

Product information Net Pay Pension from Zwitserleven PPI

This product information is valid for contracts with an effective date from 1 July 2023. Zwitserleven and Zwitserleven PPI reserve the right to amend this product information at any time.

The Net Pay Pension from Zwitserleven PPI is a pension product for employers with employees earning more than € 128,810.- (2023). The pension product is only PPI offered in combination with a basic and/or excess scheme at Zwitserleven PPI.

The commitment is a defined contribution scheme based on investments (pure contribution agreement) and, optionally, a surviving dependants' pension (net partner's pension and net orphan's pension). The employer may choose to include contribution waiver in case of occupational disability (PVA). The insurance premiums for contribution waiver due to occupational disability and for the net surviving dependants' pension are charged to the employer separately from the investment contribution.

Target market The Net Pay Pension scheme from Zwitserleven PPI is suitable for employers whose employees have a salary above the capping threshold who:

- have a basic and/or excess scheme with Zwitserleven PPI;
- accept that the investment risk is borne by their employees;
- wish to offer the option of accruing a net pension and insuring a net surviving dependants' pension.

Type of pension scheme Defined contribution scheme (contribution agreement) with optional risk-based insurance (benefit agreement).

Graduated scale 3% actuarial interest rate or 4% actuarial interest rate for net pension (based on the December 2019 graduated scale), excluding insurance premiums for net surviving dependants' pension..

Age	Percentage of net pensionable earnings for	
	under graduated scale II 3% actuarial interest (gross graduated scale II x 48.5%)	under graduated scale II 4% actuarial interest (gross graduated scale II x 50.5%)
15	3.4%	2.0%
20	3.7%	2.2%
25	4.4%	2.7%
30	5.0%	3.3%
35	5.9%	4.0%
40	6.8%	4.9%
45	7.9%	6.1%
50	9.3%	7.4%
55	10.9%	9.1%
60	12.9%	11.3%
65	14.9%	13.6%

Net pensionable earnings:
(full-time salary - maximum pensionable salary [2023: € 128,810.-]) x part-time percentage.

Pension contribution/voluntariness Employees may choose whether or not to participate in the Net Pay Pension from Zwitserleven PPI. A participant may decide on an individual basis to deposit at least 50% and at most 100% of the committed scale contribution. In addition, a participant with a partner may choose whether or not to participate in the net surviving dependants' pension. We process these choices on the first day of the month following the month in which the choice is made.

Minimum premium No minimum contribution.

Maximum salary A full-time salary of € 400,000.-.

Entry age Equal to the entry age for the basic and/or excess scheme (pension scheme below € 128,810.- in 2023).

Reference date 1 January.

Standard retirement date	The first day of the month in which the participant reaches their retirement age (68 years as standard).
Payment term	Monthly in advance.
Payment method	Premiums and costs are invoiced to the employer. The employer will withhold these premiums and costs from the employee's net salary.
Compensation for non-participants	If the employer makes a contribution (to the pension contribution, insurance premiums and costs) to the Net Pay Pension from Zwitserleven PPI, the employer has to compensate for this in the form of taxable wages to employees who are in a similar situation but do not wish to participate. These are agreements between employer and employee.
Contract term	No contract term. For calculation of the rate, a choice can be made between a group rate or a guaranteed rate. For the net pay pension scheme at the PPI, the choice of basic and/or excess scheme will be followed. However, the contract ends at the latest at the same time as the investment-based defined contribution scheme (pension scheme below € 128,810.- [2023]).
Term of notice	2 months.
Amendments	<p>If a group rate applies, Zwitserleven PPI may amend the agreement and its appendices without the employer's consent. We may then change the rates and conditions. If a guaranteed rate applies, the rates are fixed for a period agreed in advance.</p> <p>If we cancel or amend the agreement, we will notify the employer at least four months in advance.</p>

INSURANCE COVER

Net old-age pension and net partner's pension after retirement date On the retirement date, the available pension capital is used to purchase a lifelong net old-age pension and a lifelong net partner's pension.

Net surviving dependant's pension before retirement date (net partner's and net orphan's pension)

- The cover is voluntary.
- The employer pays the premium for the net surviving dependants' pension in addition to the defined contribution.
- The amount of the net partner's pension is:
 - Final pay up to 0.586% of pensionable earnings per year of service.
 - Average pay maximum 0.663% of pensionable earnings per year of service.
- The amount of the orphan's pension is up to 20% of the partner's pension.
- The age of maturity for the net orphan's pension is 18 or 21 years of age.
- In some cases, we will continue to pay orphan's pension after the age of maturity, if a child is eligible for Wajong benefit when they reach this age. We will continue to pay orphan's pension as long as a child is receiving Wajong benefit, at the latest until they reach 27 years of age. If a child is in education study before or after the age of maturity, we will pay orphan's pension as long as they are in education, at the latest until they reach 27 years of age.
- For full orphans, the benefit for orphan's pension is doubled.
- The partner's and orphan's pensions can be insured at a constant level or with an annual increase after coming into payment of 1%, 2% or 3%.

Payment of the value of plan assets on death The value of the plan assets of participants who pass away during active employment or during a period in which contribution waiver due to occupational disability is granted (PVA) is used for indexation of the net partner's pension. If no net partner's pension has been insured, or the participant no longer works for that employer, we will pay out the value of the investments to the surviving dependant(s). The surviving dependant(s) is/are obliged to use this to purchase a net pension. If there are no surviving dependants, the value will revert to Zwitserleven PPI.

Waiver of contribution due to occupational disability (PVA)

- The employer chooses whether or not to insure PVA at the start of the scheme.
- The participant pays the PVA premium personally.
- If PVA cover is taken, PVA becomes compulsory for all participants.
- The assessment takes place according to the 6-class system (according to the WIA).
- The degree of occupational disability is established by the UWV.
- The PVA surcharge is 4.02% (graduated scale II 3% actuarial interest rate) and 4.2% (graduated scale II 4% actuarial interest rate).

Degree of occupational disability	The percentage of the premium paid by Zwitserleven
80% of meer	100.0%
65% - 80%	72.5%
55% - 65%	60.0%
45% - 55%	50.0%
35% - 45%	40.0%
Less than 35%	0.0%

PensioenAanvullen

Not possible.

Beneficial entitlement

Net old-age pension: employee.
 Net partner's pension: partner.
 Net orphan's pension: children of employee younger than 27 years. (For a definition of partner and children, see the pension scheme rules).

INVESTMENTS

Employer options

The employer may choose from various forms of investment. The following combinations are possible:

- HorizonBeleggen with the option of ProfielBeleggen.
- HorizonBeleggen with the option of ProfielBeleggen and VrijBeleggen.

These various forms of investment are explained below. Further information on this is available at zwitserleven.nl/beleggingsvormen.

HorizonBeleggen

The standard option is that participants invest according to HorizonBeleggen. They do not need to make investment decisions. Zwitserleven PPI is responsible for reducing risk (also known as prudent investing).
 With HorizonBeleggen, Zwitserleven PPI will reduce the risk of the investments as the standard retirement date approaches.

ProfielBeleggen

With ProfielBeleggen, we establish the participant's investor profile by means of a questionnaire. The degree of risk (higher or lower) is established according to the outcome. This ranges from cautious to offensive. This also depends on the preparation for a fixed or variable pension.
 Here, too, the risk of the investments is reduced as the standard retirement date approaches.

Preparation for Zwitserleven Variable Pension

The investment mix for ProfielBeleggen is determined according to the preference for a variable or fixed pension income, or a combination of the two. From 15 years prior to the standard retirement date, an employee can make preparations for receiving a variable pension from their retirement date. If on their retirement date an employee chooses to continue investing, they have a chance of receiving a higher pension. But they will also incur risk for longer.

VrijBeleggen

The participant will then make their own investment decisions. After determining an investor profile, the participant can invest in one or more investment funds.

Rebalancing

Zwitserleven uses bandwidths. We make adjustments as soon as a bandwidth is hit. This bandwidth is 15% relative. This means rebalancing occurs as soon as a fund, comprising 50% of a life cycle, undergoes a weight increase or decrease of 7.5%. Rebalancing may apply for HorizonBeleggen and ProfielBeleggen. This will be once a month. Rebalancing is applied only if a fund deviates more than 15% from the strategic allocation at that one point during the month.

ZekerheidZwitch	ZekerheidZwitch (purchase of a deferred fixed pension income) is not available with the Net Pay Pension from Zwitserleven PPI.
INVESTMENT COSTS	
Fund charges	<p>The total fund charges consist of management fees (deducted from the value of the plan assets) and a 'total expense ratio/service fee' (included in the unit price of a fund). Entry and exit charges for transactions are included in the price.</p> <p>Further information on the funds and fund charges is provided in the Key Investment Information and Prospectus for the fund in question (see zwitserleven.nl/fondsen).</p>
Switch costs	There is administration fee charged for processing a switch.
SUSTAINABILITY INVESTMENTS	<p>Based on this information, an employer can decide whether the product is in line with its sustainability objectives and/or preferences.</p> <p>This information concerns the sustainability factors of this product. These can be linked to the client's sustainability preferences. With that in mind, we have based this information on the three legally defined categories for sustainable investments. This information is still limited and incomplete because the data currently available, insofar as it exists, is inadequate. This data will be made available in the form of reports based on new European regulations, such as the SFDR and the Taxonomy Regulation. Some of the rules are not yet in effect. More details will be made available as from 2023. We will then be able to provide more information. At that point, we will make further changes to this information. We will also amend the information on our website concerning our sustainable investment policy.</p>
SFDR classification	Under European legislation (Sustainable Finance Disclosure Regulation), this product is classified as a product that promotes environmental or social sustainability characteristics (ESS characteristics).
Sustainable objective	This product does not have a sustainable objective.
Minimum share of investments aligned with EU taxonomy	No minimum share of investments aligned with the European taxonomy for sustainable activities applies for this product.
Minimum share of SFDR sustainable investments	This product has no required minimum share of sustainable investments within the meaning of the SFDR.
Adverse impacts on sustainability factors	This product takes account of adverse impacts on sustainability factors.
Sustainability characteristics of this product	<p>A sustainability policy consisting of two steps is applicable to this product: Underlying investments are screened on the basis of the following fundamental investment principles:</p> <ul style="list-style-type: none">• Respect for fundamental human rights;• Respect for fundamental labour rights;• No involvement in controversial weapons and/or the production and sale of civilian firearms and/or the supply of military equipment to military regimes;• Compliance with international sanctions ;• No systematic involvement in fraud, corruption or tax evasion;• No significant involvement in products or businesses causing harm to human health (including mental health) or animal welfare;• No systematic involvement in severe environmental damage. <p>Failure to comply adequately with these fundamental investment principles leads to exclusion.</p>

The underlying investments are then screened on the basis of the following material sustainability indicators:

- Use of fossil fuels;
- Water use;
- Land use;
- Chemical and other waste management;
- Organisational structure and integrity;
- Social capital management;
- Human capital management.

Which of the above sustainability indicators are most relevant depends on the sector of activity of a company in which investments are made. The individual and aggregate scores for the above sustainability indicators determine whether, and to what extent, the company meets Zwitserleven's requirements for sustainable business operation. If a company does not yet comply, we assess whether and to what extent it is capable of making the transition to a fully sustainable operation. If that is not possible, we exclude the company in question from the investments.

When it comes to VrijBeleggen, the sustainability policy might not be applicable to all investments.

OTHER CHARGES

Service charges

The service charges are € 60.- divided over 12 months per participant per year. The employer pays these costs to Zwitserleven PPI and deducts them from the participant's net salary. We only charge for the period of participation in the scheme.

Divorce

No charges are made in case of divorce.

Transfer of accrued benefits

No charge are made for incoming and outgoing transfers of accrued benefits.

Group transfer of accrued benefits

Only permitted if there is a group transfer of accrued benefits for the basic and/or excess scheme.

Hourly rate

In case of exceptional changes or calculations, an hourly rate of € 139.19 (2023) will be charged to the employer. For more information, go to zwitserleven.nl/diensten.

Distribution strategy

The Net Pay Pension scheme from Zwitserleven PPI is a complex product and requires advice. Employers should therefore seek proper advice as to whether the Net Pay Pension from Zwitserleven PPI is the most appropriate choice. Zwitserleven PPI works with professional, independent advisers. They can assess whether the Net Pay Pension from Zwitserleven PPI is suitable for the employer and its employees. The adviser will only offer this product outside the target market if they can substantiate that this product is still appropriate for the employer and its employees.

TECHNICAL PRINCIPLES

Life expectancy table

ZL 2022 Net Pay Pension gender-neutral (own table for main policyholder and co-insured) technical interest rate surviving dependants' pension 2.5%, adjusted by yield correction (20-year Euro Swap bid rate).

Age adjustment

Principal insured person - 3 years if negative risk premium is chosen
Co-insured person - 1 year (in case of death).

Age difference between insured person and partner

2 years.

Solvency margin

0.2% markdown on the market

Collection costs

1,5%