-64 years	20.4%
65-66 years	23.7%

Example:

For someone who earns € 75,000 and is 52 years old the contribution paid by the employer is: € 3,372 (= € 75,000 - € 71,628) * 14.7% = € 495.68.

In addition, the employer pays insurance premium for:

- a supplement to the survivor's pension, in the event the member dies during employment, resulting in a survivor's pension equalling the aggregate of 1.089% of the top-up pension base per year of service attainable if the member had lived until the age of 67;
- disability pension;
- continued pension accrual, including a survivor's pension where applicable, in the event of disability, without contributions being due.

The premiums are fully borne by the employer.

The contributions as shown in the table are fully invested. Provisum will open an account with ABN AMRO Pension Services for this purpose. The investment risk is fully for the

account of the employee. ABN AMRO Pension Services invests the money according to the risk profile that ABN AMRO Pension Services collects from every individual participant. The risk profile is based on a questionnaire that will be sent periodically by ABN AMRO Pension Services to the participants. Members may also choose their own investment mixes within certain constraints. Members can monitor investment performance [on-line and make adjustments to the mix on-line](#).

Upon retirement, the balance on the account can be used to buy a stable pension with Provisum in the B scheme (the basic scheme) or with a Dutch insurer. If extra pension is bought with Provisum, the options open to B scheme members as shown above will also apply to the extra pension. Because of new regulation it is also possible to continue investing after retirement and have a variable pension. A variable pension must be bought with a Dutch insurer because Provisum doesn't offer the possibility to continue investing after retirement.

If employment is terminated before retirement date, the following applies:

- if the ex-member transfers their entitlements under the basic scheme to a different pension provider, the entitlements under the top-up scheme will also be transferred;
- if the ex-member leaves their entitlements with Provisum, the capital accrued under the top-up scheme will remain invested with ABN AMRO Pension Services until retirement commences.

C. Voluntary supplementary scheme

In addition to the two schemes explained above, employees can also take part in a voluntary supplementary scheme, at their own discretion. The contributions are usually fully for the account of the employee, but have to be paid to Provisum through the employer. This, too, is a defined contribution scheme. The employer pays the administrative fees for the scheme. The investments are managed by ABN AMRO Pension Services in the same manner as for the top-up scheme. As with the top-up scheme, the investment risk is fully for the account of the employee.

Every year, Provisum determines the maximum contribution that can be paid, on the basis of the maximum earnings-based pension that can be built up each year free of income tax. The calculation also takes into account those remuneration elements that are not included in the pension base for Provisum. The voluntary contribution that the employee can pay into the scheme is calculated on the basis of the difference between the maximum pension accrual allowed by the tax authorities and the pension actually accrued under the Provisum scheme.

Upon retirement or termination of employment the balance accrued must be used to buy extra pension with Provisum under the B scheme. The rates at which pension can be bought with Provisum are gender-neutral; they vary depending on the interest rate as at 1 January of the year of purchase.

Upon termination of employment the balance will be converted in to pension under the B scheme and may, alternatively, be transferred to a different pension provider (within EU).
