

**Basic
Plan**



StiPP Basic Plan:
your pension
in a nutshell

Your StiPP pension

When you retire, how much money will you need? What are your plans? What do you want to do? For some people their pension may seem far away. But it won't hurt to think about your future income now. Some of that income—your pension—is accrued automatically. If you are working as a temporary employee or if you are sent on secondment, your pension will be managed by StiPP, the pension fund for personnel services (Stichting Pensioenfonds voor Personeelsdiensten).

This brochure presents the most important aspects of your pension plan. You will find detailed information on the website stippensioen.nl about all the topics mentioned here.

Table of contents

StiPP Basic Plan, what does it entail?	2
How much pension are you accruing?	3
If you stop accruing pension in StiPP	6
Retiring	7
StiPP is there for you!	8



For more information please go to stippensioen.nl

StiPP Basic Plan, what does it entail?

StiPP pension, why?

Everyone who lives in the Netherlands, or who has lived there, is entitled to an old-age pension, or state pension (AOW), as a basic income. Payment will start the day the state pension age is reached. This used to be 65 years of age but the state pension age is being raised in the coming years and will ultimately be set at 67 years of age in 2024. After that, the state pension age will be linked to life expectancy. You can calculate your state pension age on the website of the Sociale Verzekeringsbank (Dutch Social Insurance Bank, SVB). In addition to the state pension, you will accrue an additional pension with the pension fund you have joined via your employer. This additional pension will provide extra financial security for you and your surviving dependants.

StiPP pension, for whom?

The StiPP pension plan is obligatory for everybody who is employed on a temporary basis. Or for employees working via a temporary employment agency.

Does your employer not offer the StiPP pension plan? They may have received permission from StiPP to apply a different pension plan. Does your employer not offer any pension plan at all? In that case, please immediately contact the Dutch foundation for compliance with the Collective Labour Agreement for temporary employees SNCU (Stichting Naleving CAO voor Uitzendkrachten). You can use the notification form on the website sncu.nl for this or phone: 0800 – 7008.

StiPP-pension, which plan?

StiPP offers employees the choice of two pension plans: the Basic Plan and the Plus Plan. The Basic Plan is intended for temporary employees of 21 years and older, who have been working for the same employer for at least 26 weeks. These 26 weeks do not have to be continuous. You will

remain in the Basic Plan for a maximum of 52 working weeks; after this you will participate in the Plus Plan.

This brochure is about the Basic Plan. There is a separate brochure for the Plus Plan. You can find his brochure on stippensioen.nl. Would you like to know when you will switch from Basic Plan to the Plus Plan? You can find information about this on stippensioen.nl too.

How much pension are you accruing?

As long as you are working as a temporary employee or if you are sent on secondment, you will be accruing pension capital with StiPP. From this capital, you will be paid a monthly pension from the age of 67. Or you will receive it in a single lump sum if the accrued capital is below a certain threshold figure. The longer you work, the more pension capital you will accrue. The amount varies from one person to the next. It also depends on the results of the fund's investments.

Why invest?

StiPP invests your **pension capital**. It is important that you know that investing entails risks. If the investments do not do well, you may make a loss. Your pension capital may grow more slowly or even diminish. This may lead you to believe that saving may be better than investing. However, there is evidence that, in the long run, investing generates more than savings. Even in economically less prosperous periods. StiPP will endeavour to reduce the risks you run to a minimum. That is why we have a careful investment policy that focuses on the long term. StiPP will invest your pension capital until you reach your pension commencement date. If the investments prove successful, your accrued pension capital will grow.

This brochure is about the Basic Plan. There is a separate brochure for the Plus Plan.

Employer pays pension contribution

The amount of your StiPP pension will depend on your personal situation. For example, on the number of hours you work, but also on your salary. The StiPP plan is a **defined contribution plan**. This means that for each hour you have worked, a certain amount of money is set aside. In the Basic Plan, the employer pays the contribution. The contribution amounts to 2.6% of your pensionable pay. The accrued capital (the amount that is put aside for you) will be calculated on the basis of your pensionable earnings. This is your pensionable pay minus the state pension offset. The state pension offset is set by the Board each year. The hourly offset for 2021 is € 7.01.

What does the pensionable pay include?

Pensionable pay comprises multiple elements, including:

- pay for normal hours worked
- pay for irregular hours (such as hours you work on a different day or at different times)
- pay that continues to be paid by your employer when you are off sick
- compensation for qualifying days for sickness benefit
- the accrued or paid reserves for holidays, special leave, short-term absenteeism, public holidays and holiday allowance
- the aforementioned pay elements that have been exchanged for tax-free allowances and benefits in connection with extraterritorial costs.

Maximum pensionable hourly wage

A maximum pensionable hourly wage has been set for 2021. It is € 31.15 per hour. You do not accrue any pension capital above this hourly wage.



An example

Agnes is 28 years of age and works as a temporary employee. She earns € 12.50 an hour gross and works 40 hours a week. Agnes therefore earns the following gross sum for each four-week period:

Week 1: 40 hours × € 12.50 = € 500

Week 2: 40 hours × € 12.50 = € 500

Week 3: 40 hours × € 12.50 = € 500

Week 4: 40 hours × € 12.50 = € 500

Total over these four weeks = € 2.000

For Agnes' pension, her employer pays 2.6% on her pensionable pay. For a four-week period, this will be:

€ 2,000 × 2.6% = € 52

How much capital has Agnes accrued?

The capital is calculated on her pensionable earnings. This is her pensionable pay minus the state pension offset. The state pension offset is € 7.01 an hour. For a four-week period, this is $160 \times € 7.01 = € 1,121.60$.

Her pensionable earnings are then $€ 2,000 - € 1,121.60 = € 878.40$.

The accumulation of capital is calculated on her pensionable earnings. Irrespective of age, this is 4.2% in the Basic Plan.

The accrued capital for Agnes will then be 4.2% of $€ 878.40 = € 36.89$.



Insight into your pension

There are two easy ways to keep track of the amount of pension you have accrued. Every year, StiPP sends you a statement, the Uniform Pension Overview (UPO). You can also look it up on mijnpensioenoverzicht.nl. Your pension details will be updated on this website several times a year. If you are no longer working as a temporary employee or not sent on secondment anymore, you will receive your UPO once every five years by post or e-mail. However, on Mijn StiPP Pensioen we will provide you with a UPO every year.

What are the costs?

The pension fund incurs costs for the administrative work and asset management work it undertakes. In 2019, the administrative costs totalled € 44.71 per participant. These costs are paid from the average contribution. Total asset management costs in 2019 totalled 0.43% of the average capital invested. These costs are deducted from the yield.

StiPP uses an average contribution. This means a contribution that is the same for everyone. The costs are shared by all participants in the fund from the contributions paid by you and your employer. The contribution that is invested for accrual of your pension capital is fixed. It is 4.2% of pensionable earnings. No costs will be deducted from this.

What are the arrangements for your partner upon divorce or death?

If you are married or have entered into a registered partnership, various matters have been arranged for your partner and any children upon divorce or death.

In case of a divorce

If you divorce or end a registered partnership then your partner is entitled to half the pension that you accrued during your marriage or registered partnership. If you want your ex-partner to start receiving his/her share of the pension directly from StiPP then you must send us the divorce notification form within 2 years. You can find this form at stippensioen.nl/formulieren.

Upon your death

When you die, your partner may be entitled to an 'Anw' benefit from the government. 'Anw' stands for: Algemene Nabestaandenwet (Surviving Dependents Act). In addition, StiPP offers a partner's pension. In the Basic plan this is only the case if you are married or have entered into a registered partnership. When you have a cohabitation contract, your partner won't receive a partner's pension. Read more about this below.

> If you die before reaching retirement

If you die before you start receiving your pension, your partner will receive a partner's pension. In that case, your partner will receive a partner's pension based on the capital accrued up to that date. The amount therefore depends on the length of time you have worked in the personnel services sector. Any children you have may be entitled to orphan's pension. This partner and orphan's pension is often very low. In that case, the amount is paid out in a single payment.

> If you die after retiring

Your partner will then only receive pension benefit if co-insured. Just before you retire, you may choose whether to use a part of your accrued pension capital for a partner pension, or whether you just want a higher old-age pension. The amount of partner pension depends on the accrual of your pension capital. The more pension capital you have accrued, the more partner pension your partner will receive.

> If you die having been married at some time in the past

Have you been divorced? And did you remarry after that? In that case, both your ex-partner and your new partner may possibly receive a partner's pension. The same applies in the case of a registered partnership.



Visit our website if you want to read more. Some topics are discussed there in further detail.

If you stop accruing pension at StiPP

Let's say you switch to a different job outside the sector or else you stop working. In that case you will not accrue any more pension capital with StiPP.

What happens with the accrued capital?

What happens with your accrued capital depends on how much pension you have accrued. You can view details of this at Mijn StiPP Pensioen ('My StiPP Pension').

- › **Your expected pension benefit is less than € 2 gross per year**

Pension accrual where the pension to be purchased is less than € 2 per year ends as soon as participation ends. This has been made a statutory requirement by the Dutch central government.
- › **Your expected pension benefit lies between € 2 and € 503.24 (2021) gross per year**

If you switch jobs then StiPP is allowed to transfer your small pension to the new pension provider. This is known as automatic value transfer. Once we have transferred the value of your pension, both StiPP and your new pension provider will automatically inform you that this has been done.

Commutation of your pension at StiPP is now only possible in the following situations:

- › If StiPP has tried unsuccessfully at least five times in the past five years to transfer your small pension to a new pension provider.
- › If you are retiring and your pension has not been transferred to another pension provider.

- › **Your expected pension benefit exceeds € 503.24 (2021) per year.**

You can either leave your pension at StiPP or else opt for its value to be transferred to your new pension provider. You must apply to your new pension provider yourself for the value transfer. Leaving your pension at StiPP? Your pension capital amount will be reviewed on your pension date. You can then decide whether to purchase a monthly pension benefit from either ourselves or an insurance company. Alternatively, we may offer you the option of receiving your pension in a single lump sum, if your expected pension benefit at that time actually lies below the threshold figure for a small pension.

Returning to the sector

After a period of time has elapsed, have you now taken a new job within the sector? If so then there are various options:

- › **Starting work in the sector again after an interval of less than one year**

If you start working in the sector again after an interval of less than one year then you start accruing pension capital again right away via StiPP.
- › **Starting work in the sector after an interval of one year**

Are you working in the sector again after an interval of one year or longer? In this case you must first work 26 weeks at your new employer before you start accruing pension capital again under StiPP's Basic Plan.

Pension capital is kept at StiPP

We will continue to invest your capital as long as your pension remains at StiPP. In other words, your capital can continue to grow. However, the capital may reduce in size during poor economic years. Once every 5 years you will receive a Uniform Pension Overview (UPO) by e-mail or in the post. We provide you with a UPO once a year at Mijn StiPP Pensioen.

Retiring

Early retirement or working for longer?

When you turn 67, you will stop working. You will then receive a monthly StiPP pension until you die or, if the sum accrued is too low, you can receive it as a lump sum. You may, of course, choose to retire early or, on the other hand, continue to work beyond your retirement age.

If you intend to choose one of these options, it would be wise to look at the financial consequences. Put concisely: the longer you work, the more pension capital you will accrue. Early retirement If you retire early, you will accrue less pension capital. When you turn 67, you will no longer accrue pension capital.

Retiring

Approximately six months before you turn 67, StiPP will send you a letter. In replying to it, you can indicate when you wish to retire. From the month you have chosen to retire, you will automatically receive your pension from us. This amount is paid into your account on a monthly basis, or as a lump sum if the accrued capital is low.

Have you also been employed in other business sectors? Or have you accrued a pension with another pension fund? In that case, you may receive payments from other sources as well.

Caring for your partner

Just before you retire, you may also choose to convert your pension capital into an annual payment until your death. Or you may exchange part of your capital for a partner pension. Your partner will then receive a benefit from StiPP after your death. Your own pension will then be lower. This is because part of your capital is needed for your partner pension. Should you choose this option, you will no longer be able to change this at a later date.

Are we increasing your pension?

The pension capital available on the pension date is converted into a nominal (unchanging) pension benefit. StiPP is not increasing the pensions purchased for you on the pension date. This means that price inflation is not being compensated for.

On your pension date, when you purchase your pension you can choose whether to purchase a stable or a variable pension.

You can find more information on this subject at stippensioen.nl/metpensioen.

Are we reducing your pension?

In certain situations your pension may be reduced. Your pension has not been reduced in recent years and we do not expect to be doing this in the coming years either.



Please let us know your decision when you are due to retire!



StiPP is there for you!

It is important that you are satisfied with your pension fund. Naturally, you need complete and understandable information. Please refer to our website for extensive information about all topics discussed in this brochure. If you have any questions, you can visit our website and contact us. We will be glad to be of assistance! StiPP is there for you!

StiPP pension, which action will you take?

It is important to make sure your personal information is correct. Should your personal situation change, for example if you become disabled, please let us know as soon as possible. You can do that on stippensioen.nl/contact.

More information

Stichting Pensioenfonds voor Personeelsdiensten
PO Box 299
3700 AG Zeist

stippensioen.nl

For more information, please check your personal pages on Mijn StiPP Pensioen.

Do you have a complaint? Let us know. You can send us your complaint using the complaints form that you can find on stippensioen.nl.

If you are not satisfied with the way your complaint has been dealt with you can contact the Pensions Ombudsman in The Hague. More information about the complaints handling scheme can be found on stippensioen.nl.



This brochure has been prepared with due care and is based on the details known to us and your pension regulations. The pension regulations will ultimately prevail. You can download the pension regulations from stippensioen.nl.



**Stichting Pensioenfonds
voor Personeelsdiensten (StiPP)**

PO Box 434, 3700 AK Zeist
stippensioen.nl