

We present: Layer 2 of Pension 1-2-3

You can read about what is and what is not covered by our pension plan. Layer 2 includes all the important features of our pension plan. Layer 2 provides more details of the topics in layer 1.

Pension 1-2-3 consists of three layers

- Layer 1: a brief introduction to your pension plan.
- Layer 2: more information about all topics.
- Layer 3: all the rules and the policy of our pension fund.

Do you prefer to read it on paper? Ask for this under *Contact*.

Pensioen 1-2-3 does not disclose any amounts or personal information

You will find those in the Uniform Pension Overview that we send you every year. But also under *MijnPensioen* on rabobankpensioenfonds.nl. Do you want to know how much your State and other pension is in total? Then check mijnpensioenoverzicht.nl.

What is covered by our pension plan?

You will receive retirement pension from the age of 68



You are accruing retirement pension with us to provide for later years. You participate in our pension plan through your employer. You will receive this pension for as long as you live. Every month an amount will be credited to your account.

Your retirement pension is a supplement to your State old age Pension (AOW)

Your State pension now commences at 66 years and 7 months. But this age will increase gradually. If the average life expectancy continues to go up, the State retirement age will also increase. You can read more about your State retirement age on svb.nl.

Most people receive the pension they have accrued via their employer as of 68 years. In our pension plan the retirement age is also 68 years. Will you start receiving State pension before you turn 68? Then your retirement pension will commence at the same time as your State pension. Is your birthday on the 1st day of the month? Then the commencement date of your pension will be exactly the same as that of your State pension. Is your birthday on another day? Then the commencement date of your pension will be the 1st day of the month in which your State pension commences.

We also offer you the possibility to retire early or to defer your pension. You will not need to make that choice until 6 months before you retire.

Your retirement pension depends on...

- the salary you earn
- the number of years of service
- the rules in our pension regulations.

Your pension amount is specified in your Uniform Pension Overview, but also under *MijnPensioen* and on mijnpensioenoverzicht.nl.

This is how you accrue pension

Our pension plan is a defined benefit agreement. Every year, you accrue pension on your gross salary earned in that year. However, you do not accrue pension on your entire salary:

- We first deduct the State pension offset from your salary. That is because you will also receive State old age pension.
- Every year, you will accrue a percentage of your retirement pension on the remaining salary. In 2022, the accrual rate is 1.7%. You can read more in our annual report in layer 3.
- Under this pension plan you do not accrue any pension on a salary in excess of €108,612 in 2022.
- If you work part-time, you will accrue less pension.

An example

Your gross annual salary is € 54,802. The State pension offset is €14,802. So, you accrue pension on €40,000. This is called your pensionable earnings. You accrue 1.7% retirement pension on that amount. This amounts to €680 in that year. The retirement pension that you will receive upon your retirement is the sum of all the years you have worked. That will be increased by the indexation our fund applies.

You can read more about the increase in your pension under *How secure is your pension?*

Your partner and children will receive pension if you die



You also accrue partner's pension and orphan's pension with us. After your death the following will apply.

Your partner will receive a lifelong partner's pension

If you die while still employed, your partner will receive 70% of the retirement pension that you would have received if you had accrued a pension with us until your retirement. If you die after your retirement, your partner will receive 70% of the retirement pension you accrued until your death. If you start working for another employer, your partner will only receive the partner's pension you accrued until you left the company.

If you have a former partner, things may be different

Are you divorced? Then your former partner may be entitled to a part of the partner's pension after your death: the part you accrued until you divorced. This is called a special partner's pension. We will deduct this from your new partner's pension. He or she will then receive a lower partner's pension if you die. If you have made other arrangements with your former partner, the above will not apply.

Your partner may also receive a 'temporary partner's pension'

If you die while still working for your employer, your partner will then also receive a temporary partner's pension until his or her State pension commences. Until that time, your partner will have to pay higher contributions and higher social security contributions. That is why he or she receives a temporary partner's pension. It amounts to 21.8% of the lifelong partner's pension your partner will receive. This temporary partner's pension will, however, be subject to a maximum. After your death, we will determine whether your partner will receive a temporary partner's pension and if so, how much it will be.

The temporary partner's pension stops:

- once your partner starts receiving State pension.
- if your partner remarries, cohabits or enters into a registered partnership.
- when your partner dies.

Your partner may also receive surviving dependent's (Anw) benefit from the government

If you die, your partner may receive temporary State benefit. This is provided for in the Surviving Dependents Act (Anw). You can find all the information on svb.nl, for example about the conditions:

- Your partner takes care of a child under the age of 18; or
- Your partner is 45% or more disabled.

You can supplement the benefit for your partner yourself

If you wish to be sure that your partner will receive extra money when you die, take out Surviving Dependents' Act Shortfall insurance (ANW-hiaatverzekering) through your employer. Your partner will then receive supplementary benefit in addition to the pension until their State pension commences. This applies even if the government does not pay surviving dependents' benefit. Your employer pays 30% of the premium for you. The insurance stops if you leave the company. Your HR department will be happy to tell you more. Or check your HR portal.

Register your partner if you are cohabiting

If you are cohabiting, your partner will not automatically receive partner's pension when you die as this is subject to conditions. For example:

- You have cohabited for at least 6 months.
- You have entered into a cohabitation agreement that you executed before a civil-law notary.
- In it, you agreed that you have a duty of care towards each other.
- You have registered your partner with us.

Be sure to register your partner with us. You can do this under *MijnPensioen*.

Up to the age of 21, your children will receive an orphan's pension

Each child will receive 14% of the retirement pension that you would have received if you had accrued pension with us until your retirement. If you start working for another employer, your children will only receive orphan's pension from the pension you accrued until you left the company. Are they students? They may then receive pension until they are 27.

Read this information too

- Our brochure on Getting married or cohabiting: you can find it in layer 3.
- All the rules in our pension regulations in layer 3.

Your pension amounts are specified in the Uniform Pension Overview but also under *MijnPensioen* and on mijnpensioenoverzicht.nl.

You will continue to accrue pension if you become disabled



If you become unfit to work, your employer will continue to pay (part of) your salary. You therefore continue to accrue pension. If you are unfit for work for longer than 2 years, you will be considered to be disabled within the meaning of the pension plan.

If you are more than 35% disabled, you will continue to accrue pension with us. You will no longer pay any contribution towards it. Our pension fund will pay your contribution. This will only be done for the percentage of your disability. If you are completely disabled, we will pay your full contribution. To calculate the contribution, we take your salary on the 1st day you became unfit to work. If you are partially disabled, your waiver of contributions will depend on the extent of the disability. You can find all the rules in our pension regulations in layer 3, for example the amount that you will receive if some aspect of your disability changes.

You may also receive a supplementary pension from us

If you are disabled you may receive a benefit from the government. Read more on uwv.nl. It may be that we supplement the State benefit with a disability pension. Whether you receive this and the amount you receive will depend on what extent you continue to work. If you are completely disabled, we will supplement your State benefit up to a maximum of 80% of your income. More information can be found on our website. Take a look at *What should I do when... ill or disabled*. All the rules are in our pension regulations in layer 3, e.g. what you are entitled to if anything changes in the extent of your disability.

You do not need to take any action

If you become disabled we will receive your data from your employer or from UWV. We will ensure continuation of the accrual of your pension for the percentage of your disability. We will also check whether you are entitled to a supplementary pension. You will automatically receive a notification from us.

You can find all the rules in our pension regulations



If you want to know exactly what the rules are, take a look at layer 3 for our pension regulations. If you prefer reading our regulations on paper, you can easily and quickly ask for a paper version under *Contact*.

What is not covered by our pension plan?

Under our pension plan, you accrue retirement pension, partner's pension and orphan's pension. If you become completely disabled, we will supplement your State benefit up to a maximum of 80% of your income. Moreover, you will continue to accrue pension in that case. You will not pay any contributions yourself. If you become partially disabled, please read the information on our website. Take a look at *What should I do when... ill or disabled*. Or read the brochure *Your pension in a nutshell* in layer 3.

How do you accrue pension?

A. General Old Age Pensions Act (AOW)



The AOW or State old age pension is the statutory pension from the government. You accrue it yourself over a period of about 50 years if you live or work in the Netherlands.

The State old age

Your State pension now commences at 66 years and 7 months. But this age will increase gradually. If the average life expectancy continues to go up, the State retirement age will also increase. Take a

look at svb.nl to find out your estimated State old age Pension age. You will also find the amounts there and more information about the State old age Pension.

Please note:

If you have not always lived or worked in the Netherlands, then you will receive a lower State Old Age Pension.

B. Pension that you accrue through your work

You accrue pension through your employer. Every year you accrue a part of your pension. Once a year, you will receive a Uniform Pension Overview (UPO),

This will include:

- the retirement pension accrued to date;
- the retirement pension you can attain if you continue working for your employer until you retire;
- the pension your partner will receive if you die;
- the pension your children will receive if you die.

Take a look at mijnpensioenoverzicht.nl. It contains a Statement of your State old age Pension and the pension accrued at all your employers. You can also see what the net amounts will be.

C. Pension that you arrange yourself

You can supplement your State old age Pension and your retirement pension yourself by saving into a savings account or a tax-efficient blocked bank savings account, for example, or by taking out insurance, such as an annuity.

You can arrange additional pension through your employer. This is called Flexioen. Our pension fund offers the following:

- If your gross annual salary is lower than €108,612 in 2022, you can accrue additional pension within the limits set by the Dutch Tax and Customs Administration.
- If your gross annual salary is greater than €108,612 in 2022, you can opt for net pension accrual. Take a look at *What are your options?* for more information.

Whether you feel it necessary to accrue additional pension depends on your own situation and wishes. You can calculate your pension under *MijnPensioen*. Or check your HR portal.

Not sure what to do? Ask a financial adviser to help you come to a decision. Or take a look at the *Pensioenschijf-van-vijf* on nibud.nl (in Dutch).

You are accruing pension in a career average plan



Every year you accrue pension on part of your gross salary in that year. You do not accrue pension on your entire salary, because we take your future State old age pension into account. The State pension offset is the part of your salary that you do not accrue pension on. The remaining salary is your pensionable earnings on which you will accrue pension. But only up to a gross annual salary of €108,612 in 2022.

Your total pension is the sum of all those years. We will add the increases you receive every year if our financial situation permits. This is called indexation. Your pension plan is an index-linked career

average plan. You will receive this pension every month for the rest of your life from your retirement date on.

Do you wish to accrue pension above a salary of €108,612? Take a look at *What are your options?*

Your accrual rate



You accrue pension on part of your gross annual salary. We deduct the State pension offset from your salary. This is €14,802 for 2022. You do not accrue any pension on that amount because you will receive State old age pension.

The remaining salary is your pensionable earnings, on which you accrue a percentage of your retirement pension. In 2022, the accrual rate is 1.7%.

There is a cap on this too. You accrue pension up to a gross annual salary of €108,612 in 2022. Do you wish to accrue additional pension? Take a look at *What are your options?*

An example

Your gross annual salary is €54,802. The State pension offset is €14,802. So, you accrue pension on €40,000. That is your pensionable earnings. Suppose you accrue 1.7% retirement pension on that amount. This amounts to €680 in that year. The retirement pension that you will receive when you retire is the sum of all the years you have worked. We will add the increases you receive every year if our financial situation permits. This is called indexation.

You and your employer both pay towards your pension



Your employer pays a contribution for your pension every month. You pay part of that amount to your employer. You pay 3.5% of your pensionable earnings. You can see exactly how much you are paying on your salary slip. The contribution is the price of your pension. Your employer pays the contribution to us.

Your pensionable earnings are your gross salary minus the State pension offset. You do not accrue any pension on the 1st part of your salary. That is because you will also receive State old age Pension. We take this into account in the way you accrue your pension benefits. In 2022, this State pension offset is €14.802.

What are your options?

Transferring your pension



You have started a new job. That is why you are now accruing pension in our pension plan.

You may transfer the pension that you have accrued previously to our pension fund

Have you already accrued pension with a previous employer? Then you can bring your pension with you to our pension fund. This is known as value transfer. You can file a request for a transfer with us. Look at *What should I do when... joining*. Do you agree to our calculation? Then we will arrange the transfer.

If you have a small pension

- Is your pension €2 or less per year? According to the law, this pension lapses because administration costs are higher than €2.
- Is your pension less than €520.35 per year in 2022? If so, your former pension fund or insurer (pension administrator) may also transfer your pension to us automatically. Check their latest pension Statement to see if you should take any action yourself to have your pension transferred.

If you change jobs in the future

Moving to another job? And to participation in another pension plan? You will start to accrue a pension under that pension plan. Even in that situation you may opt to transfer the pension accrued. File a request for this with your new pension fund.

Value transfer will not be necessary if you find a new job at Rabobank or a company affiliated to our pension fund. You will then simply continue to accrue pension with us. This means that your pension plan will not change. Is your pension with us less than €520.35 per year in 2022? Then we will arrange the transfer for you automatically. Is your pension less than €2 per year? Then your pension lapses.

If you opt for value transfer

You can keep all your pensions together. In the future you will receive your pension from one single pension fund.

If you do not opt for value transfer

Your accrued pension will remain with your old pension fund. You will no longer pay any contribution to them. And you will not accrue any more pension there. Your previous fund will pay out that particular share of your pension in due time.

Think carefully about whether value transfer is advisable for you

Value transfer is convenient, because it keeps all your pension together. But there may also be disadvantages if the indexation policy of your old and new pension fund differs. So look carefully at the financial situation of your old and new pension fund first. And at what your former and your new pension plans cover. Does your new employer offer a better pension for your surviving dependents? Or is the risk of reductions in the coming years lower at your new pension fund? In that case value transfer can be advantageous. Of course, the reverse is also possible.

This information may be helpful when making a decision

- *The Pensioen 1-2-3 on the website of your former and new pension funds*
You can see what each fund does, or does not, provide. And whether your pension may increase in the next few years. You are now reading Pensioen 1-2-3 for our fund. Look on the website of your other pension fund for that fund's Pensioen 1-2-3.
- *The pension comparison calculator*
You can use the pension comparison calculator to compare the most important features of your plans. You will immediately see the differences. Read more under *What are your options?* in this Pensioen 1-2-3. You can find the pension comparison calculator in layer 3.

Not sure what is best? Please consult your financial adviser.

If the financial situation is not sound, value transfer will not be immediately possible

The financial situations of your former and new pension funds must be sound. The policy funding ratio must be at least 100%. This has been regulated by law. This is the government's way of helping you to avoid risk.

If the financial situation is not sound you can still apply for value transfer, but your pension will remain with your former fund until the financial situations of both funds are sound again. After that, you will receive a statement. You can decide then whether or not to transfer your pension.

The funding ratio is the relationship between:

- the cash a fund has available, and
- the money that the fund has to pay out in the form of pensions now and later.

When the funding ratio is 100%, these two are equal. In that case, there will be exactly enough money for all the pensions.

Every fund calculates its funding ratio over the last 12 months. We take the average of that. This is called the *policy funding ratio*. The policy funding ratio is measured every month. You can read more about our financial situation on [rabobankpensioen.nl](https://www.rabobankpensioen.nl). Look under News.

If you start a new job abroad

Are you moving to a job in another country? You can sometimes take your pension with you. This depends on the pension system in that country and your new employer's pension plan. Want to know more? If so, discuss this with your new employer.

Comparing your pension



Do you want to compare our pension plan with another pension plan? For example, because you have applied for a job with an employer with its own pension plan? Or because you are thinking about transferring the value of your pension when you start a new job? You can use the pension comparison calculator in layer 3 to compare the most important features of your plans. You will immediately see the differences.

Accruing additional pension for yourself



You accrue pension through your employer. You may also accrue additional pension through your employer. You do so on a voluntary basis. This way you will have more income when you retire. This is called Flexioen. It is an option provided by the Rabobank Pension Fund. It is a Robeco product.

The following agreements have been made:

- You pay the additional contribution for your pension yourself. Your employer will withhold it from your gross salary.
- Your contributions will be invested for you. You choose the level of risk of your investments yourself.
- When you retire, you will use that capital to purchase a pension from us.
- You decide for yourself how much additional contribution you want to pay. This will, however, be subject to a maximum. You can accrue gross pension if your annual salary is less than €108,612. This is the amount for 2022.

- You do not pay tax on the additional contribution you pay.
- If you die, your partner and children will receive additional pension.

Flexioen enables you to accrue pension within your tax allowance. Your tax allowance is the difference between the pension that you are accruing with us and the limit set by the Dutch Tax and Customs Administration.

Would you like to know more about Flexioen?

Read the brochures about Flexioen in layer 3. Whether you feel it necessary to accrue additional pension depends on your own situation and wishes. You can calculate your pension at *MijnPensioen* on rabobankpensioenfondsnl.nl. You can also find information about Flexioen on your HR portal. That is also where you can arrange the payment of your pension contribution. Not sure what to do? Ask a financial adviser to help you to come to a decision. Or take a look at the Pensioenschijf-van-vijf on nibud.nl.

Accruing pension when your salary is above €108.612



You are allowed to accrue pension with us up to a gross annual salary of €108.612. This is the amount that applies in 2022. No tax is due on that. This is a way of making the accrual of pension financially advantageous for everybody in the Netherlands.

Do you want to accrue more pension? Then you may voluntarily participate in a separate pension plan. It is called Netto Flexioen. This way you will have more income when you retire. You pay this from your net salary. You will not pay tax on the pension when it is paid out.

The following agreements have been made

- You accrue supplementary pension on your gross annual salary in excess of €108.612 in 2022.
- You will pay the extra contribution for your pension yourself. Your employer will withhold it from your net salary.
- You choose how much contribution you wish to pay.
- Your contributions will be invested for you. You choose the level of risk for your investments yourself.
- When you retire, you will use that capital to purchase a pension from us.
- If you die, your partner and children will also receive additional pension.

Want to know more? Check your HR portal. You can also register there.

Additional pension for your partner when you die



If you die, your partner will receive a pension from us. Your partner may also receive surviving dependent's (Anw) benefit from the government. This is provided for in the General Surviving Dependents Act (Anw). All the terms and conditions are on svb.nl.

If you wish to ensure that your partner receives sufficient money when you die, take out Surviving Dependents' Act Shortfall insurance (ANW-hiaatverzekering) through your employer. Your partner will then always receive supplementary benefit in addition to the pension until their State pension commences. This applies as long as you are working for your employer. Your employer also pays 30% of the contribution for you by deducting your part of the contribution from your gross salary. You can take out the insurance through *MijnPensioen*.

Converting retirement pension into partner's pension



Are you due to retire, or due to stop working for your employer? Have you accrued no or only a small pension for your partner with us? Then it is possible to convert part of your retirement pension into pension for your partner. Your own pension will then be lower. And your partner will receive a pension from us when you die.

The pension for your partner may not exceed 70% of your own retirement pension.

Read more in our pension regulations in layer 3. Do you want to know how much pension your partner will get if you convert your pension? It is easy to calculate under *MijnPensioen*.

When you retire, your decision is final

If you make the decision when you retire, it is final. Will you opt to convert your pension? Or decide not to do that? You cannot reverse your decision.

The pension for your children does not change when you convert pension

The orphan's pension is 14% of the retirement pension. But we will start from the value before you convert your pension. Your children will receive this pension up to the age of 21. If they are still studying, they may then receive pension until they are 27.

Converting partner's pension into retirement pension



You accrue retirement pension for yourself with us, but also partner's pension. Your partner will receive this pension when you die. You may not want any partner's pension. Perhaps you have no partner. Or your partner has a good income. You can then convert your partner's pension into retirement pension for yourself, or partially defer it. You can decide when you retire.

Do you want to convert all of your partner's pension? Then your partner will receive no pension when you die. Do you want to convert part of your partner's pension? Then your partner will receive less pension when you die. Your own pension will be higher.

Read more in our pension regulations and the brochure Pension on the horizon in layer 3. Do you want to know how much pension your partner will get if you convert your pension? It is easy to calculate under *MijnPensioen*.

You can only make your decision known once

Are you opting to convert your pension? Or are you opting not to do so? Once you have decided, you cannot reverse your decision. If you have a partner, he or she must agree with your decision.

Your children's pension does not change when you convert your pension

The orphan's pension is 14% of the retirement pension. But we will start from the value before you converted your pension. Your children will receive an orphan's pension up to the age of 21. If they are still studying, they may then receive pension until they are 27.

Early retirement or deferment of pension



As a standard, your pension with us will commence at 68 years. Or on the same date as you start receiving State old age pension if this is sooner. The age at which you receive State old age pension is age-related and increases incrementally. Find out when your State old age pension is due to start on svb.nl.

You may, however, also retire earlier than your State old age pension date or defer your retirement pension until sometime after that date.

Early retirement

Perhaps you wish to retire early, or partially stop working. In that case, that part of your pension will also commence earlier. You can retire after the age of 57 here. You will, however, receive a lower pension. After all, we will have to pay your pension for longer. You will also accrue pension for a shorter period.

This means that early retirement will have financial consequences. You will not immediately receive State old age pension either. That means you will have a State old age pension shortfall.

You may opt for a State pension bridging pension

Our pension fund enables you to opt to supplement your pension until you reach State pension age. This is possible up to €22.201,92 gross per year in 2022. As a result, your pension will be lower after you have reached State pension age.

You may be able to get an advance or a transitional allowance from the State. Read more on svb.nl.

Deferment of retirement

You may also carry on working or carry on working but with fewer hours. In that case, your pension will commence later. We offer the option of retiring up to 5 years after your State pension commences. In that case your pension will be higher, because we have to pay your pension for a shorter period. You will also accrue pension for a longer period.

This is how you arrange it

- First discuss your wishes with your employer. Together you will make agreements on what you want.
- Do you want to retire early? Apply for this at least 3 months in advance.
- Do you want to defer your pension? Then there is no need to take any further action. You will receive a notification from us six months before your State pension date, providing you with information on how to apply for pension and how to communicate your choices to us.

You will find all the agreements in our pension regulations. Or read the brochure *Your pension on the horizon* in layer 3. You can also partially retire early or partially defer retirement. You will continue to work part-time. Read the relevant section for more information.

Do you want to know how much pension you will receive if you retire early or defer your pension? It is easy to calculate under *MijnPensioen*.

Part-time retirement



Your pension with us routinely commences at age 68 or on the date you are due to receive State pension if that is earlier. Would you prefer not to stop working entirely? And take part-time retirement first? That can be done. This means that you will let your pension with us commence in stages. You decide for yourself how much pension you want to take out. This is known as part-time retirement.

You continue working for the remainder of the time. You will also continue to accrue pension on that salary. You can do this for a maximum of five years after the date your State pension starts.

The following agreements have been made

- You can start taking your pension from the age of 57.
- You may take your pension in stages, for example 20% at first, and after that 40%, 60% and 80%.
- You can only make a choice once. Will you opt to take part-time retirement? Or opt not to do so? Your choice is then final. You may not reverse your decision at a later date. You can choose to receive a higher percentage or retire completely.
- Will you retire part-time earlier than five years before reaching the State pension age? Then you will also stop working for that part. That is one of the conditions.
- Will you retire within five years before reaching the State pension age? Then you may opt to continue to work part-time or full-time. How much you continue to work is therefore independent of how much pension you take.

This is how you arrange it

- First discuss your wishes with your employer. Together you will make agreements on what you want.
- Do you want to partially retire at 68? Or on the date you are due to receive State pension if that is earlier? Then there is no need to take any further action. You will receive a notification from us six months beforehand, providing you with information on how to apply for pension and how to communicate your choices to us.
- Do you want to partially retire earlier? Let us know at least 3 months in advance.

You can find all the agreements in our pension regulations in layer 3. Would you like to know how much pension you will receive if you partially retire? It is easy to calculate under *MijnPensioen*.

Receiving a higher or lower pension first



You may want a higher retirement pension in the 1st period of your pension. Because you are retiring early, for example, and therefore will not yet receive any State old age pension. After that, you will receive a lower retirement pension for as long as you live. You can, however, also opt for a lower retirement pension in the 1st period of your pension. After that, you will receive a higher retirement pension for as long as you live.

You will receive a higher or lower pension for five or ten years or until you start receiving State old age pension.

Your pension in the 1st and 2nd periods will differ from the amounts in your Uniform Pension Overview (UPO). Would you like to know how much pension you will receive if you choose this

option? It is easy to calculate under *MijnPensioen*. Read all the rules in our pension regulations in layer 3.

Please note:

You will make this choice when you retire. You can only tell us your decision once. Will you choose a high-low pension? Or not? Your decision is final. You may not reverse your decision at a later date.

How secure is your pension?

Your pension is subject to risks



Pension is for life. During your working life you accrue pension. Afterwards, you receive a pension. This is a long period of time, in which much can change. There are also risks involved. As a result, our financial situation can change, which may affect your pension.

People are living longer on average

Our pension fund tries to be prepared for the risks that will affect your pension. In the past, this was not always a success because people are living longer on average, for example. As a result, we have to pay their pensions for longer. Life expectancy has increased faster in recent years than we had expected. So, we need more available money than we calculated at first.

The contribution available for your pension may not be enough

Your employer pays the contribution to us. You pay part of it to your employer. You accrue 1.7% pension on your pensionable earnings every year. However, pension accrual can be lower if the contribution is not sufficient. Your employer contributes towards the pension plan. The employer pays 34.5% of the total pensionable earnings of all employees. If the contribution guarantee is not sufficient, pension accrual will be lower than 1.7% a year.

Investment yield can be disappointing

You and your employer jointly pay the contribution for your pension. We invest that money. This is to make your pension increase in value over the long term. Investing, however, also involves risks. That is why we opt to spread our investments. That reduces our risk. If we make a profit on one investment, that compensates for a loss on another investment. We can also insure this risk, but we incur costs if we do.

It is our policy to pay careful attention to the risks

There are more risks. Our pension fund will do everything to protect your pension against that. You can read more under Investment policy (Beleggingsbeleid).

We measure our financial situation based on the 'policy funding ratio'

A decision on your contribution and the increase or decrease of your pension will depend on our financial situation. We check this by looking at our funding ratio every month. From 2015 we have been measuring it based on the last 12 months. We take the average of that. This is called the policy funding ratio. That funding ratio may not be too low. If it is lower than 100%, then we are not permitted to cooperate in transferring the value of your pension. Read more about our financial situation and the policy funding ratio under *News*.

We try to keep your pension inflation-proof



Money usually loses value every year. The same amount of money in 2022 will buy less than it did in 2021. This is called inflation. Our pension fund therefore tries to increase your pension every year on 1 July. The pension you have accrued will then grow in line with prices in the Netherlands. This is called indexation. This way your pension is inflation-proof.

Indexation is not always possible

Our pension fund has not reserved any money to increase pensions and pension benefits in the future. We will fund future increases from general reserves. Depending on our financial position, the Board of Management can decide to increase pensions entirely or partially. If our financial position is poor, you will not receive any increase. An increase not received in a poor financial year will not be compensated for in a following year.

Expectations for the future

Whether you will be able to buy the same amount with your pension in the future depends on the indexation and on price rises. Your pension will not increase automatically with price rises. Whether we will be able to increase your pension every year in the future, is not certain. In the past years your pension has not been decreased. We expect that we do not have to decrease your pension in the next few years. You can read more under Indexation policy.

In the last ten years, pensions and prices rose as follows

	<i>your indexation</i>	<i>price rises</i>
2021	0.00%	1.88%
2020	0.00%	1.20%
2019	0.45%	2.88%
2018	0.20%	1.10%
2017	0.00%	1.57%
2016	0.67%	0.01%
2015	1.10%	0.57%
2014	1.10%	1.20%
2013	0.00%	2.60%
2012	0.00%	2.36%

We look at the prices from April to April and in the period before. Those figures are provided by Statistics Netherlands (CBS). We work on the basis of the Consumer Price Index.

This is what we do in case of a deficit



Our pension fund will do everything to be financially sound. Nevertheless, we may have a deficit. In that case we will not have enough money to pay all pensions in the future. Sometimes we have to take measures. Our pension fund carefully considers what the best solution would be. For example:

- Your pension will not grow entirely in line with prices.
- If the contribution is not sufficient you may accrue less pension.
- Your pension goes down. We only do this if there are no other options.

Our board may also take other measures.

We have not had to lower pensions in the last 10 years

Neither were other measures necessary. Your pension did not fully grow in line with the prices, however. We will probably not need to lower your pension in the next few years either. That is what we expect. We will of course keep you informed.

Read this information too

- Our pension regulations in layer 3: Article 17 describes when and how we adjust pensions.
- The latest news about our financial situation: Look under *News*.

What costs do we incur?



Our pension fund incurs costs in administering your pension plan:

- *Administration costs*

For example for paying your pension and receiving your contributions. Or for providing you and your employer with proper information. This includes providing this Pensioen 1-2-3 and your Uniform Pension Overview. Your employer and we pay these costs.

- *Costs incurred in managing the money in the pension fund*

We pay the parties who invest the money in the pension fund for us. We also incur transaction costs. We pay the stock exchange if we buy or sell shares or bonds. We deduct these expenses from the results of the investments.

Read more about our costs in our annual report in layer 3.

When do you need to take action?



If you change jobs

Are you starting a new job? With a new pension plan? Then you will be accruing pension in the new pension plan.

You can opt to take the pension you have already accrued with you.

This is known as value transfer. File a request for this with your new pension fund. Look at *What should I do when... transferring value*.

If you change jobs in the future

Value transfer will not be necessary if you find a new job in a subsidiary of Rabobank or a company registered with our pension fund. You will continue accruing pension with us. This means that your pension plan will not change.

If you opt for value transfer

You can keep all your pension together. And in the future you will receive your entire pension from one single pension administrator.

If you don't opt for value transfer

Then your accrued pension will remain with your former pension administrator. You will no longer pay any contribution to them. You will also stop accruing pension there. Your previous administrator will pay out that particular share of your pension in due time.

Think carefully whether value transfer is advisable for you

If your new pension fund asks you to transfer the value, you will first be sent a statement containing your old and new pension amounts. Don't just look at the amounts. Compare your old and new pension plans. You can do that with the help of Pensioen 1-2-3:

- What is covered and what is not? For example, pension for your partner and children if you die.
- What is the financial situation of your former and new pension administrators? Will your new pension administrator give you more indexation than the old administrator? In that case value transfer can be advantageous. Read more under *How secure is your pension?*
- The pension comparison calculator will help you make the right decision. Take a look at *What are your options?*

You can find the Pensioen 1-2-3 for the other pension administrator on that fund's website. Do not decide whether or not to transfer your pension until you have considered all your options. Only then can you make the right decision. Not sure what to do? Consult a financial adviser.

If the financial situation is not sound, value transfer will not be immediately possible

The financial situations of your former and new pension administrators must be sound. The policy funding ratio must be at least 100%. This has been regulated by law. This is the government's way of helping you to avoid risk.

Is the financial situation not sound? Then you can apply for value transfer, but your pension will remain with your former administrator until the financial situations of both administrators are sound again. After that, you will receive a statement. You can decide then if you really want to take your pension with you.

The funding ratio is the relationship between:

- the money our fund has available, and
- the money the fund needs to pay pensions now and in the future.

When the funding ratio is 100%, these two are equal. In that case, there will be exactly enough money for all the pensions.

Every fund measures its funding ratio over the last 12 months. We take the average of that. This is called the *policy funding ratio*. The policy funding ratio is measured every month. You can read more about our financial situation under *News*.

If you start a new job abroad

Are you moving to a job in another country? You can sometimes take your pension with you. This depends on the pension system in that country and the pension plan of your new employer. Want to know more? If so, discuss this with your employer.

If you are planning to cohabit, or if you are getting married or become registered partners abroad



If you get married, or become registered partners, your partner will receive partner's pension if you die.

Check the amounts and conditions carefully

For example in your Uniform Pension Overview, or under *MijnPensioen*. To see your total pension and State old age pension, look at mijnpensioenoverzicht.nl.

Register your partner if you live abroad

If you live in the Netherlands, you do not need to register your partner if you are married or are registered partners. Your municipal authority will inform us. Do you live abroad? Then you do need to register your partner with us. You can do this through *MijnPensioen*.

Also register your partner if you are cohabiting

If you are cohabiting, then your partner will not automatically receive a partner's pension when you die as this is subject to conditions. For example:

- You have cohabited for at least 6 months.
- You have entered into a cohabitation agreement that you executed before a civil-law notary.
- In it, you agreed that you have a duty of care towards each other.
- You have registered your partner with us.

Be sure to register your partner with us. You can do this through *MijnPensioen*. Read more in the brochure *Getting married or cohabiting* in layer 3.

If you divorce, no longer cohabit, or if your registered partnership stops



If you split up, you have to make financial arrangements together. Your divorce or separation also has consequences for your pension with us.

Your former partner is entitled to retirement pension

Your former partner is entitled to half of the retirement pension you accrued during your marriage or registered partnership. You may make different arrangements with your former partner. These need to be recorded in a divorce agreement.

Please let us know what arrangements you have made

You or your former partner must inform us of your divorce within 2 years and about the arrangements you have made. That way, you will be sure that we make proper arrangements in respect of your pension.

Were you cohabiting? Then your former partner is not entitled to retirement pension. You may make different arrangements with your former partner. You then divide your pension without involving our pension fund.

Your former partner is also entitled to a partner's pension

Your former partner will also be entitled to the partner's pension accrued until the date of your divorce, or until the discontinuation of your registered partnership. You do not need to take any action yourself. We will inform you of the division.

Please let us know your arrangements in these situations

- If you do not want your former partner to receive a pension, enter into good agreements in your divorce agreement. The divorce agreement will state that your former partner waives his/her entitlement to the partner's pension. Make sure you notify us of this.
- Have you cohabited in the past? And did you have a cohabitation agreement? Your former partner is then probably also entitled to partner's pension unless you and your former partner have made other arrangements. Always notify us if you split up and let us know what arrangements you have made, because your municipality authority will not inform us automatically.

You can read more in the brochure on *Divorce* in layer 3. Find out how to notify us of your arrangements on the website. See *What should I do when ... divorce or ... no longer cohabiting*.

If you move to another country



Are you moving house within the Netherlands? Then the municipal authorities will inform us. If you are moving to a foreign country, or to another address abroad, please inform us of your new address. You can do this through the website. Go to *What should I do when... moving house*. We can then keep you informed about your pension.

If you wish to know how moving abroad will affect your pension, please do not hesitate to contact us. This may also have consequences for your State pension.

Your State pension depends on the number of years you have lived or worked in the Netherlands. For more information, please contact the Social Insurance Bank (SVB). Or go to svb.nl.

If you start working more or fewer hours



If you are going to start working more or fewer hours, your salary will change. The contribution for your pension will also change, because the amount of your contribution depends on your salary.

You will start working fewer hours

If you start working fewer hours, you will probably receive a lower salary. As a result, you will accrue less pension for yourself. And your partner and children will receive less pension when you die. You will also pay less contribution.

If you are working 100% now, and want to start working 80%, you will also only accrue pension on 80% of your present salary until your retirement date. As a result, you will receive less pension than if you continue to work full-time.

You will start working more hours

If you start working more hours, you will probably receive a higher salary. As a result, you will accrue more pension for yourself. And your partner and children will receive a higher pension when you die. You will also pay more in contributions.

If you are working 50% now, and want to start working 80%, you will also start accruing pension on your new salary. As a result, you will receive a higher pension than if you continue to work 50%.

Think carefully how this decision will affect your pension Would you like to know exactly what working more or fewer hours will mean for your pension? You can calculate your pension under *MijnPensioen*. Your HR department can also advise you. Or check your HR portal.

Perhaps you can take measures yourself if you are going to work fewer hours, for example by accruing additional pension for later. Consult your financial adviser to see whether you need to make extra arrangements.

If you take unpaid leave



If you take unpaid leave, then you will continue to accrue pension for 50% at first. Your employer will pay your contribution. After 26 weeks the accrual of your pension will stop. Don't forget to make agreements with your employer about your wishes.

You may continue to accrue 100% pension

If you wish to continue to accrue a full pension, you will need to contribute towards the costs. During the 1st period you and your employer will each pay 50% of the contribution. Will you be on leave for more than 26 weeks? Then you will pay the full contribution yourself from that moment on. This will be possible for a maximum period of 52 weeks.

You will continue to be insured for disability pension

If you become disabled while on unpaid leave you may receive benefit from the government. Read more on uwv.nl. It may be that we supplement the State benefit with a disability pension. Whether you receive this and the amount you receive will depend on what extent you continue to work. If you are completely disabled, we will supplement your State benefit up to a maximum of 80% of your income. Read more in our brochure *Your pension in a nutshell in layer 3*. Your pension will continue to be properly taken care of during your period of unpaid leave.

You will also remain insured for partner's and orphan's pension If you die while on unpaid leave, your partner and children will also receive a pension in that event. If you have Surviving Dependents' Act (Anw) shortfall insurance through your employer, your partner will also receive a supplementary partner's pension. So it does not matter whether you are on unpaid leave.

You can read all the rules in our pension regulations in layer 3. Your HR department will be happy to tell you more about the Surviving Dependents' Act Shortfall insurance (ANW-hiaatverzekering). Or check your HR portal.

If you become unemployed



If you become unemployed, then this will affect your pension.

You will no longer accrue any pension

If you have not made any arrangements yourself, your pension upon retirement will be lower. Please bear in mind that the pension for your partner and children will also be lower. Their pension will then be based on the retirement pension you have accrued up to the moment that you became unemployed.

You may start to accrue pension again with a new employer later, but you can also take other measures yourself. For example by taking out insurance.

The pension that you accrued earlier will be kept in our reserves for you. You will receive this pension on your retirement date. Your partner and children will still receive pension when you die. This is the pension you accrued until leaving employment.

You do not need to let us know if you become unemployed. Your employer will inform us.

Check mijnpensioenoverzicht.nl at least once a year



You will see exactly how much State old age pension you will receive in the future and how much pension you have accrued with various pension administrators. You can also see what the net amounts will be. You can find your pension with our pension fund under *MijnPensioen*.

If you want to make your own decision in respect of your pension



You have various options for your pension in our pension fund:

- Have you accrued pension elsewhere? You can transfer it into our pension fund.
- You can accrue additional pension for yourself.
- You can accrue additional pension for your partner. Your partner will then receive more pension when you die.
- You can convert your partner's pension into additional retirement pension for yourself,
- You retire early.
- You take partial retirement.
- You opt for higher pension in the 1st period. After that, you will receive a lower pension.

Read more under *Which options do you have?*

If you make a choice on your retirement date, you may communicate your choice only once. You may not reverse your decision at a later date. Make sure you have all the information before you decide.

Further questions



Feel free to phone us if you have questions about your pension. Your pension is important! Our phone number is +31 306 693 777. We can be contacted from Monday to Friday from 8.30 am to 5.00pm. You can also look on rabobankpensioenfonds.nl. Or put your question under *Contact*.

Want to know more about....

... your pension with us? Go to layer 3. You will find a lot of information and many answers on the website.

... your own pension amounts? Look under *MijnPensioen*.

... your total pension? Take a look at mijnpensioenoverzicht.nl

Terminology

Only use this part if you have received a pension overview. Below we explain the terminology.

Pension administrator

The fund where you accrue pension.

Type of pension plan

You participate in a defined contributions agreement. In such an agreement a fixed contribution is paid for the pension accrual of the participants in the plan. The total of contributions paid form a capital that is used to purchase a pension on the retirement date.

The pensionable salary

This is the part of your salary that you accrue pension on, e.g. your monthly salary. Sometimes more elements are included. This is known as the pensionable earnings. Find out which salary parts are included in the plan regulations in layer 3.

You do not accrue pension on

You do not accrue pension on a part of your salary. This is known as the offset.

Pension base

This is the part that is used to calculate your pension accrual, referred to as the pension base.

Defined contribution

This is the total contribution amount paid in a year.

Factor A (for your tax return)

You may need the amount on the 2019 pension overview for your tax return over 2020. Have you received several pension overviews? The add up the factor A amounts on these overviews. If you wish to calculate your tax relief, use the calculation tool *Rekenhulp Lijfrentepremie* of the Dutch Tax and Customs Administration. You can find it on belastingdienst.nl. Or consult your financial adviser.