

## Great turnout for annual information evening



*Eric Dorn speaking at the information evening  
Photograph Annemiek Mommers*

The annual information evening that Pensioenfonds SABIC (SPF) held on 12 October drew many members and pensioners. Over 175 people had found their way to the Fortunato Congress Centre in Sittard to be informed about pensions and listen to presentations by SPF chairman Eric Dorn and deputy chairman Geert Bonte. Eric Dorn explained the new pension scheme and SPF's financial position, while Geert Bonte discussed the development of the recovery plan and the governance structure of SPF. After their presentations, the audience was given the opportunity to ask Dorn and Bonte questions about miscellaneous pension issues.

## Pension accrual to change as from 2012

As from 2012, calculation of the amount of pension premium to be paid jointly by employer and employee will be based on a retirement age of 66 rather than 65, as it used to be. This is in line with the new pension scheme introduced at SPF at the beginning of this year. This change is more of a disadvantage for young SABIC employees with a long pension accrual period before them than for older employees for whom the remaining accrual period is only short. On the plus side, as from 2011 the accrual percentage will be 2.1% versus 2.0% now, resulting in a higher pension. More information on SPF's new pension scheme can be found [here](#).

For all your pension questions:  
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## Will having children affect my pension?

When you get children there are a lot of changes in your life. Maybe you want to work fewer hours so as to have more time for your children. In that case several options are open to you.

One of these is taking parental leave. You remain employed by SABIC but work fewer hours on a temporary basis. Via your employer you continue to build up pension benefits over the time that you work. Another option is taking unpaid leave. During your absence no pension accrual takes place. If you decide to take leave under the life course savings scheme, partial pension accrual will take place during your absence.

There is yet another link between children and your pension. Upon your death, not only a partner's pension is paid out but your children also receive an orphan's pension.

## Pension arrangements: better together than alone

Some people think it's better to make your own pension arrangements than have a pension fund handle this for you. However, the collectiveness and solidarity of the Dutch pension system have major advantages that outweigh the drawback of mandatory participation in a pension fund.

For a good pension it is essential that the pension premiums are invested. Investing entails risk and can better be done by pension fund professionals than by separate individuals. This also makes it possible to spread the investment risk over time and over many people.

Besides the investment risk, other risks, too, are better handled in a collective and solidary pension fund. Outside a pension fund, anyone who dies at an early age or becomes disabled for work would not have built up enough for a partner's pension or disability pension.

In collective pension arrangements, economies of scale ensure that all kinds of pension-related costs are lower than for individually arranged pensions.

For more information about collective or individual pension, please read the article on the SPF website, which you can find [here](#).

## Decision about indexation in December



In view of SPF's current financial situation, with a funding level below 105%, the SPF board will probably decide in the course of December that no indexation will take place in 2012. Indexation may be decided on only if the funding level has been higher than 105% in three quarters. At SPF, indexation take place only if the funding level is 110% or higher.

On the SPF website you will find a comprehensive [article](#) about the consequences of the financial situation for the fund. It also discusses the reactivation of the recovery plan that SPF had to draw up in 2009.

An important message in this article is that for the time being the chances of indexation are slim, while there also is a possibility that early next year cutting of the pensions in 2013 will have to be announced if it is anticipated that the fund will not be able to achieve a funding level of 105% before 2014.

## Geert Bonte leaves SPF board

SPF deputy chairman Geert Bonte has resigned as SPF board member with effect from 16 November because he is leaving the company. Bonte has been on the board as employee representative since 1 January 2009.

In connection with his departure, the SABIC Works Council has meanwhile been asked to propose a new candidate for the board. This candidate must meet a range of professional requirements, while he or she will also have to be able to spend the necessary time on SPF board activities.



Geert Bonte

Experience has shown that board members should have 200 hours a year available for board activities. The number of hours to be put in by the deputy chairman will be substantially higher.

Board members do not receive remuneration or travel expenses from the fund. The required facilities are made available by the employer. The new board member will also be tested by De Nederlandsche Bank (DNB) to verify his or her expertise and reliability. The board can appoint its new member only when DNB has confirmed that it has no objections.