

Contact person
Pension administration
Subject
Your pension build-up as from 1 January 2018

Direct number
013 462 12 32
Date
31 March 2018

You are currently building up pension with Stichting Pensioenfonds Avery Dennison. Your pension scheme at our pension fund changed as of 1 January 2018. This letter contains details of the changes.

1. The commencement age for new pension build-up has increased to 68 years old

On average we are living longer and therefore have to work longer as well. For that reason the government is increasing the old-age pension entitlement age in phases. In addition, the statutory pensionable age for pension that you are allowed to build up via your employer according to tax rules increased from 67 to 68 years on 1 January 2018. Avery Dennison has therefore adjusted the pension commencement age in the pension scheme to 68 years. This means that, as far as your pension build-up is concerned - in other words the amount that is set aside every year for your pension - we will assume that you are going to retire at 68. This adjustment applies to everyone who builds up old-age pension with our pension fund and is not yet retired. Consequently, this also applies to participants who are (partially) incapacitated for work and former participants.

How is this actually going to work?

We recalculate the pension based on a commencement age of 67 - the pension that you have built up until 31 December 2017 - according to pension that commences when you reach the age of 68. You will not, therefore, lose any pension. The fact that your pension is going to start later means we have to pay out for one year less. As a result, your pension benefit will increase.

You can retire earlier

If you do not want to retire when you reach the age of 68, you can retire earlier. The earliest you can retire is at age 55. If you wish to retire earlier than five years before your old-age pension entitlement age, you are not allowed to have income from work any more, nor have any in the future. You should also bear in mind that if your pension starts before you reach your old-age pension entitlement age, you will be faced with an income gap.

You can also retire later

You may want to continue working after your 68th birthday and have your pension start later. You can do so until you reach the age of 70. This is not going to change.

Are you, or are you going to become, incapacitated for work?

The pensionable age of 68 also applies if you are, or going to become, (partially) incapacitated for work. We will then continue your pension build-up on a non-contributory basis until the earliest of the following points in time: the end of the benefit under the Invalidity Insurance (Self-employed Persons) Act [Wet arbeidsongeschiktheidsverzekering, WAO] or Work and Income according to Labour Capacity Act [Wet Werk en Inkomen naar Arbeidsvermogen, WIA], your old-age pension commencement date, or the new pensionable age of 68.

What does the new pension commencement age mean for you?

We understand that you want to know what this new pension commencement age means for you personally. We are going to implement the change in our administration in the 1st quarter of 2018. Enclosed you will find a letter detailing your old and new amounts.

2. The partner's pension will not be reduced if your partner is a lot younger

The pension scheme used to include a provision to the effect that if a participant dies and the age difference with his or her partner is ten years or more, the partner's pension would be reduced by 1% for each full year that this partner is more than ten years younger than the participant. This provision has been scrapped as of 1 January 2018.

3. Article 17.4 on 'receiving a higher pension first' has been amended

One of the choices that you have when you retire is to temporarily receive a higher pension at the start. After that, you would receive a lower pension for the rest of your life. This 1st period is allowed to continue until you reach your old-age pension entitlement age, or until five or ten years after your 68th birthday. If you opt to temporarily receive a higher pension until your old-age pension entitlement age, this 1st period will then end on the 1st day of the month in which you reach your old-age pension entitlement age. Up to now this was the 1st day of the month following the month in which you reach your old-age pension entitlement age. The other two options (until five or ten years after your 68th birthday) will not change.

Please do not hesitate to call us if you have any questions: 013 462 12 32

You can contact us from Monday to Friday from 9.00 a.m. to 5.00 p.m. You can also send us an email: pensioenfondsAveryDennison@achmea.nl. Alternatively you can ask your question via *Contact* at www.pensioenfondsaverydennison.nl. We would be happy to answer any questions you have about your pension.

Yours sincerely

on behalf of Stichting Pensioenfonds Avery Dennison

Conversion letter

You are currently building up pension with Stichting Pensioenfonds Avery Dennison. The pension scheme was amended as of 1 January 2018. This letter details what this means for your personal situation.

What has changed?

As of 1 January 2018, the pensionable age has shifted from 67 to 68 years old. That was necessary due to changes in fiscal legislation.

What will be the consequences for you?

We will convert the pension that you have built up until 1 January 2018 into pension that commences when you reach the age of 68. The value of your pension remains the same. You will not lose anything, but we will use the value for a pension that starts at age 68 instead of age 67. Your pension will start later and will therefore be paid out for one year less. As a result, your pension benefit will increase. You can still have your pension start earlier than at age 68, for example at the same time as your old-age pension. If you have your pension start when you reach your old-age pension entitlement age, the amounts will be lower.

The amount of your pension

Below you can find your pension amounts as at 31 December 2017 (before the conversion) and as at 1 January 2018 (after the conversion). This shows you what the shift in the pensionable age means for you personally.

Upon retirement

<i>You built up</i>	<i>until 31 December 2017 as from 1 January 2018</i>
from your 67 th birthday for the rest of your life	xxx
from your 68 th birthday for the rest of your life	xxx

The 2018 UPO shows your pension as of 1 January 2018

We send you a Uniform Pension Overview (UPO) every year. Normally this will show your pension amounts as of 31 December of the previous year. However, the coming 2018 UPO will show your pension as of 1 January 2018, recalculated according to the pensionable age of 68. This makes it easier for you to compare the amounts on the pension review with the amount in this letter (see page 1). You will receive the 2018 UPO later this year.

Your pension rose by 0.79% as of 1 January 2018

The board increased your pension by 0.79% as of 1 January 2018. This increase has not yet been applied to the amounts mentioned in this letter, because we still have to process it in our administrative records. You will see your pension amounts as at 1 January 2018 *including* this increase on the 2018 UPO.

Please visit www.pensioenfondsaverydennison.nl if you have any questions

You can find a lot of information and answers on our website. Alternatively, you can submit a question under *Contact*. If you prefer, you can telephone us on from Monday to Friday from 8.30 a.m. to 5.00 p.m. on 013 462 12 32. We would be happy to help!

Yours sincerely

on behalf of Stichting Pensioenfonds Avery Dennison