

**SNPS**

Shell Nederland Pensioenfonds Stichting



# YOUR SNPS PENSION

## if your employment commenced after 30 June 2013

Welcome! You are a participant in the gross pension scheme of SNPS. This scheme applies to your pensionable salary up to the tax maximum. The SNPS scheme is an Individual Defined Contribution Pension Scheme. Under this scheme, you accrue your own pension capital by paying monthly pension contributions that are invested at your expense and risk. When you retire, you opt for a fixed or variable pension. The scheme also includes certain risk cover. In order to familiarise you with the pension scheme, we have provided brief details of its key features below.



**Do this now:** 1. **Login to 'My SNPS pension'.** Your pension is income for later years. But a few things have been arranged for now as well. All the information about your pension scheme can be found on your personal online portal. You can determine how much risk you wish to take when investing your contributions and adjust your risk profile here. By default, SNPS sets your risk profile to 'Neutral'. You can login quickly and safely to [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen) using your DigiD.

2. **Do you wish to transfer a previous pension?** If you have accrued a pension with a previous employer, you can transfer the value of that pension to SNPS. This is known as 'value transfer'. This can be done at [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen). You will receive a proposal some time later. This proposal will tell you how much pension capital can be transferred to SNPS. This proposal is subject to confirmation. If you accept the proposal, the pension capital will be transferred and invested. SNPS depends on the information provided by previous pension administrators. This means the whole process may take several months to complete.

3. **Are you cohabiting?** If you are cohabiting, your partner will be entitled to a partner's pension under certain conditions if you die. Partner's pension is income that your surviving partner receives after your death. If you are cohabiting (i.e. you are living with a partner but are not married) then you have to register your partner with SNPS. We will need a copy of a cohabitation agreement endorsed by a civil-law notary or an extract authenticated by a civil-law notary. Your cohabiting partner will not be entitled to a partner's pension unless he or she is registered with us.

**Do this later:** A number of events influence your pension, such as if you marry, start cohabiting or enter into a registered partnership, if you divorce or become occupationally disabled (i.e. unfit for work), or if you wish to utilise one of the options offered by the pension scheme. For more information, visit [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen) or contact the service desk. *Note:* If you live abroad, SNPS will not be automatically informed about changes in your personal circumstances. It is therefore important to inform SNPS about any such changes.

# What you need to know about your pension

**During the time you work for Shell, a pension contribution will be placed at your disposal each month. You invest this contribution in order to buy a pension benefit on your retirement date.**

The contribution and the investment results together form the amount that will eventually be used to purchase a pension benefit from SNPS or another pension administrator. The amount of pension that these contributions will purchase cannot be predicted in advance. However, the amount you will receive in pension benefits will primarily depend on the contribution, the investment results and the interest rate at the time you purchase the pension.

## **How high is the contribution?**

The contribution depends on your age and is calculated on the pension basis. The pension basis is the pensionable salary minus an amount on which no pension is accrued, because you will also subsequently receive a State old-age pension (the AOW pension). The table of contributions can be consulted at [www.shellpensioen.nl](http://www.shellpensioen.nl). The contribution increases as you get older. This is because the period until your retirement date is getting shorter all the time, which means the contribution has less time to yield returns.

## **Who pays the contribution?**

You pay 2% of the pension basis and your employer pays the rest.

Premiums are also paid to insure the risk of occupational disability and death during your employment. The monthly contribution will still be paid during any period that you may become occupationally disabled, which means that your contributions will continue to accrue. All these contributions and premiums are paid by your employer in full.

## **Collective Variable Pension (CVP)**

All participants in a defined contribution scheme can choose between a fixed or variable pension. You make a provisional choice when you turn 58. When you retire, you make a definitive choice. SNPS administers the variable pension (CVP) as part of your pension scheme. If you choose a fixed pension at retirement, you must purchase this yourself from a pension administrator of your choice. More information about the CVP can be found at [www.shellpensioen.nl](http://www.shellpensioen.nl).

## **Income forecast**

The scheme is based on providing information on the income you can expect to receive once you have retired. This can clearly be seen in the participants' portal [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen). As stated, your contribution will be invested. Investing means taking risks. This is why investments need to be spread across the different investment categories (including equities and bonds). This is taken into account when putting together the life cycle profiles.



## Life cycle profiles

There are 3 life cycle profiles: Offensive, Neutral and Defensive. The characteristics of these life cycle profiles vary. For example, there is more investment in equities in the Offensive life cycle profile than the Defensive life cycle profile. Each life cycle profile comprises a number of investment portfolios.

The older you get, the less investment there is in equities. The sensitivity of your investments to the rise and fall of interest rates increases. Since the purchase of your pension benefit is sensitive to these same interest rate trends, this will lead to smaller fluctuations in the income you can expect to receive later. This means that your contribution is solely invested with the aim of generating your expected pension income at a later date. By default, your contributions at SNPS are invested on the basis of the 'Neutral' life cycle profile. You have the option of aligning your investments with your risk profile. For more information on the structure of the life cycle profiles and the underlying investment portfolios, visit [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen).

You can choose to participate in the Collective Variable Pension (CVP) with SNPS from the age of 58 onwards. If you choose to do so, your pension will be invested on the basis of a fixed investment mix. This mix has been set up specifically for the collective scheme, including the phase during which you are (almost) retired.

## Costs

SNPS incurs costs when arranging your pension. Your employer pays the costs for administering the IDC scheme until your retirement. Once you retire, you must pay all administration costs. These costs are factored into your lifelong fixed benefit payments. Each pension administrator applies their own rates for this purpose.

You are responsible for the costs of administering the CVP. More information about these costs can be found in the 'Collective Variable Pension' brochure at [www.shellpensioen.nl](http://www.shellpensioen.nl).

You pay the costs of investing your own pension capital. These costs are deducted from the value of your investments. When deciding which investment options to offer, SNPS tries to keep these costs as low as possible.

For more information on costs, visit [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen).

## Your risk profile

Before investing your contribution, it is important to know how much risk you are willing to take. You can determine your own risk profile in your personal pension portal at [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen). This risk profile also determines the life cycle profile for investing your contribution. By default, SNPS sets your risk profile to 'Neutral'. If you change your mind about the risks that you are willing to take after a period of time, you can always adjust your risk profile at [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen).

## Your pension, not a fixed final amount

Contributions are invested at your own expense and risk.

- The value of your investments may rise or fall. This is known as **investment risk**.
- Life expectancy in the Netherlands can increase quicker or more than expected. This is known as **longevity risk**.
- There is also what is known as **interest-rate risk**. The capital accrued to the date of your retirement that is converted into a pension benefit will depend on the interest rate at that moment.

You bear these risks yourself until the date on which you retire. However, these risks are taken into account as far as possible when compiling the life cycle profiles. After your retirement, the risk lies with the pension administrator where you purchased your pension. Pension within the CVP at SNPS is invested collectively and participants jointly share a number of risks.

### Pension from SNPS or another pension administrator of your choice

About three months before your retirement date, you will receive a letter from SNPS that sets out the procedure relating to your pension commencement. This letter includes an estimate of the pension capital that will be available to purchase your pension on your retirement date. If you opt for a variable pension, you will receive this from SNPS after your retire. If you opt for a fixed pension, you purchase this yourself from a pension administrator of your choice. Your financial adviser can possibly help in this regard. For more information go to [www.shellpensioen.nl](http://www.shellpensioen.nl).

## Shell net pension scheme

If your pensionable salary exceeds the maximum for tax purposes, you may participate in the Shell net pension scheme. The Shell net pension scheme makes optimal use of the options that tax legislation offers to save pension from your net income. Participation in this scheme is optional. More information can be found in the 'net pension scheme' brochure and on [www.shellpensioen.nl](http://www.shellpensioen.nl).



If you wish to know the age at which your State old-age pension will commence, visit [svb.nl](https://svb.nl), the website of the Dutch Social Insurance Bank.

## Pensions and the government

### AOW (State old-age pension) retirement age

You receive your pension from your pension fund over and above the State old-age pension (AOW). You receive your AOW from the government. The AOW retirement age has been increasing annually since 2013. In 2022, the AOW retirement age will be 66 years and 7 months. The commencement date of your AOW payment depends on your date of birth. If you want to know the age at which your AOW will commence, visit [www.svb.nl/int/en/](https://www.svb.nl/int/en/), the website of the Dutch Social Insurance Bank.

### State old-age pension and living/working abroad

If you lived and worked outside the Netherlands, you may receive less AOW. Visit [www.svb.nl/int/en/](https://www.svb.nl/int/en/) for more information.

### ANW (General Surviving Dependants Act)

If you die, your partner and/or children may be entitled to a statutory benefit from the government. This is provided for in the General Surviving Dependants Act (*Algemene nabestaandenwet* - Anw). Your surviving partner may qualify for an Anw benefit if he or she meets certain conditions. The Dutch Social Insurance Bank (SVB) administers the Anw on behalf of the government. For more information, visit [svb.nl/anw](https://svb.nl/anw).



# What does the SNPS pension scheme offer?

## Retirement pension

When you retire, you opt for a fixed or variable pension. This choice applies to both retirement pension and partner's pension. SNPS administers the variable pension (CVP) as part of your pension scheme. If you choose a fixed pension at retirement, you must purchase this yourself from a pension administrator of your choice. Your pension at SNPS is not subject to income tax during the accrual period. From your chosen retirement date, you receive a fixed or a variable retirement pension each month. This is subject to income tax. Your retirement pension ceases upon your death.

## Surviving dependants' pension

If you die during your employment, any partner and/or children you have will receive a surviving dependants' pension. Your partner will receive a life-long partner's pension, as well as a temporary partner's pension up to your retirement date in order to compensate for the 'loss' of State old-age pension. Your children will receive an orphans' pension up to their 18<sup>th</sup> birthday. Children who study are entitled to orphans' pension for longer (up to and including August after their 24<sup>th</sup> birthday). A retirement pension and partner's pension are purchased as standard when you retire. This happens only if you have a partner. If you die after you retire, this partner's pension is paid to your partner each month. You may jointly decide not to purchase any partner's pension. In this way, your retirement pension increases, but your partner will not receive any partner's pension if you die after you retire.

## Occupational disability

Have you been ill for more than two years, and has the UWV public employment service now declared you to be fully or partially disabled (i.e. unfit for work)? From the date that your employment is fully or partially terminated

because of your occupational disability, you will be eligible for an occupational disability benefit from SNPS. Your pension contribution will also continue to be paid during the period in which you are fully or partially occupationally disabled and your employment is fully or partially terminated. You are then entitled to have your own pension contribution waived. The pension contributions in case of full or partial occupational disability continue to be paid as normal.

## Retirement

The target retirement age is currently 68. You may retire between the ages of 55 and 68. With your manager's permission, you may also choose to defer your retirement (up to a maximum age of 70).

You have various options to adjust your pension to your personal wishes. For example, you can:

- retire on an earlier or later date
- retire on a part-time basis
- opt for a fixed or a variable pension
- opt for a fixed increase or decrease in your variable pension
- decide together with your partner to waive partner's pension

More information about pension options can be found at

[www.shellpensioen.nl](http://www.shellpensioen.nl).

Your personal circumstances will determine whether these options specifically apply to you. You can calculate the financial consequences of the various options at [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen). The amount of your pension must comply with the applicable tax rules. This is why the applicable tax limits are taken into account when implementing your chosen option.

For more information, visit [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen) or contact our service desk: [info@shellpensioen.nl](mailto:info@shellpensioen.nl). You can also call us on +31 (0) 88462 34 56, on working days between 8:30 a.m and 5 p.m. CET.



# More information or questions?

Once a year, you will receive a Uniform Pension Overview (UPO). This shows the amount you have accrued for your pension. You can consult this UPO at [www.shellpensioen.nl/mijnpensioen](http://www.shellpensioen.nl/mijnpensioen). Every 3 months you receive an overview of the current value of your pension capital and the achieved results on investments.

If you still have questions about your pension with SNPS after reading this brochure, the key information and answers to Frequently Asked Questions can be found at [www.shellpensioen.nl](http://www.shellpensioen.nl).

You can also e-mail your question to [info@pensioenfonds.nl](mailto:info@pensioenfonds.nl) or call us on +31 (0) 88 462 34 56, on working days between 8:30 a.m. and 5 p.m. CET. We will be happy to assist you!

## Complaints procedure

If you have a complaint about the administration of your pension scheme, you can activate SNPS's complaints procedure. For further information, please read the Fund's articles. The articles and complaints procedure can be downloaded from [www.shellpensioen.nl](http://www.shellpensioen.nl).

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Shell Pensioen Board has outsourced the administration and asset management of the pension scheme to Achmea Pensioenservices. However, SNPS's Board remains ultimately responsible for the correct and timely administration of the pension scheme.

You cannot derive any rights from this brochure. Our pension regulations are always leading. The pension regulations can be downloaded at [shellpensioen.nl](http://shellpensioen.nl).

The companies in which Royal Dutch Shell plc holds direct or indirect shareholdings are individual legal entities, each with their own identity. In this brochure, the collective term 'Shell' is used to designate the various Shell employers and joint ventures affiliate with Shell Pensioen.

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