

Comparing options: a **stable** pension or a **variable** pension

Do you accrue pension with Pensioenfond PGB? And will you soon be 58 years of age? Or did you just turn 58? If so, you have an important choice to make in respect of your pension with us. When you retire would you like a stable pension? Or would you prefer to have a variable pension? The choice you now make determines how we invest your pension until you retire. When you are choosing an option, you must think about the risks you can and are prepared to run.

The following pages list the most important characteristics of a stable and a variable pension. It shows both the pros and the cons for example. And you can see how the choice you now make influences the choices you can make at a later stage.

What is what? What will you receive when you retire?

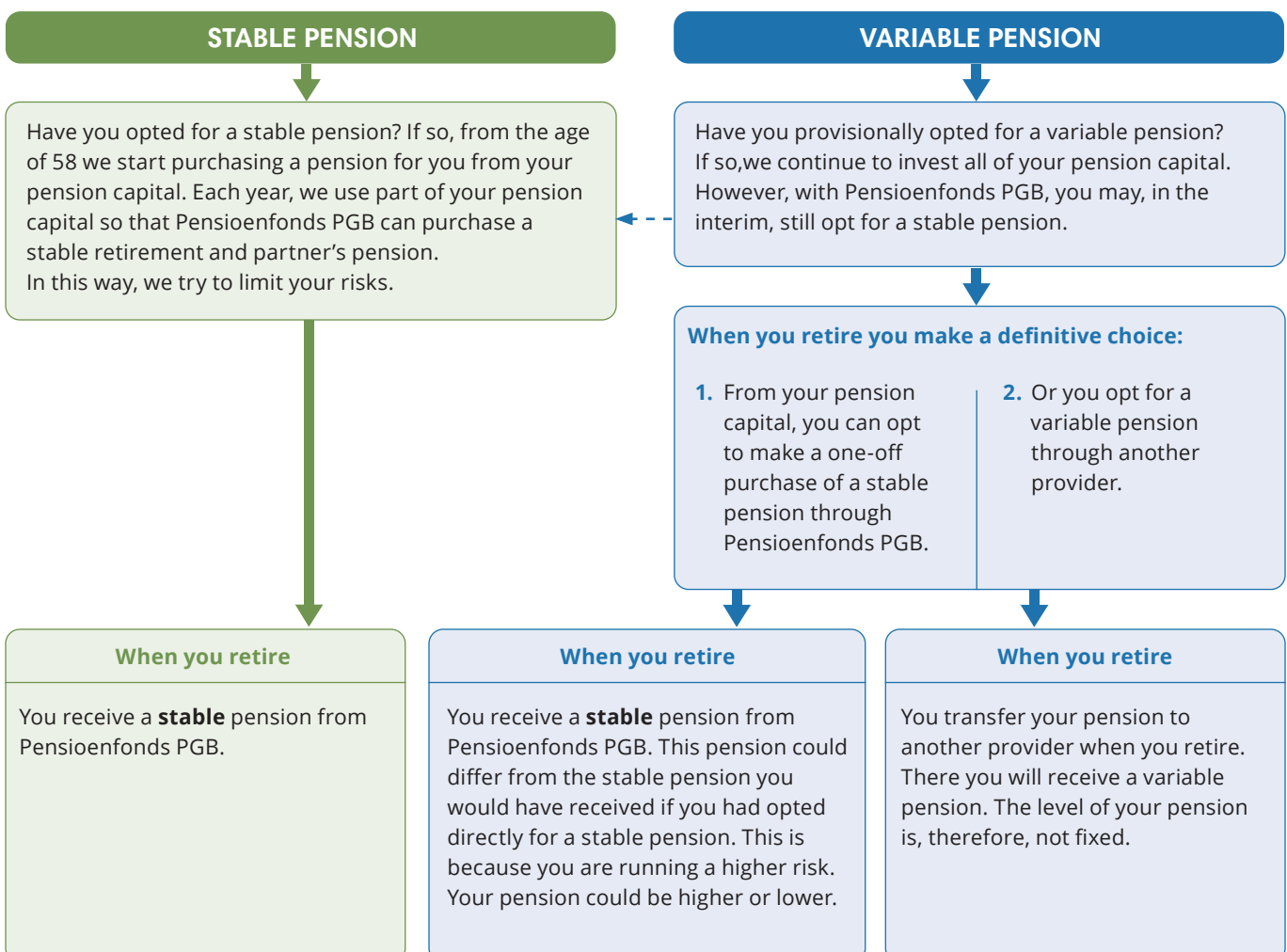
STABLE PENSION

With a stable pension you will know approximately how much monthly pension you will receive for the rest of your life.

VARIABLE PENSION

A variable pension means that the level of your pension is not fixed. Your pension depends on the investment results. These may be positive; but they could also be negative. The monthly pension you receive is, therefore, variable.

The path to a stable or variable pension



Compare the options

Here you can see the most important characteristics of the two options. You can also see the differences and what these mean for you.

1 What happens to your pension from the age of 58 until you retire?

Below you can compare how your pension is treated in this period.



What happens to your pension from the age of 58?

STABLE PENSION

Do you want a stable pension on retirement? If so, we use part of your pension capital each year to purchase a pension for you. We do this in the following way:

- If you are exactly 58? We convert 1/10 of your capital. The following year, we convert 1/9, the subsequent year 1/8 and so on.
- Annually, we purchase pension for you until you retire. If you have decided to retire early, we use your pension capital to purchase a pension in one go.

Any pension capital not used to purchase a pension will continue to be invested.

VARIABLE PENSION

Do you want a variable pension on retirement? If so, we will continue to invest all your pension capital until you retire. Did you previously choose an investment profile? If so, we will continue investing on your behalf using the investment profile you chose. However, each year you should check that your chosen investment profile still suits your needs.

To minimise the risks of disappointing results, we invest your pension capital with lower risk as you get closer to your retirement date.



What risks am I running until the time I retire?

STABLE PENSION

We try to limit your risks by purchasing a stable pension in stages. As a result...

- the level of your pension is not dependent on the interest rate at the moment of purchase. In this way we spread the interest rate risk.
- we lower the chance of your pension being reduced due to a negative investment return.

Until your retirement date, we invest the pension capital that you have with us. That is, therefore, the part we have not used to purchase a pension. The return on these investments could be positive or negative. Therefore, the amount of pension you receive is not definite. The amount depends on the investment results. You can choose an investment profile yourself for your pension capital. Your choice determines the risk you take. It also determines your opportunity for a higher pension. For more information, please refer to pensioenfondspgb.nl/en/investment-choice.

In periods of financial difficulty, we may have to lower your pension in stages. We only do this if there is no alternative. Would you like to know how that works? If so please refer to pensioenfondspgb.nl/en/financial-position.

VARIABLE PENSION

We continue to invest all your pension capital until you retire. The investment results can be positive; but they can also be negative. You can choose an investment profile yourself. Your choice determines the risk you take. It also determines your opportunity for a higher pension. For more information, please refer to pensioenfondspgb.nl/en/investment-choice.

Have you opted to purchase a stable pension with us on retirement? In that case your pension will be purchased in one go. This means that your pension depends on the interest rate at that moment.



Will my pension be raised until my retirement date, in line with prices or wages for example (indexation)?

STABLE PENSION

Each year, we use part of your pension capital to purchase a stable pension for you. Pensioenfonds PGB will raise this part if we have sufficient funds to do so. Would you like to know how that works? If so please refer to pensioenfondspgb.nl/en/financial-position.

VARIABLE PENSION

We do not increase your pension capital (via indexation) but you are entitled to a return. The amount of return you receive, depends on the investment results. The return could, however, be negative.

2 What are the pros and cons of a stable and variable pension?

The amount of pension you eventually receive is often uncertain. Below you can see the pros and the cons of a stable and variable pension.



After retirement, can the level of my pension change each year?

STABLE PENSION

Have you opted for a stable pension? If so, after your retirement, you will receive a stable pension from us for the rest of your life. The level could change as we may raise your pension or may even have to lower it (see below).

VARIABLE PENSION

Have you opted for a variable pension? If so, after your retirement, your pension may change each year as your pension depends on investment results. Your pension is not fixed, but depends on your provider's investment results. These may be positive; but they could also be negative. Consequently, every year your pension could rise or fall by up to 15%.



What risks am I running when I retire?

STABLE PENSION

In periods of financial difficulty, we may have to lower you pension in stages. However, we only do this if there is no alternative. Would you like to know how that works? If so, please refer to pensioenfondspgb.nl/en/financial-position.

VARIABLE PENSION

When you retire, are you planning to transfer your pension capital to another provider? If so, you will receive a variable pension from that provider. Your pension is not fixed but depends on the investment results of the relevant provider. In this case, the same applies: these results could be positive; but could also be negative. The amount of your pension also depends on the development of interest rates and average life expectancy. Every year your pension could rise or fall by up to 15%.



Will my pension be raised after my retirement date, in line with prices or wages for example (indexation)?

STABLE PENSION

Pensioenfonds PGB will raise your pension if we have sufficient funds to do so. Would you like to know how that works? If so, please refer to pensioenfondspgb.nl/en/financial-position.

VARIABLE PENSION

Are you transferring your pension capital to another provider? If so, whether or not this provider can raise your pension, depends on the provider and the pension product that you purchase.

3 What choices do you have in the future?

Below you can see what choices you have after you have opted for a stable or provisionally opted for a variable pension.



Can you reverse your choice?

STABLE PENSION

No. After you have opted for a stable pension you cannot change and opt for a variable pension. This is because we purchase a stable pension for you in stages. Your choice is therefore definitive.

VARIABLE PENSION

Yes. If you opted for a variable pension, you can subsequently (but only once) opt to have us purchase a stable pension in stages. If you wish to amend your choice, you do so via ks@pensioenfondspgb.nl. Your choice is, therefore, provisional.



Can you transfer your pension to another provider on your retirement date?

STABLE PENSION

No. We use your pension capital to purchase a stable pension in stages. When you retire, you will receive a stable monthly pension from us. Therefore, you cannot transfer your pension to another provider.

Have you changed employers in the interim?
If so, in most cases you can transfer your pension. We refer to this as value transfer.

VARIABLE PENSION

Yes. Your choice is, therefore, provisional. Eight months before you reach retirement age, you must decide whether you wish us to purchase a stable pension for you in one go, or transfer your pension capital to another provider. You will then receive a variable pension from that provider. This means that your pension from that provider depends on that provider's investment results.

We will provide a proposal for the purchase of a stable pension. You must ask other providers for proposals in respect of a variable pension.

It is not possible to purchase a guaranteed pension from another provider.



After retirement, can you continue investing?

STABLE PENSION

No. We use your pension capital to purchase a stable pension in stages. When you retire, you will receive a stable monthly pension from us.

VARIABLE PENSION

Yes. However, not with us. Have you, on retirement, opted to transfer your pension capital to another provider? If so, you will receive a variable pension from that provider. Your pension therefore depends on the investment results of that provider. You cannot receive a stable pension from another provider.

Would you like more information?

- Would you like more information about the choice between a stable or a variable pension? You can find this information at pensioenfondspgb.nl/en/investment-choice.
- Would you like to know how the choice affects the level of your pension? You can find this information in the secure environment of mijnpgbpensioen.nl.

Do you have any questions?

If so, we are happy to help!

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