



# Pension Regulations

Stichting Pensioenfonds SABIC

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# CHAPTER 1 – GENERAL INFORMATION

## 1 DEFINITIONS

1.1 In these regulations, the following terms have the stated meaning:

<b>Commutation Limit</b>	the amount as referred to in Section 66(1) of the Pensions Act (€497.27 per year - as of January 1, 2020)
<b>State Retirement Age</b>	the age as referred to in Section 7a of the Dutch General Old Age Pensions Act ( <i>Algemene Ouderdomswet, AOW</i> ).
<b>AOW Benefit</b>	the gross retirement pension allocated annually to a married person under the AOW plus the holiday allowance applicable when the Pension Base is adopted.
<b>Disability</b>	a situation in which a person is entitled to benefits under the Dutch Work and Income (Capacity for Work) Act ( <i>Wet werk en inkomen naar arbeidsvermogen, WIA</i> ).
<b>Policy Funding Level</b>	the policy funding level defined in Section 133a of the Dutch Pensions Act ( <i>Pensioenwet, Penw</i> ).
<b>Board</b>	the board of the Fund.
<b>Special Partner's Pension</b>	<ul style="list-style-type: none"><li>the partner's pension or temporary partner's pension that would have been received had Membership ended on the Separation Date.</li><li>The partner's pension or temporary partner's pension that the Deferred Member received for the Former Partner on termination of Membership</li></ul>
<b>Member</b>	<ul style="list-style-type: none"><li>the Employee</li><li>a disabled former Employee entitled to non-contributory pension accrual as specified in Article 15.</li></ul>
<b>Membership Years</b>	the years between the date on which Membership began and the date on which Membership ended, with due regard for Article 12.2. Additional Membership Years resulting from value transfer are also regarded as Membership years. Membership Years are concurrent with a calendar year and are determined precisely in days.
<b>Part-Time Employment</b>	Part-Time Employment is defined as when a Member works fewer hours in a calendar year under his contract of employment with the Employer than are worked under a full-time contract of employment under the terms of the Collective Labor Agreement.
<b>Part-Time Factor</b>	the relationship between the number of hours to be worked in Part-Time Employment and the number of hours to be worked in full-time employment under the terms of the Collective Labor Agreement.

<b>Fund</b>	Stichting Pensioenfonds SABIC, established in Sittard, the Netherlands.
<b>Deductible</b>	the part of pensionable pay on which no pension is accrued, which is 100/75 of the AOW Benefit applicable to married persons with a Partner older than the State Retirement Age (on January 1, 2020: €14,167). The Board adjusts the amount of the Deductible in accordance with the annual indexation of the AOW Benefit on January 1 of the year over which the contribution is levied.
<b>Pensioner</b>	a person to whom a pension is already being paid.
<b>Deferred Member</b>	a person whose Membership has ended, with due regard for Article 2.2, other than as a result of death or retirement and who may derive rights from these pension regulations, but for whom no further pension is acquired.
<b>Recovery Plan</b>	the recovery plan as defined in Sections 138 and 139 of the Pensions Act.
<b>Child</b>	The Child of a Member or Deferred Member, who has a legal family relationship with him or her. The Board is authorized to regard a stepchild or foster child who belonged to the household of a Member or Deferred Member and was supported and brought up by him/her until his/her death, as his/her own Child, unless the Child was taken into the foster parents' family after the Pension Start Date.
<b>Partner</b>	<ol style="list-style-type: none"> <li>the woman or man to whom the Member or Deferred Member was married before the Pension Start Date;</li> <li>a woman or man whose Partnership with the Member or Deferred Member was registered with the civil registration authorities before the Pension Start Date in the manner specified in Book 1 of the Dutch Civil Code prior to reaching Pension Age;</li> <li>the Registered Partner.</li> </ol>
<b>Registered Partner</b>	<p>the person with whom the Member, Deferred Member, or Pensioner was living outside of marriage before the Pension Start Date is recognized as the Registered Partner at the Member's or Deferred Member's request if the following conditions are met:</p> <ul style="list-style-type: none"> <li>the Registered Partner is unmarried, has not entered into a registered Partnership, and is not a direct blood relation of the Member or Deferred Member;</li> <li>the Partners run a joint household, which is evidenced by an extract from the population register;</li> <li>the joint household must have started before the Member or Deferred Member reached his/her Pension Start Date; and</li> </ul>

	<ul style="list-style-type: none"> <li>the Partners have a cohabitation contract drawn up by a notary, containing provisions relating to property law.</li> </ul>
<b>Former Partner</b>	a Partner whose Partnership ended by Separation.
<b>Partnership</b>	The formal relationship of a Member, Deferred Member, or Pensioner with a Partner. For the purposes of these regulations, only one person will be considered a Partner.
<b>Pensioner</b>	Person to whom a pension is being paid under these regulations.
<b>Pension base</b>	The Pensionable Pay less the Deductible. The Pension Base is established on the date on which Membership begins and thereafter on the first of January of each calendar year.
<b>Pension Start Date</b>	<ul style="list-style-type: none"> <li>a. the date on which the Member or Deferred Member reaches the age of 68; or</li> <li>b. the date chosen by the Member or Deferred Member in accordance with Article 9.</li> </ul>
<b>Pension Age</b>	for the retirement pension this age is 68.
<b>Pensionable Pay</b>	<p>the sum of the pay elements given in Annex 1 which together amount to <u>no more than</u> the limit specified in Section 18ga of the Wages and Salaries Tax Act 1964 (€110,111 – as at January 1, 2020).</p> <p>The pension entitlements are determined by considering the Pensionable Pay on the first day of employment, and then the Pensionable Pay on January 1, and are based on full-time pay.</p>
<b>Uncapped Pensionable Pay</b>	<p>the sum of the gross pay elements listed in Bijlage 1, including the pay elements above the limit as referred to in Section 18ga of the Wages and Salaries Tax Act 1964 (€107,593 – as of January 1, 2019).</p> <p>The pension entitlements always based on the pay on the first of January and established on the basis of full-time pay.</p>

<b>Separation</b>	<p>the termination of the partnership by:</p> <ul style="list-style-type: none"> <li>• dissolution of the marriage through divorce;</li> <li>• dissolution of a marriage after legal separation;</li> <li>• termination of a registered Partnership; or</li> <li>• termination of the Partnership with a Registered Partner.</li> </ul>
<b>Separation Date</b>	<p>the date of Separation recorded in the civil registers, or the date on which cohabitation as defined in this Article is terminated or the Partnership with the Registered Partner is severed as stated in a written notice from the Member or Deferred Member or his/her Partner</p>
<b>Administration Agreement</b>	<p>the Administration Agreement 2019-2023 between the Employer and the Fund dated December 31, 2018, including any subsequent additions or amendments to that agreement.</p>
<b>Union Organizations</b>	<p>the Union Organizations as referred to in Article 21.1 of the Fund's articles.</p>
<b>Employer</b>	<ul style="list-style-type: none"> <li>• SABIC Europe B.V., established in Sittard, for Employees employed by SABIC Europe B.V.</li> <li>• SABIC Limburg B.V., established in Sittard, for Employees employed by SABIC Limburg B.V.</li> <li>• SABIC Capital B.V., established in Amsterdam, for Employees employed by SABIC Capital B.V.</li> <li>• SABIC Innovative Plastics B.V., established in Bergen op Zoom, for Employees employed by SABIC Innovative Plastics B.V., and</li> <li>• SABIC Global Technologies B.V., established in Bergen op Zoom, for Employees employed by SABIC Global Technologies B.V.</li> </ul>
<b>Employee</b>	<p>an Employee who is employed by the Employer by virtue of a contract of employment as defined in Section 7:610 of the Dutch Civil Code.</p>

## **2 BEGINNING AND END OF MEMBERSHIP**

- 2.1 Membership begins on the first day of employment with the Employer.
- 2.2 Contrary to Article 2.1, the Membership of employees of SABIC Innovative Plastics B.V. and SABIC Global Technologies B.V. commences on January 1, 2014 or on the first day of employment with SABIC Innovative Plastics B.V or SABIC Global Technologies B.V. if this date is after January 1, 2014.
- 2.3 Membership ends:
- a) on reaching the Member's Pension Start Date;
  - b) on the death of the Member;
  - c) on termination of the Member's contract of employment; or
  - d) on the date the Member reaches the Pension Age at the latest.
- 2.4 Notwithstanding Article 2.3 under c), Membership does not end if a former Employee is entitled to non-contributory pension accrual as referred to in Article 15. In that case, Membership ends as soon as the entitlement to non-contributory pension accrual, as referred to in Article 15, ends.
- 2.5 If and insofar as the employment contract, as referred to in Article 2.3 under c), ends on State Retirement Age, Membership will not end, notwithstanding Article 2.3 under c), if the following conditions are met:
- the Employer and the Employee have concluded a new, individual contract of employment that contains a pension agreement, the details of which are laid down in these and any future regulations; and
  - the Employer has given the Fund written notification of the content of the pension agreement between the Employer and the Employee.

The provisions of Article 2.3 under a), b) and c) (insofar as employment ends after State Retirement Age) and Article 2.3 under d) remain fully in force.



### 3 FINANCE AND CONTRIBUTIONS

#### ***Collective defined contribution scheme***

- 3.1 The Employer makes a fixed annual contribution to the Fund as provided for in Article 3.3. The Fund uses this contribution to accrue pension as provided for in these pension regulations. However, the future pension accrual may be lowered in accordance with Article 23.7 *et seq.* if the collective, predetermined Employer's contribution is not sufficient to achieve the intended pension accrual at any time.
- 3.2 On payment of the annual contribution, the Employer fully and finally meets its financial pension obligations. The Employer thus has no further financial obligations in respect of past Membership years and pensions already accrued. The Fund will not grant the Employer any discounts on contributions or other rebates of any kind. The Employer cannot be obliged to pay contributions higher than those specified in the Administration Agreement.

#### ***Employer's contribution***

- 3.3 The total annual contribution is a percentage of the sum of the Pensionable Pay of the Employees who are Members of this pension scheme. The percentage equals the percentage of the Pensionable Pay of the Fund Members as agreed in Article 3.1 of the Administration Agreement. This contribution is included in the Member's Contribution as described in Article 3.4 The Employer is liable for the payment of a percentage of the sum of the Employees' Pensionable Pay over and above the threshold amount provided for in Section 18ga of the Wages and Salaries Tax Act 1964 (€ 107,593 - effective January 1, 2019) for the disability pension exceeding the threshold amount. The percentage is equal to the percentage as referred to in Article 3.2 of the Administration Agreement.

#### ***Member's contribution***

- 3.4 The Member may be liable for a contribution as specified in the pension agreement applicable to him. The Employer withholds the Members' contributions from their pay in installments and pays them to the Fund as part of the Employer's contribution as referred to in Article 3.1
- 3.5 No contributions are payable, and no entitlements are acquired for periods during which no pay is received. If and in so far as contributions are paid for these periods, entitlements will still be granted for them.

#### ***Employer's caveat***

- 3.6 The Employer reserves the right to reduce, suspend, or end its contribution to the Fund, as referred to in Article 3.3 if there is a fundamental change of circumstances as referred to in Section 12 of the Pensions Act.
- 3.7 As soon as the Employer makes use of this caveat, the Fund will notify in writing those whose pension or entitlement to pension is affected by this. The procedure as described in Article 23.1 to 23.6 will also come into effect.



### ***Administration Agreement***

- 3.8 The contribution is specified in more detail in the Administration Agreement concluded between the Fund and the Employer.

### ***Funding***

- 3.9 The annual entitlements must always be fully funded by the end of each calendar year or, if Membership ends earlier, by the end of Membership.

# CHAPTER 2 – BASIC PENSION

## PENSION ACCRUAL

### 4 DESCRIPTION OF THE PENSION ENTITLEMENTS

#### ***Pension entitlements***

- 4.1 With due regard for the provisions of these pension regulations, Membership grants entitlement to:
- a) a retirement pension for the Member or Deferred Member;
  - b) a partner's pension for the Partner on the death of the Member, Deferred Member, or Pensioner;
  - c) a temporary partner's pension for the Partner on the death of the Member or Pensioner;
  - d) a supplementary partner's pension for the Partner on the death of the Member or a Pensioner entitled to a PPS benefit as referred to in Article 11 of the Pre-pension Saving Regulations immediately following the period of employment with the Employer.
  - e) an orphan's pension for each Child on the death of the Member, Deferred Member, or Pensioner;
  - f) a disability pension for the Member.

#### ***Benefit payment agreement***

- 4.2 The pensions described in this chapter are covered by a benefit payment agreement as referred to in Section 10 of the Pensions Act, on the understanding, however, that if a situation as defined in Article 19 of the Articles of Association and/or Article 23 of these regulations arises at any time, the pension entitlements and rights may be reduced in the manner described in those provisions.

#### ***Commutation or sale***

- 4.3 The pension entitlements under these regulations may not be commuted, sold, or relinquished, or formally or actually become the object of security, except in the cases provided for by, or by virtue of, the Pensions Act.

## 5 RETIREMENT PENSION

### ***Amount of the retirement pension***

- 5.1 With effect from January 1, 2019, the lifelong retirement pension per Membership year is 1.875% of the Pension Base in that year. The retirement pension to be paid each year is equal to the sum of the pension accrued during Membership, including the conditional indexation in accordance with Articles 20 and 21.
- 5.2 The entitlement to retirement pension granted on a part of a Membership year is proportional to the number of days' Membership in that year.
- 5.3 Both the accrued pension entitlements and rights and pension accrual can be reduced under the limiting provisions established in Article 23.
- 5.4 The retirement pension will not exceed the amount allowed under Section 18a of the Wages and Salaries Tax Act 1964.

### ***Beginning and end of the retirement pension***

- 5.5 The retirement pension begins on the Pension Start Date. The Board may decide on another start date for the retirement pension in the favor of the beneficiary.
- 5.6 The retirement pension ends on the last day of the month of the Pensioner's death.

## 6 PARTNER'S PENSION

### ***Entitlement to partner's pension***

- 6.1 On the death of a Member, Deferred Member, or Pensioner the Partner has a right to a Partner's Pension. With effect from January 1, 2018, the Partner's Pension for each Membership year is 1.3125% of the Pension Base in that year. The partner's pension to be paid each year is equal to the sum of the pension accrued during Membership, including the conditional indexation in accordance with Articles 20 and 21.
- 6.2 The partner's pension as referred to in Article 6.1 for the Partner of a deceased Member is increased to the amount of the partner's pension that would have been received had Membership continued until the State Retirement Age, or until the standard retirement age as referred to in Section 18a of the Wages and Salaries Tax Act 1964, if earlier, was reached based on the last established Pension Base prior to the Member's death.
- 6.3 Notwithstanding Article 6.2, the partner's pension for the Partner of a deceased Member to whom Article 15 applied immediately before he/she died will be increased to the partner's pension that would have been received had the provisions of Article 15 remained applicable until State Retirement Age, or until the standard retirement age referred to in Section 18a of the Wages and Salaries Tax Act 1964, if earlier.
- 6.4 The partner's pension will not exceed the amount allowed under Section 18b of the Wages and Salaries Tax Act 1964.
- 6.5 The partner's pension begins on the first day of the month following that in which the Member, Deferred Member, or Pensioner dies. The partner's pension ends on the last day of the month in which the Partner dies.

### ***Entitlement to temporary partner's pension***

- 6.6 For a Partner who has not yet reached State Retirement Age, the partner's pension is supplemented by the temporary partner's pension. With effect from January 1, 2018, the temporary partner's pension for each Membership year is 0.2625% of the Pension Base in that year. The temporary partner's pension to be paid each year is equal to the sum of the pension accrued during Membership, including the conditional indexation in accordance with Articles 20 and 21.
- 6.7 The temporary partner's pension as referred to in Article 6.6 for the Partner of a deceased Member is increased to the partner's pension that would have been received had Membership continued until State Retirement Age, or until the standard retirement age referred to in Section 18a of the Wages and Salaries Tax Act 1964, if earlier, based on the last established Pension Base prior to the Member's death, provided that the temporary partner's pension together with the supplementary partner's pension, as referred to in Article 7 does not exceed the amount allowed under tax laws and regulations.

- 6.8 Notwithstanding Article 6.7, the temporary partner's pension for the Partner of a deceased Member to whom Article 15 applied immediately before he/she died will be increased to the temporary partner's pension that would have been received had the provisions of Article 15 remained applicable until State Retirement Age, or to the standard retirement age referred to in Section 18a of the Wages and Salaries Tax Act 1964, if earlier, provided that the temporary partner's pension together with the supplementary partner's pension, as referred to in Article 7 does not exceed the amount allowed under tax laws and regulations.
- 6.9 The temporary partner's pension begins on the first day of the month following that in which the Member or Deferred Member dies and ends:
- a) upon death, on the last day of the month in which the Partner dies;
  - b) or when the Partner reaches the State Retirement Age at the latest.

***Limitations of the partner's pension or temporary partner's pension***

- 6.10 The Special Partner's Pension as described in Article 13 is deducted from the partner's pension or temporary partner's pension as described in Articles 6.1 and 6.6.
- 6.11 If a surviving Partner entitled to a partner's pension or temporary partner's pension, as referred to in Articles 6.1 and 6.6, forms a new Partnership, the part of the partner's pension or temporary partner's pension that can be considered received for the fictitious Membership years after the Member's death lapses.
- In addition to Article 1, Partnership in this article also means: cohabitation of two partners who are both unmarried, have not entered into a registered partnership, and are not direct blood relations or relations by marriage.
- 6.12 Both the accrued pension entitlements and rights and pension accrual as referred to in this article can be reduced under the limiting provisions established in Articles 23.1 to 23.6.

## 7 SUPPLEMENTARY PARTNER'S PENSION

### ***Entitlement to supplementary partner's pension***

- 7.1 After the death of:
- a Member; or
  - a Pensioner who, immediately following his employment contract with his Employer, was entitled to a PPS benefit within the as referred to in Article 11 van het Pre-Pension Savings Regulations and/or Retirement Pension as referred to in Article 5;
- the Partner has a right to a supplementary partner's pension, if the Partner has not yet reached the State Retirement Age and is entitled to a partner's pension or temporary partner's pension.
- 7.2 The sum insured as supplementary partner's pension is based on the gross benefit under the General Dependents' Act (ANW) for a surviving Partner without Children. This amount (€15,815 – as of January 1, 2020) is equal to the ANW Benefit as referred to in Section 17.1 of the General Dependents Act. The supplementary partner's pension together with the temporary partner's pension under Article 6.6 *et seq.* does not exceed the maximum allowed under the tax laws and regulations.

### ***Beginning and end of the supplementary partner's pension***

- 7.3 The supplementary partner's pension begins on the first day of the month following that in which the Member, Deferred Member, or Pensioner as referred to in Article 7.1 dies and ends:
- on the formation of a new Partnership, as referred to in Article 6.11, on the first day of the month following that in which the new Partnership is formed;
  - upon death, on the last day of the month in which the Pensioner dies; or
  - when the Pensioner reaches the State Retirement Age at the latest.

### ***Supplementary partner's pension and Disability***

- 7.4 The provisions of Articles 7.1 and 7.2 apply by analogy to the surviving Partner of a Member who, on his or her death, enjoyed non-contributory pension accrual because of Disability, as defined in Article 15, on the understanding that the supplementary partner's pension is granted proportionally and in connection with Disability of:

Percentage of Disability:	Supplementary partner's pension granted
35% to 45%	40%
45% to 55%	50%
55% to 65%	60%
65% to 80%	75%
80% to 100%	100%

## 8 ORPHAN'S PENSION

### ***Amount of the orphan's pension***

- 8.1 On the death of a Member, Deferred Member, or Pensioner the Child has a right to an Orphan's Pension. With effect from January 1, 2018, the Child's orphan's pension for each Membership Year is 0.2625% of the Pension Base in that year. The orphan's pension to be paid each year is equal to the sum of the accrual during Membership, including the indexation or conditional indexation under Articles 20 and 21.
- 8.2 The orphan's pension as referred to in Article 8.1 for a Child of a deceased Member is increased to the orphan's pension that would have been received had Membership continued until State Retirement Age, or until the standard retirement age referred to in Section 18a of the Wages and Salaries Tax Act 1964, if earlier, was reached based on the last established Pension Base prior to the Member's death.
- 8.3 The orphan's pension for a Child of a deceased Member to whom Article 15 applied immediately before he/she died will be increased to the orphan's pension that would have been received had the provisions of Article 15 remained applicable until State Retirement Age.
- 8.4 The orphan's pension for a Child whose parents have both died will be doubled.
- 8.5 The orphan's pension will not exceed the amount allowed under Section 18c of the Wages and Salaries Tax Act 1964.

### ***Beginning and end of the orphan's pension***

- 8.6 The orphan's pension begins on the first day of the month following that in which the Member, Deferred Member, or Pensioner dies.
- 8.7 The orphan's pension ends on the last day of the month in which Child:
- a) reaches the age of 18;
  - b) reaches the age of 27, if and for as long as the Child is a student under the provisions of the Study Finance Act 2000 (*Wet studiefinanciering 2000*); or
  - c) dies before the age stipulated in Article 8.7 under a) or Article 8.7 under b) .

### ***Limitation and extension of the orphan's pension***

- 8.8 The Board is authorized to decide, should the situation arise, to regard a Child who is a student but does not fulfill the aforementioned criteria as being equal to a Child who is a student within the meaning of this article.
- 8.9 A Child born after the Member or Deferred Member has reached the Pension Start Date is not entitled to an orphan's pension.
- 8.10 At the request of the Fund, a Child who is a student must present the evidence ('study declaration') required for the continuation of the orphan's pension.



## PENSION OPTIONS

### 9 FLEXIBLE PENSION START DATE

#### ***Early payment of the retirement pension***

- 9.1 At the request of the Member or Deferred Member, the retirement pension may begin before Pension Age is reached, but not before the first day of the month in which the Member or Deferred Member turns 60.
- 9.2 Early payment, as referred to in Article 9.1, of a full or partial retirement pension that begins before the Member or Deferred Member reaches the applicable State Retirement Age minus five years is possible only if the Member or Deferred Member is able to produce a written declaration demonstrating to the Fund that he/she will no longer perform paid work, or proportionally less paid work, as from the day on which the retirement pension begins.

#### ***Deferment of the retirement pension***

- 9.3 At the request of the Member or Deferred Member, the full or partial retirement pension may begin later than the date on which Pension Age is reached, but not beyond the date on which he/she reaches an age that is five years older than the State Retirement Age.

#### ***Deadline for applications for early payment and deferment of the pension***

- 9.4 A request for early payment or deferment of the pension will be accepted only if it is submitted to the Board at least three months, but no more than six months, before the desired Pension Start Date or before the date on which the Member reaches the Pension Age.

#### ***Calculating an early or deferred retirement pension***

- 9.5 If a retirement pension calculated in accordance with Article 5 is paid early or deferred, it will be reduced or increased based on the factors in Bijlage 2.

#### ***Option to vary the benefit at the beginning of the retirement pension***

- 9.6 On the Pension Start Date, a Member or Deferred Member may choose to vary the amount of the benefit by a ratio of no more than 100 : 75. When applying this 100 : 75 ratio, an amount equivalent to twice the AOW Benefit for a married person as defined in the General Old Age Pensions Act may be disregarded when calculating the level of the benefit before the State Retirement Age. The calculation is based on the fund bases laid down in Bijlage 2 to these regulations.

#### ***Establishing the factors***

- 9.7 The Board determines the factors for the options referred to in Articles 9.1, 9.3, and 9.7 on the basis of collective actuarial equivalence. Future changes to the factors will be binding on all Members or Deferred Members of the Fund.

## 10 CONVERSION

### ***Converting retirement pension into partner's pension***

- 10.1 At the end of Membership or on the Pension Start Date, a Member or Deferred Member may opt to use part of the retirement pension entitlement for a partner's pension or increased partner's pension.
- 10.2 The choice is made using an option form which the Fund makes available to the Member or Deferred Member on request. The Member or Deferred Member must sign and return it to the Fund at the end of Membership or at least three months, but no more than six months, before the Pension Start Date.
- 10.3 After exchange, the partner's pension must not exceed 70% of the remaining retirement pension.
- 10.4 The conversion as referred to in Article 10.1 does not relate to the equalized portion of a retirement pension as referred to in Article 13.
- 10.5 Conversion within the meaning of Article 10.1 reduces the retirement pension based on the conversion factors in Bijlage 2.

### ***Converting partner's pension into retirement pension***

- 10.6 On the Pension Start Date, a Member or Deferred Member may opt to use all or part of the entitlement to a partner's pension or temporary partner's pension to increase the retirement pension.
- 10.7 The choice is made using an option form which the Fund makes available to the Member or Deferred Member on request. The Member or Deferred Member must return the option form to the Fund at least three months, but no more than six months, before the Pension Start Date, signed both by the Member or Deferred Member and, where applicable, by his/her Partner.
- 10.8 For a Member or Deferred Member with no Partner, the partner's pension or temporary partner's pension is converted into a higher retirement pension on the Pension Start Date in accordance with the conversion factors in Bijlage 2.
- 10.9 Conversion as referred to in Article 10.6 increases the retirement pension based on the conversion factors in Bijlage 2 and fully or partially cancels the entitlement to a partner's pension or temporary partner's pension.
- 10.10 A Special Partner's Pension is not eligible for exchange within the meaning of this Article.

### ***Establishing the factors***

- 10.11 The Board determines the conversion factors, as referred to in Articles 10.5, 10.8, and 10.9 on the basis of collective actuarial equivalence. Future changes to the factors will be binding on all Members or Deferred Members of the Fund.

## 11 PART-TIME PENSION

### ***Part-time pension options***

- 11.1 The Member has the right to retire part-time, provided that the most recently agreed working hours are simultaneously reduced by at least a proportional amount. The Member has only one opportunity to choose part-time retirement and the choice may not be revoked by the Member or the Employer.

### ***Beginning of the part-time pension***

- 11.2 The part-time pension may not begin before the Member's 60th birthday. A request for a part-time pension will be accepted only if it is submitted to the Board at least three months, but no more than six months, before the desired Pension Start Date of the part-time pension.
- 11.3 The part of the retirement pension that is paid as part-time pension is calculated in accordance with the provisions of Article 9 on early payment of the retirement pension.

## SPECIAL SITUATIONS

### 12 PART-TIME MEMBERS

- 12.1 The contribution for the Member in part-time employment is calculated on the Pensionable Pay multiplied by the Part-time Factor.
- 12.2 The number of Membership Years during part-time employment is corrected by multiplying it by the Part-time Factor.
- 12.3 If, during part-time employment, Membership ends as a result of death:
- the partner's pension as referred to in Article 6.2;
  - the temporary partner's pension as referred to in Article 6.6;
  - the orphan's pension as referred to in Article 8.2,
- are corrected by multiplying them by the Part-time Factor.
- 12.4 If the Member or Pensioner was in part-time employment before his/her death or at the end of his/her employment, the supplementary partner's pension, as referred to in Article 7, is corrected by multiplying it by the Part-time Factor.
- 12.5 If the employment ends during the part-time employment because of Disability, the amount of non-contributory pension accrual because of Disability, as referred to in Article 15.1, for the years after termination of the Membership is calculated based on the retirement pension to be achieved in accordance with Article 15 multiplied by the Part-time Factor.
- 12.6 The Disability pension, as referred to in Article 16, granted after part-time employment is corrected by multiplying it with the Part-time Factor.
- 12.7 At the Employer's request, the Board may decide not to apply the provisions of Articles 12.1 to 12.6

## 13 PENSION AND SEPARATION

### ***Retirement pension***

- 13.1 In the event of divorce or legal separation or the termination of a registered Partnership, the retirement pension accrued during the Partnership will be settled in accordance with the Pension Entitlements Settlement (Separation) Act [*Wet verevening pensioenrechten bij scheiding*].
- 13.2 The provisions of Article 13.1 do not apply if the parties have excluded the equalization of pension rights on Separation by means of a deed drawn up for this purpose.
- 13.3 If the Partnership with the Registered Partner is terminated, the Board may apply the provisions of Article 13.1 if both parties have agreed this in a cohabitation contract drawn up by a notary or in a notarial deed drawn up on termination of the cohabitation contract.
- 13.4 The Board may charge both parties an equal share of the costs of settlement.

### ***Special Partner's Pension***

- 13.5 The former Partner or Partners of the deceased Member or Deferred Member may be entitled to a Special Partner's Pension.
- 13.6 The Special Partner's Pension begins on the first day of the month following that in which the Member or Deferred Member or Pensioner dies. The Special Temporary Partner's Pension ends on the last day of the month in which the Former Partner dies, but no later than on the Former Partner's State Retirement Age.
- 13.7 The Special Partner's Pension is equal to the partner's pension or temporary partner's pension that would have been received if Membership had ended on the Separation date, less the Special Partner's Pension or Pensions already granted. If the Separation date is after the date on which Membership ended, the termination date replaces the Separation date for the purposes of this Article.
- 13.8 The Fund informs the Former Partner of the amount of the entitlement to Special Partner's Pension.
- 13.9 The provisions of this article may be excluded by both partners by means of a deed drawn up for this purpose. The deed is valid only if accompanied by a declaration of the Fund, which indicates that the Fund is prepared to cover any pension risk arising from the deviation.
- 13.10 If a Former Partner who is entitled to Special Partner's Pension dies before the Member or Deferred Member, the claim to the Special Partner's Pension forms part of the pension entitlements of the Member or Deferred Member again as from the date on which the Former Partner dies.
- 13.11 If a Former Partner who is entitled to Special Partner's Pension dies before the Pensioner, the Special Partner's Pension will revert to the Fund.

## 14 UNPAID LEAVE

- 14.1 Some contributions are not payable and some pension entitlements are not acquired during periods in which the Member takes unpaid, or partly unpaid, leave, including a sabbatical or parental leave. If and insofar as contributions are paid by the Employer for these periods, pension entitlements will still be granted for them.
- 14.2 By way of exception to Article 14.1, if a Member takes unpaid leave under the life-course savings scheme, the pension will continue to accrue in accordance with these Pension Regulations. This is subject to the following principles:
- the Pension Base is calculated on the basis of the Pensionable Pay immediately prior to the time at which the leave under the life-course savings scheme is taken;
  - this Pensionable Pay will be annually indexed according to the general pay rise applicable to the Members;
  - after this, in keeping with the provisions of Article 12, the number of Membership Years during the life-course leave will be adjusted by multiplying it by a factor with the life-course leave credit as the numerator and the pay directly preceding the time at which the life-course leave is taken as the denominator;
  - the continued accrual will be capped to the accrual equal to a Membership Period of 2.1 years.
- 14.3 For a maximum period of 18 months, taking unpaid leave as referred to in Article 14.1 will not affect the risk cover of the partner's pension, temporary partner's pension, or supplementary partner's pension.

## 15 NON-CONTRIBUTORY PENSION ACCRUAL ON DISABILITY

- 15.1 A Member who becomes sick during his/her Membership and then upon or after the full or partial termination of the employment contract is or becomes entitled to a benefit under the WIA based on a disability of 35% or more due to illness is entitled, in proportion to the disability percentage, to non-contributory pension accrual in accordance with the following table:

Percentage of Disability:	Pension accrual continued for:
35% to 45%	40%
45% to 55%	50%
55% to 65%	60%
65% to 80%	75%
80% to 100%	100%

- 15.2 The non-contributory pension accrual begins on the day on which the former Employee obtains a continuous right to a benefit under the WIA based on a Disability of 35% or more as defined in that Act and his/her employment contract is fully or partially terminated.
- 15.3 The non-contributory pension accrual, as referred to in Article 15.1, occurs on the basis of the Pensionable Pay on January 1 prior to the date of termination of employment, as if there were no sickness, less the Deductible. The Pensionable Pay as referred to in the previous sentence is indexed annually by the increase in the consumer price index (CPI - All Expenditure - derived) as determined by Statistics Netherlands. This indexation is determined based on the percentage by which the consumer price index rose in the latest completed month of October compared to the percentage in October of the previous year. However, the annual indexation of the Pensionable Pay as referred to in this paragraph cannot exceed the general pay increases granted by the Employer, which is the average of the pay increases under the Collective Labour Agreements of SABIC Innovative Plastics B.V. and SABIC Limburg B.V. in the period from January 2 of the previous calendar year up to and including January 1 of the calendar year in question. Where social partners at SABIC Innovative Plastics B.V. and/or SABIC Limburg B.V. have not yet reached agreement on a pay increase in that period, the pay increase in that period for the company in question is deemed to be 0% until the Board makes a decision on conditional indexing as provided for in Article 0. If the social partners at SABIC Innovative Plastics B.V. and/or SABIC Limburg B.V., following the management board's decision on conditional indexation, agree on a pay increase with retroactive effect that relates to the aforementioned period, the Pensionable Pay referred to in this paragraph will not be increased with retroactive effect. In that case, this pay increase will be taken into account in the Employer's general pay increases effective January 1st of the following calendar year. The Pensionable Pay as referred to in this paragraph cannot exceed the limit specified in Section 18ga of the Wages and Salaries Tax Act 1964 (€110,111 – as of January 1, 2020).
- 15.4 A Member who is fully or partially disabled upon the start of Membership is not entitled to non-contributory pension accrual, unless the degree of Disability increases. If the degree of Disability increases during the Membership, the Member will be entitled to non-contributory pension accrual in proportion to the increase of the Disability.
- 15.5 If the Disability percentage increases or decreases during the employment period with the Employer or, if after having been reduced to below 35%, this percentage is increased to 35% or more, the non-contributory pension accrual will apply at the percentage applicable at that time.



- 15.6 If the percentage of Disability rises or falls after the termination of the employment contract at the Employer or if, having fallen to less than 35%, this percentage rises to 35% or more, the pension will accrue on a non-contributory basis in accordance with the percentage applicable at that time insofar as that percentage does not exceed the percentage of Disability that applied when the employment contract with the Employer was terminated.
- 15.7 A rise or fall in the applicable percentage begins on the first day of the month following that in which the percentage of Disability changed.
- 15.8 Non-contributory pension accrual ends on the first of the following dates:
- a) when there is no longer a right to a benefit under the WIA for a Disability of 35% or more as defined in that Act;
  - b) when the person concerned reaches the State Retirement Age;
  - c) when the person concerned reaches the Pension Start Date insofar as this is earlier than State Retirement Age; or
  - d) when the person concerned dies before reaching State Retirement Age.

## 16 DISABILITY PENSION

### ***Entitlement to disability pension***

- 16.1 A Member who becomes sick during his/her Membership is entitled after the termination of his/her employment contract to a disability pension, if:
- the former Employee has or obtains a continuous right to a benefit under the WIA based on a Disability of 80% or more as defined in that Act due to that illness; and
  - his/her Pensionable Pay exceeds the maximum income assessable for social insurance (€57,232 – as of January 1, 2020) as referred to in the first sentence of Section 17(1) of the Social Insurance (Funding) Act.
- 16.2 A Member who is fully or partially disabled upon the start of Membership is not entitled to disability pension, unless the degree of Disability increases for a cause other than the cause that formed the basis of the entitlement to a WIA benefit at the start of the employment contract. The Board may make the disability benefit dependent on the Member submitting proof that the increase in the degree of Disability is the result of a cause other than the cause that existed at the start of his/her employment contract. The beneficiary's failure to do so will result in suspension of the benefit.

### ***Amount of the Disability pension***

- 16.3 The annual disability pension amounts to 70% of the Uncapped Pensionable Pay, as applied on January 1 prior to the employment termination date, insofar as that Pensionable Pay exceeds the amount referred to in Article 16.1.
- 16.4 If a former Employee is entitled to a PPS benefit, as referred to in Article 11 of the Pre-pension Saving Scheme, the annual disability pension will be reduced by the amount of the PPS benefit, if and insofar as the combined gross amount of WIA benefits, disability pension, and the PPS benefit, once the former Employee has become entitled to a PPS benefit as referred to in Article 11 of the Pre-pension Saving Scheme ('PPS start date') exceeds the combined gross amount of WIA benefits and disability pension before the PPS start date.

### ***Beginning and end of the disability pension***

- 16.5 The disability pension begins on the day on which the former Employee becomes continuously entitled to a benefit under the WIA based on a Disability of 80% or more as defined in that Act and his/her employment ends.
- 16.6 The Disability pension ends on the last day of the month in which:
- a) there is no longer a right to a benefit under the WIA for a Disability of 80% or more as defined in that Act;
  - b) when the person concerned reaches the State Retirement Age;
  - c) the person concerned reaches the Pension Start Date insofar as this is earlier than State Retirement Age; or
  - d) the person concerned dies before reaching the State Retirement Age.

## END OF MEMBERSHIP

### 17 ENTITLEMENTS ON TERMINATION OF MEMBERSHIP

- 17.1 If Membership ends other than as a result of retirement or death, the Deferred Member retains a non-contributory entitlement to retirement pension, partner's pension, temporary partner's pension, and orphan's pension
- 17.2 If the retirement pension as referred to in Article 17.1 are less than the amount as referred to in Section 55(6) of the Pensions Act (€2.00 per year – as of January 1, 2019), these pension entitlements will lapse automatically as referred to in Article 17.1.
- 17.3 If Membership ends other than because of retirement or death, the supplementary partner's pension, as referred to in Article 7, and the right to disability pension, as referred to in Article 16, will cease.
- 17.4 The non-contributory entitlement as referred to in Article 17.1 is equal to the pension entitlements accrued in the period between the beginning and end of Membership, including the entitlements acquired as a result of value transfer as referred to in Articles 19.3 and 19.5.
- 17.5 The Fund will inform the Deferred Member of the amount of the non-contributory entitlements as referred to in Section 39 of the Pensions Act.

## 18 COMMUTATION OF ENTITLEMENTS

- 18.1 If Membership ends, other than through retirement or death, the claim to retirement pension does not exceed the Commutation Limit, and the Fund has tried unsuccessfully at least five times to transfer the transfer value of a Deferred Member's pension entitlements, as referred to in Section 70a of the Pensions Act, the Fund will commute the Deferred Member's claim to retirement pension and pay a lump-sum amount. The Fund will not commute before five years have passed since the end of the Membership. The Fund will inform the Deferred Member of the commutation decision within six months. If Membership ended in 2018, the waiting period is five years after January 1, 2019.

If Membership ended before January 1, 2007, the Fund may commute if the Deferred Member does not object. If Membership ended after December 31, 2006, the Fund may commute if the Deferred Member agrees to the commutation. The Fund pays the commutation value within the aforementioned six-month period.

- 18.2 If the claim to retirement pension does not exceed the Commutation Limit on the Pension Start Date, the Fund will commute the Deferred Member's pension entitlements and pay a lump-sum amount.

If Membership ended before January 1, 2007, the Fund may commute if the Deferred Member does not object. If Membership ended after December 31, 2006, the Fund may commute if the Deferred Member agrees to the commutation. The Fund will inform the Deferred Member of the commutation before the pension starts and pay the commutation value within six months of the pension starting.

- 18.3 If Articles 18.1 and 18.2 apply to the retirement pension, the co-insured entitlement to partner's pension, temporary partner's pension, and orphan's pension will be replaced simultaneously by the payment of a lump-sum amount based on the provisions of Articles 18.1 and 18.2.

- 18.4 If the annual Special Partner's Pension will be less than the Commutation Limit, the Fund may commute the entitlement to Special Partner's Pension. The Fund will inform the Former Partner of this commutation within six months of notice of the separation and pay a lump-sum amount to the Former Partner within the aforementioned six-month period.

- 18.5 If the partner's pension, temporary partner's pension, Special Partner's Pension, or orphan's pension does not exceed the Commutation Limit at the start, the Fund will commute the pension and pay a lump-sum amount. The Fund will inform the Pensioner of the commutation within six months of the pension starting and pay the commutation value within a period of six months.

- 18.6 The Fund takes account of the provisions for commutation laid down by, or by virtue of, the Pensions Act.

- 18.7 The Fund establishes the commutation value based on the factors in Bijlage 3.

## 19 VALUE TRANSFER

### ***Value transfer of a small pension***

- 19.1 The Fund is authorized to transfer the pension entitlements of the Deferred Member whose Membership ended after January 1, 2018, if and insofar as the pension entitlement is less than the Commutation Limit.
- 19.2 The Fund takes account of the provisions for value transfer of a small pension laid down by, or by virtue of, the Pensions Act.

### ***Incoming Value transfer***

- 19.3 After the beginning of Membership of the Fund, the Member must notify the Fund in writing that it wishes to transfer the value of his pension. In that case, the Fund will use the value of pension entitlements transferred to it by the former Employer's pension fund to acquire pension entitlements in accordance with the provisions of the Pensions Act and these pension regulations. The value of the pension entitlements is calculated in accordance with the procedures and computation rules established under the Pensions Act.

### ***Outgoing Value transfer***

- 19.4 If individual Membership is terminated, other than because of death or reaching the Pension Start Date, the Fund will transfer the value of the pension entitlements – insofar as the retirement pension exceeds the Commutation Limit – to the new employer's pension administrator at the Deferred Member's request with due regard for the procedure and calculation rules established by, or by virtue of, the Pensions Act.

### ***Collective transfer on liquidation of the pension fund***

- 19.5 The Fund is obliged to transfer the collective value to another pension fund if it is liquidated.

### ***Value transfer in other situations***

- 19.6 In the other situations referred to in the Pensions Act the Fund is authorized to cooperate with value transfer.
- 19.7 The Board takes account of the provisions for value transfer laid down by, or by virtue of, the Pensions Act.

# INDEXATION

## 20 CONDITIONAL INDEXATION

A supplement may be granted on the accrued pension entitlements of Members, which may not exceed the general pay increases granted by the Employer, which is the average of the pay increases under the Collective Labour Agreements of SABIC Innovative Plastics B.V. and SABIC Limburg B.V. in the period from 2 January of the previous calendar year up to and including the first of January of the calendar year in question. Where social partners at SABIC Innovative Plastics B.V. and/or SABIC Limburg B.V. have not yet reached agreement on a pay increase in that period, the pay increase in that period for the company in question is deemed to be 0% until the Board makes a decision on conditional indexing. If the social partners at SABIC Innovative Plastics B.V. and/or SABIC Limburg B.V., following the management board's decision on conditional indexation, as yet agree on a pay increase with retroactive effect that relates to the aforementioned period, the Member's accrued pension entitlements will not be increased with retroactive effect. In that case, this pay increase is taken into account in the Employer's general salary increases on January 1st of the next calendar year. The Board decides each year whether, and to what extent, to adjust pension entitlements.

### 20.1 On

- a) the pension entitlements;
- b) the Former Partner's entitlements to Special Partner's Pension under Article 13.5; and
- c) the entitlements to retirement pension, partner's pension, or temporary partner's pension for the Partner and orphan's pension for the Children of a Deferred Member to whom the provisions of Article 17.1 apply,

which may not exceed the increase in the consumer price index (CPI - All Expenditure - derived) established by Statistics Netherlands. The Board determines this indexation on the basis of the percentage by which the consumer price index rose in the previous October in comparison with the percentage in October of the previous year. The Board also decides each year to what extent pension rights and pension entitlements referred to in this paragraph will be adjusted.

### ***Finance***

- 20.2 No reserve is formed and no contribution is paid for this conditional indexation. The indexation is financed from the return on investments.

### ***Granting of indexation***

- 20.3 The Board decides to grant indexation only if and insofar as it believes the financial means are available to do so. Indexation takes place on the first of January each year on the basis of the following policy:

If:

- the Policy Funding Level of the Fund is lower than 110%, the Board will not grant indexation;
- the Policy Funding level of the Fund is higher than 110%, the Fund may grant indexation, as referred to in Articles 0 and 20.1, to the extent permitted and with due regard for the provisions of Article 15 of the Decree on the Financial Assessment Framework for Pension Funds.

The policy funding level as at December 31 directly preceding the January first on which the indexation is granted, is decisive here.

### ***Changing the indexation policy***

- 20.4 The Board reserves the right to adjust the indexation policy or parts thereof, established in the provisions of this article, in accordance with formal requirements for the changing of regulations described in the articles of association. Future changes in this article will be binding on all Members, Deferred Members and Pensioners of the Fund.



## 21 CATCH-UP INDEXATION

21.1 The Board may grant catch-up indexation to compensate for indexation not granted on or after January 1, 2008, as referred to in Article 20, or reductions of pension entitlements and rights in the past, as referred to in Article 23.1, if:

- this has no effect on future indexation as referred to in Article 20.3; and
- the Policy Funding Level remains at least at the level of the required capital.

No more than one fifth of the capital available is used for catch-up indexation. Notwithstanding the first sentence of this paragraph, the indexations not granted before January 1, 2008 are disregarded.

21.2 The catch-up indexation referred to in Article 21.1 is granted to a Member, Deferred Member, or Pensioner only if his/her pension entitlements and/or rights were in fact also reduced, as referred to in Article 23.1, or no indexation or a reduced indexation was previously granted to the Member, Deferred Member, or Pensioner, as referred to in Article 20.

21.3 The catch-up indexation to be granted to a Member, Deferred Member, or Pensioner, as referred to in Article 21.1, is expressed as a percentage of the indexations not previously granted and any pension cuts made. The percentage referred to in the previous sentence is calculated by dividing the capital available for catch-up indexation, as referred to in Article 21.1, by the value of the indexations not previously granted and the value of any pension cuts. The percentage referred to in the previous sentence never exceeds 100%.

21.4 Catch-up indexation affects pension entitlements and pension rights as per the date on which the catch-up indexation is granted. Catch-up indexations are not paid retrospectively.

21.5 The Board reserves the right to adjust the catch-up indexation policy or parts thereof, established in the provisions of this article, in accordance with formal requirements for the changing of regulations described in the articles of association. Future changes in this article will be binding on Members, Deferred Members and Pensioners of the Fund.

## CHAPTER 3 – MISCELLANEOUS PROVISIONS

### 22 FISCAL PROVISIONS

- 22.1 In these pension regulations, the accrued pension entitlements may not exceed those allowed within the legal framework of the Wages and Salaries Tax Act 1964.
- 22.2 If it is established that the pension scheme does not comply with the provisions of the Wages and Salaries Tax Act 1964 the scheme will immediately be amended retroactively to a level acceptable under the terms of Section 19c of this Act.

## 23 LIMITING PROVISIONS

### ***Reduction of acquired entitlements and rights***

- 23.1 The Fund may decide to reduce the pension entitlements and rights if:
- for five consecutive years the Fund does not fulfill the requirements established by, or by virtue of, Section 131 of the Pensions Act for the minimum required capital or the requirements established by, or by virtue of, Section 132 of the Pensions Act for the required capital or is unable to restore the required capital within 10 years without disproportionately harming the interests of the Members, Deferred Members, Pensioners, other beneficiaries or the Employer; and
  - all other available steering instruments, with the exception of the investment policy, have been deployed in the Recovery Plan
- 23.2 The reduction of the pension entitlements and rights referred to in Article 23.1 will take the form of a fixed discount percentage on all accrued pension entitlements and rights, on the understanding that if the reduction percentage exceeds 10%, the Board will investigate whether and to what extent the portion of the reduction exceeding this 10% should be distributed differently among the Fund's stakeholders.
- 23.3 If the Fund's Policy Funding Level remains below the level specified in Section 131 of the Pensions Act for five consecutive years, the Fund will reduce the pension entitlements and rights to comply with the minimum required capital specified in Section 131 of the Pensions Act. The reduction required for this will be spread over a maximum period of five years.
- 23.4 If the Fund is unable to comply with the requirements of Section 132 of the Pensions Act on the basis of the Recovery Plan within ten years, it will reduce the pension entitlements and rights on a proportion basis by the amount required under the Recovery Plan.
- 23.5 If the Fund decides to reduce the pension entitlements and rights, it will inform the Members, Deferred Members, Pensioners, Union Organizations, and the Employer in writing of this decision.
- 23.6 The reduction, as referred to in Article 23.1, may not be made until three months after the Pensioners have been informed of this and one month after the Members, Deferred Members, Pensioners, Union Organizations, the Employer, and the supervisory body have been notified of the reduction.

### ***Reduction of pension accrual***

- 23.7 If, at any time, there is a danger of the cumulative contribution paid under the Administration Agreement over the lapsed part of the term of the Administration Agreement being lower than the cost-effective contribution that the Fund has calculated cumulatively over the same period in accordance with the ABTN, the Board may decide to reduce the future accrual of pension claims so as to eliminate the contribution deficit referred to above. The Board may only decide against making this reduction if:

- the technical provision and the required capital are fully hedged by values;
- and the conditional indexations referred to in Article 20 have been granted during the past ten years and can also be granted in the future; and
- all reductions of the pension entitlements and rights during the past ten years have been caught up, as referred to in Article 23.1, in accordance with Article 21.

The Board cannot decide to reduce the pension accrual as provided for above until the Board has notified the Employer and the Union Organizations of the intended reduction.

- 23.8 The Fund will inform the Members, Union Organizations, and the Employer in writing of the decision to reduce pension accrual as referred to in Article 23.7.

## 24 GENERAL PROVISIONS

- 24.1 1. Pensions are granted on written application. The documents deemed necessary by the Board must be submitted with this application. The Board is authorized to grant a pension voluntarily if it has not received an application. The person to whom a pension is granted will receive a statement of that pension.
- 24.2 A Pensioner who is resident abroad must send the Fund a 'life certificate' every year. Failure to do so will result in suspension of the benefit. Where the Board has satisfied itself by other means that the person concerned is still living, there is no need to send a 'life certificate' to the Fund.
- 24.3 The pension rights are paid in euros by bank transfer. Any transfer costs connected with the payment may be deducted from the benefit.
- 24.4 The pension rights are paid in equal, monthly installments at the end of each month.
- 24.5 Pension rights and other benefits or residual benefits are paid to the Pensioner or his/her legal representative, or to his/her authorized representative on presentation of a power of attorney.
- The orphan's pension for Children who are minors is paid to the father or mother or to the person who, in the judgement of the Board, has taken on responsibility for the Child's upbringing.
- 24.6 Benefits received in error must be repaid.
- 24.7 If pension acquired under these regulations for the years after termination of the employment contract under the provisions of Article 15.1, together with the pension received by the persons concerned for these years based on employment elsewhere, exceeds the pension that would have accrued under these regulations if Membership had continued, the excess will be deducted from the pension granted under the provisions of Article 15.1.
- 24.8 The right to a partner's pension, temporary partner's pension, supplementary partner's pension, and/or orphan's pension will be lost by an interested party if the Member or Deferred Member dies as a result of an intentional action of that party.

## 25 INFORMATION OBLIGATIONS

### ***Information obligations of the Member***

- 25.1 Members, Deferred Members, or Pensioners are obliged to provide the Fund with the information the Board deems necessary for the proper administration of the pension scheme and are also obliged to cooperate with a further investigation conducted by, or on behalf of, the Fund to verify the information provided by them.
- 25.2 If they refuse to do so, or the information they provide is incorrect, the Board will establish the pension entitlements in accordance with the requirements of reasonableness and fairness.

### ***Information obligations of the Fund***

- 25.3 The Fund provides information, in accordance with the requirements that the Pensions Act sets in this regard, to the Members, Deferred Members, Partners, Former Partners, Pensioners, and other interested parties.
- 25.4 The Board may revise the statements referred to in this Article at any time, except the statement to which a Member is entitled under the Fund regulations. Members will be informed of such revisions in writing. The latter statement may also be revised.

## **26 COMPLAINTS AND DISPUTES**

- 26.1 The Fund has a disputes procedure for disputes and a complaints procedure for complaints that are laid down in the Complaints and Disputes Regulations.



## **27 COMPLAINTS AND DISPUTES**

- 27.1 These regulations came into effect on January 1, 2006 and, with due regard for the transitional provisions set out below, supersede the previous pension regulations. These regulations were last amended on November 28, 2019 and came into effect on January 1, 2020. These regulations supersede the amended regulations dated July 1, 2019 (reference: 2019-000148).

## CHAPTER 4 - TRANSITIONAL PROVISIONS

The article numbers referred to in this chapter are the articles of the pension regulations that were in effect when the transitional provision in question was established. For that reason, these article numbers do not necessarily correspond to those in the other chapters of these regulations.

### 28 TRANSITIONAL PROVISIONS OF SABIC LIMBURG B.V. 2005

***Extra entitlements for fifteen years for Members as from December 31, 2005 who were born after 1949, in connection with the cancellation of the Pre-Pension Scheme (PPS).***

- 28.1 1. People born after 1949 and who as at December 31, 2005 were Members of the Fund under the Fund's pension scheme current at that time are subject to the following:

In addition to the entitlements under these regulations - to the extent that this is possible within the constraints of tax law - extra entitlements are allocated over the years of service before January 1, 2006. These entitlements are calculated such that an additional entitlement to retirement pension and partner's pension is created that is actuarially equivalent to the cash value, as of January 1, 2006, of the total PPS contribution that the person concerned would have had to pay from that date until reaching the age of 62 for a PPS benefit of 75% from the age of 62, based on the contribution percentage that applied to him/her, or that would have applied if he/she had been a member of the PPS scheme from when membership became possible for him/her, subject to a maximum of 4%.

The extra entitlements thus calculated will be allocated proportionally over a period of 15 years with effect from January 1, 2006, provided that:

- the period for those who were over the age of 45 on January 1, 2006 will be established in the period between January 1, 2006 and when they reached the age of 60; and
- where different from the provisions of Article 36.6 of the regulations most recently in effect before January 1, 2011, the claims that would be allocated under those provisions in the period from January 1, 2011 to December 31, 2015 will be allocated on January 1, 2011.
- The extra entitlements will be discontinued if the employment contract is terminated.
- The provisions of Article 0 apply by analogy to the extra entitlements allocated and still to be allocated as described above.

The provisions of Article 5.5 apply by analogy to the extra entitlements allocated and still to be allocated as described above.

## **29 CONVERSION OF RETIREMENT PENSION AS OF JANUARY 1, 2019**

- 29.1 At the Employer's request, the Fund has converted the retirement pension entitlements of all Members and Deferred Members which they accrued up to and including December 31, 2018 into retirement pension entitlements with a retirement age of 68 as of January 1, 2019. The Fund has taken account of the provisions laid down by, or by virtue of, the Pensions Act for this purpose.

## 30 TRANSITIONAL ARRANGEMENTS FOR NON-CONTRIBUTORY PENSION ACCRUAL DUE TO DISABILITY

- 30.1 Notwithstanding Article 15, the provisions of Articles **Error! Reference source not found.** to 30.4 apply to occupationally disabled Members or Deferred Members who are fully or partially disabled on January 1, 2018 and entitled to full or partial non-contributory pension accrual.

The accrued pension entitlements of Deferred Members who became entitled to full or partial non-contributory pension accrual before to January 1, 2016 have been converted on an actuarially neutral basis into entitlements in accordance with the Stichting Pensioenfonds SABIC Pension Rules as of January 1, 2016.

- 30.2 The non-contributory pension accrual for Members and Deferred Members who acquired the right to full or partial non-contribution pension accrual before January 1, 2016, takes place in accordance with these Pension Regulations of Stichting Pensioenfonds SABIC.

- 30.3 Notwithstanding Article **Error! Reference source not found.**, the non-contributory pension accrual for Deferred Members who became entitled to full or partial non-contributory pension before January 1, 2007 occurs on the understanding that the value of the achievable pension entitlements on Pension Age is equal to the value of the achievable pension entitlements under the applicable regulations. The amount of the non-contributory pension accrual is derived from the actuarial principles as applied to the conversion in Article **Error! Reference source not found.** The calculation date used for the intended comparison between the achievable pension before and after the internal collective value transfer is January 1, 2016. The right to non-contributory pension accrual for these occupationally disabled persons ends on the original end date that applied when the right to non-contributory pension accrual arose. If the degree of disability changes after January 1, 2016, the achievable pension entitlements, as referred to in this paragraph, will be reviewed under the provisions of the applicable pension regulations.

- 30.4 The Deferred members who became entitled to non-contributory pension accrual between January 1, 2007 and July 1, 2014 accrue pension as from January 1, 2018 based on the Pensionable Pay last established before the employment termination date as if there were no sickness, less the Deductible. The Pensionable Pay as referred to in the previous sentence is indexed annually by the increase in the consumer price index (CPI - All Expenditure - derived) as determined by Statistics Netherlands. This indexation is determined based on the percentage by which the consumer price index rose in the latest completed month of October compared to the percentage in October of the previous year. However, the annual indexation of the Pensionable Pay as referred to in this paragraph cannot exceed the general pay increases granted by the Employer, which is the average of the pay increases under the Collective Labour Agreements of SABIC Innovative Plastics B.V. and SABIC Limburg B.V. in the period from January 2 of the previous calendar year up to and including January 1 of the calendar year in question. Where social partners at SABIC Innovative Plastics B.V. and/or SABIC Limburg B.V. have not yet reached agreement on a pay increase in that period, the pay increase in that period for the company in question is deemed to be 0% until the Board makes a decision on conditional indexing as provided for in Article 0. If the social partners at SABIC Innovative Plastics B.V. and/or SABIC Limburg B.V., following the management board's decision on conditional indexation, agree on a pay increase with retroactive effect that relates to the aforementioned period, the Pensionable Pay referred to in this paragraph will not be increased with retroactive effect. In that case, this pay increase is taken into account in the Employer's general salary increases on January 1st of the next calendar year. The Pensionable

Pay as referred to in this paragraph cannot exceed the limit specified in Section 18ga of the Wages and Salaries Tax Act 1964 (€110,111 – as of January 1, 2020).

## Bijlage 1 Pensionable Pay

<p>For:</p> <p><b>SABIC Limburg B.V.</b></p> <p><b>SABIC Europe B.V.</b></p> <p><b>SABIC Capital B.V.</b></p>	<p>For:</p> <p><b>SABIC Innovative Plastics B.V.</b></p> <p><b>SABIC Global Technologies B.V.</b></p>
<p>Pensionable Pay elements based on the Collective Labor Agreement (CLA) of SABIC Limburg that are considered to belong to the fixed annual income:</p> <ul style="list-style-type: none"> <li>the salary, being the salary under the salary scale as referred to in Article 20 of the CLA, or the salary as referred to in Article 22 of the CLA, transitional provision on assessment or the salary for excellent performance as referred to in Article 21.9 of the CLA;</li> <li>the annual benefit (Article 24 of the CLA);</li> <li>the shift work allowance (Section 28 of the CLA);</li> <li>the average public holiday allowance for working under the continuous shift roster (Article 29 of the CLA);</li> <li>the allowance for permanent placement in on-call service (Article 31 of the CLA);</li> <li>the allowances under the additional payment scheme (Annex 3 of the CLA);</li> <li>the WAO-benefit/WIA benefit (including holiday allowance);</li> <li>compensatory benefit and compensatory income under the compensation scheme for long-term Disability (Annex 4 of the CLA), with the reduction provided for in Article 45.10;</li> <li>the bonuses allocated to the Employer for employment in the context of the Dutch Sheltered Employment Act (WSW) (for Employees who took WSW redundancy up to April 1, 2006).</li> </ul> <p>In addition to the summary given above, the total personal budget actually paid out or the leave actually paid out up to a maximum of 24% of the monthly income (5 days) is deemed to be a pensionable pay element for Employees subject to the CLA of SABIC Limburg B.V.</p>	<p>Pensionable Pay elements that are considered to belong to the fixed annual income:</p> <ul style="list-style-type: none"> <li>Salary (12 times the monthly salary), plus a 13th month bonus and holiday allowance</li> <li>Shift work allowance</li> <li>Personal allowance</li> <li>Phasing out of shift work allowance</li> <li>the WAO benefit or WIA benefit (including holiday allowance);</li> </ul>

## Bijlage 2 Factors/percentages for individual options

In relation to a number of individual options, the regulations set out how the Board determines the factors/percentages for those options. Where necessary, the Fund limits the options of a Member or Deferred Member to the maximum permitted for tax purposes.

The factors in this annex are established by the Board on the basis of collective actuarial equivalence and the fund bases given below:

Type of base	Description
Mortality	Actuarial Society forecast table 2018 met SPF mortality experience 2018
Marriage	Marriage frequencies 1985-1990 as published by the Actuarial Society; 100% marriage at pension age; after the retirement date based on a certain partner system
Age difference	The female partner/insured party is assumed to be three years younger than the male insured party/partner
Sex neutrality	Based on the ratio of the male/female provision for those not entitled to a pension in the basic pension scheme.
Collection costs	2.5% for other factors
Interest	DNB interest rate structure on September 30 of the previous year.

The bases can be amended by board resolution at any time. Future changes to the pension bases and the factors based on them are binding to all Members, Deferred Members, and Pensioners of the Fund.

## ***Factor/percentage as referred to in Article 9.5: Early payment and deferment of the retirement pension***

The following table sets out the percentages by which the Fund multiplies accrued entitlements to a lifelong retirement pension (target pension age 68) when the payment begins on an earlier/later date. This is based on deferment/early payment in whole months (in relation to the day on which the Deferred Member turns 68).

Desired Pension Start Date		The entitlement accrued on the start date multiplied by:	Desired Pension Start Date		The entitlement accrued on the start date multiplied by:
years	months		years	months	
60	0	69.52%	64	0	82.34%
60	1	69.75%	64	1	82.65%
60	2	69.98%	64	2	82.96%
60	3	70.22%	64	3	83.28%
60	4	70.45%	64	4	83.60%
60	5	70.69%	64	5	83.91%
60	6	70.93%	64	6	84.24%
60	7	71.17%	64	7	84.56%
60	8	71.41%	64	8	84.88%
60	9	71.65%	64	9	85.21%
60	10	71.89%	64	10	85.54%
60	11	72.14%	64	11	85.87%
61	0	72.38%	65	0	86.21%
61	1	72.63%	65	1	86.54%
61	2	72.88%	65	2	86.88%
61	3	73.13%	65	3	87.22%
61	4	73.39%	65	4	87.57%
61	5	73.64%	65	5	87.91%
61	6	73.90%	65	6	88.26%
61	7	74.15%	65	7	88.61%
61	8	74.41%	65	8	88.97%
61	9	74.67%	65	9	89.32%
61	10	74.93%	65	10	89.68%
61	11	75.20%	65	11	90.04%
62	0	75.46%	66	0	90.40%
62	1	75.73%	66	1	90.77%
62	2	76.00%	66	2	91.14%
62	3	76.27%	66	3	91.51%
62	4	76.54%	66	4	91.89%
62	5	76.81%	66	5	92.26%
62	6	77.09%	66	6	92.64%
62	7	77.36%	66	7	93.03%
62	8	77.64%	66	8	93.41%
62	9	77.92%	66	9	93.80%
62	10	78.20%	66	10	94.19%
62	11	78.49%	66	11	94.59%
63	0	78.77%	67	0	94.98%
63	1	79.06%	67	1	95.38%
63	2	79.35%	67	2	95.79%
63	3	79.64%	67	3	96.19%
63	4	79.93%	67	4	96.61%
63	5	80.23%	67	5	97.02%
63	6	80.52%	67	6	97.43%
63	7	80.82%	67	7	97.85%
63	8	81.12%	67	8	98.28%
63	9	81.42%	67	9	98.70%
63	10	81.73%	67	10	99.13%
63	11	82.03%	67	11	99.56%

Desired Pension Start Date		The entitlement accrued on the start date multiplied by:	Desired Pension Start Date		The entitlement accrued on the start date multiplied by:
years	months		years	months	
68	0	100.00%	70	0	111.67%
68	1	100.44%	70	1	112.21%
68	2	100.88%	70	2	112.76%
68	3	101.33%	70	3	113.31%
68	4	101.78%	70	4	113.87%
68	5	102.23%	70	5	114.43%
68	6	102.69%	70	6	115.00%
68	7	103.16%	70	7	115.57%
68	8	103.62%	70	8	116.15%
68	9	104.09%	70	9	116.73%
68	10	104.57%	70	10	117.32%
68	11	105.05%	70	11	117.92%
69	0	105.54%	71	0	118.52%
69	1	106.02%	71	1	119.12%
69	2	106.51%	71	2	119.73%
69	3	107.01%	71	3	120.35%
69	4	107.51%	71	4	120.97%
69	5	108.01%	71	5	121.60%
69	6	108.52%	71	6	122.23%
69	7	109.03%	71	7	122.87%
69	8	109.55%	71	8	123.52%
69	9	110.07%	71	9	124.17%
69	10	110.60%	71	10	124.84%
69	11	111.14%	71	11	125.50%
			72	0	126.18%

***Fund bases as referred to in Article 9.6: Variations in retirement pension benefit***

The pension scheme includes an option to vary the lifelong retirement benefit. The benefit period is split into two. The amount of the benefit in the first period (which is of a fixed duration) differs from the amount in the second lifelong period that immediately follows it. In its calculation, the Fund uses the Fund's bases as set out in this annex.



***Factor/percentage as referred to in Article 10.1: Exchange of retirement pension for partner's pension***

Partner's pension (PP) amounting to the factor shown below is received for each €100 of target retirement pension age 68 (OP68).

Age	Factor RP68
18	343.63
19	340.23
20	336.94
21	333.74
22	330.64
23	327.61
24	324.69
25	321.85
26	319.08
27	316.34
28	313.61
29	310.94
30	308.32
31	305.72
32	303.18
33	300.69
34	298.22
35	295.80
36	293.42
37	291.03
38	288.65
39	286.29
40	283.95
41	281.63
42	279.34
43	277.09
44	274.89
45	272.73
46	270.60
47	268.50
48	266.48
49	264.51
50	262.62
51	260.85
52	259.24
53	257.80
54	256.56
55	255.52
56	254.77
57	254.25
58	254.06
59	254.19
60	254.61
61	255.45
62	256.63
63	258.23
64	260.30
65	262.84
66	265.97
67	269.75
68	274.22

***Factor/percentage as referred to in Article 10.7: Conversion of temporary partner's pension into retirement pension***

The accrued partner's pension or temporary partner's pension may be converted into additional retirement pension on the start date of the retirement pension. Retirement pension with a retirement age of 68 (RP68) amounting to the factor shown below is received for each €100 of partner's pension and €20 of temporary partner's pension.

Age	OP68
60	39.28
61	39.15
62	38.97
63	38.73
64	38.42
65	38.05
66	37.60
67	37.07
68	36.47
69	37.83
70	39.23
71	40.69
72	42.18

### Bijlage 3 Table for commutation of small pension

Commuted value per €100 retirement pension with target pension age 68 (OP68), €100 Partner's Pension (PP), and €100 Temporary Partner's Pension (TPP)

Age	OP68	PP	TPP
18	1,048.59	305.15	36.08
19	1,067.62	313.79	37.37
20	1,086.96	322.59	38.63
21	1,106.55	331.56	39.85
22	1,126.38	340.67	41.04
23	1,146.45	349.94	42.21
24	1,166.75	359.34	43.30
25	1,187.28	368.90	44.36
26	1,208.02	378.60	45.37
27	1,228.95	388.49	46.36
28	1,250.04	398.60	47.36
29	1,271.33	408.87	48.30
30	1,292.75	419.29	49.20
31	1,314.30	429.90	50.07
32	1,335.96	440.64	50.87
33	1,357.69	451.53	51.62
34	1,379.44	462.56	52.31
35	1,401.22	473.71	52.92
36	1,422.99	484.97	53.45
37	1,444.67	496.40	53.95
38	1,466.24	507.96	54.38
39	1,487.64	519.63	54.75
40	1,508.83	531.37	55.03
41	1,529.72	543.16	55.20
42	1,550.27	554.98	55.27
43	1,570.41	566.75	55.20
44	1,590.05	578.44	54.96
45	1,609.11	589.99	54.57
46	1,627.46	601.43	54.03
47	1,644.99	612.67	53.32
48	1,661.66	623.56	52.37
49	1,677.44	634.17	51.25
50	1,692.42	644.43	49.96
51	1,706.67	654.28	48.47
52	1,720.28	663.58	46.76
53	1,733.28	672.34	44.84
54	1,745.79	680.47	42.68
55	1,757.83	687.93	40.34
56	1,769.60	694.59	37.76
57	1,781.04	700.50	35.00
58	1,792.32	705.46	32.02
59	1,803.48	709.50	28.89
60	1,814.46	712.64	25.67
61	1,825.43	714.59	22.31
62	1,836.23	715.51	18.94
63	1,847.01	715.26	15.59
64	1,857.89	713.75	12.31
65	1,868.90	711.04	9.23
66	1,880.31	706.97	6.36
67	1,892.32	701.51	4.28
68	1,905.10	694.74	2.06

On commutation of the partner's pension the orphan's pension will also be commuted. The value of the orphan's pension is 2.0% of the value of the partner's pension.

## Contact



If you have any questions about your pension, visit our website: [www.spf-pensioenen.nl](http://www.spf-pensioenen.nl)

or call the Pension Desk:

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email: [info.PensioenfondSABIC@dsm.com](mailto:info.PensioenfondSABIC@dsm.com)