

Information Pension Plan 2023 Infineon Nijmegen Technologies Holding B.V.

Introduction

Infineon Nijmegen Technologies Nijmegen B.V. (Infineon Nijmegen) offers her employees a pension plan through Zwitserleven. This handout explains the various components of the pension plan. Pension 1-2-3 and the pension regulations are the official legal documents.

For whom?

Employees	Employed by Infineon Nijmegen from the age of 21 Except holiday workers and interns.
Partners	* Marriage or registered partnership * Cohabitation contract * Living together at one address for at least 6 months Partners are never (grand)parents, siblings and children
Children	Up to the age of: 21, or up to 27 years old if studying

Overview

OLD-AGE PENSION	
Starting age	21
Pensionable age	68
Max. pensionable income	€ 128,810
Retirement pension	Defined contribution scheme
Waiver of contribution in case of occupational disability	Yes
Voluntary pension savings	Yes
Mandatory personal contribution	Yes
SURVIVING DEPENDANTS PENSION	
Partner's pension	Yes
Orphan's pension	Yes
ANW shortfall	Free choice
Personal contribution ANW-shortfall	Yes
SUPPLEMENTARY INCOME IN CASE OF INCAPACITY FOR WORK	
WGA shortfall insurance	Yes
WIA* Excess insurance	Yes
WIA WGA** personal contribution	No

*WIA is the Dutch abbreviation for the Act on Work and Income According to Work Capacity.

**WGA is the Return to Work Scheme for the Partially Disabled.

OLD-AGE PENSION

How do you accrue pension?

You accrue a pension-capital through premiums, which are deposited monthly by Infineon Nijmegen. We call this a defined contribution scheme.

Only on the retirement date, at the prevailing interest rate, the pension-capital is converted into an old-age pension with possibly a corresponding partner's pension.

This pension is a supplement to the state pension (AOW). In 2023, the AOW will be € 17,970.84 gross per year for a single person and € 12,241.32 for a participant with a partner.

What is the pension basis?

The pension basis is the basis for your pension accrual. The pension basis is the pensionable salary minus the threshold. For part-timers, the outcome of the pension basis is multiplied by the part time %.

What is the pensionable salary?

The pensionable salary is $12 \times \text{monthly salary} + 8\% \text{ holiday pay}$. The maximum pensionable salary for 2023 is set at € 128,810. You do not accrue pension on the salary above this amount.

What is the threshold?

Pension is a supplement to the AOW. Therefore, you do not accrue pension over the threshold. The height of the threshold is derived from the AOW per January 1 of each year.

In the Infineon Nijmegen scheme, the threshold is € 17,862.46. This amount is frozen until the fiscal minimum AOW threshold (2023: € 16,322) is higher. From that moment on, the minimum applicable threshold will apply.

Example pension basis by a full-time income of € 7,000 per month:

Yearly salary	€	90,720
Threshold	€	17,862
Pension basis	€	72,858
In case of part-time		90%
Part-time pension basis	€	65,572

How much does Infineon Nijmegen contribute per month?

The monthly premium depends on: the pension basis, your age and the applied premium scale. The premium scale of Infineon Nijmegen is derived from the government published scales. In these scales the maximum percentages of the monthly premium are included.

Example:

Part-time pension basis	€	65,572
Age		35
Graduated scale %		10.62%
Defined contribution per year	€	6,964
Defined contribution per month	€	580

Age	Maximum scale 3.0%	Scale Infineon
21	7.70%	6.81%
25	8.90%	7.88%
30	10.40%	9.20%
35	12.00%	10.62%
40	14.00%	12.39%
45	16.30%	14.43%
50	19.00%	16.82%
55	22.30%	19.74%
60	26.50%	23.45%
65	30.60%	27.08%

What do you pay yourself?

Infineon Nijmegen pays the premium contribution for the retirement pension, survivor's pension, premium waiver, and administration costs.

Your mandatory contribution is 47% of the defined contribution. This amount is deducted from your gross salary in monthly instalments. This reduces your gross income and as a result you pay less income tax.

Example:

Defined contribution per year	€	6,964
age		35
Mandatory contribution premium		47.00%
Employees contribution per year	€	3,273
Employees contribution per month	€	273

Extra pension savings?

It is possible to save extra on a voluntary basis. This can be done by topping up the basic premium up to the maximum of the graduated scale chosen by Infineon Nijmegen, see the table below. Every month the voluntary extra savings premium is deducted from your gross monthly salary. This means you do not pay income tax on the premium.

Example:

Part-time pension basis	€	65,572
Age		35
Voluntary supplement contribution %		6.88%
Voluntary contribution per year	€	4,511
Voluntary contribution per month	€	376

Age	Maximum scale 3.0%	Scale Infineon	Max voluntary savings
21	12.50%	6.81%	5.69%
25	14.00%	7.88%	6.12%
30	15.70%	9.20%	6.50%
35	17.50%	10.62%	6.88%
40	19.60%	12.39%	7.21%
45	22.00%	14.43%	7.57%
50	24.80%	16.82%	7.98%
55	28.10%	19.74%	8.36%
60	32.30%	23.45%	8.85%
65	36.20%	27.08%	9.12%

SURVIVOR'S PENSION

What will my partner receive upon my death?

When you die during employment with Infineon Nijmegen, your partner receives a monthly gross payment. We call this partner's pension. The benefit depends on your salary and (fictive) length of service what this benefit will be.

Partner's pension = pension basis x accrual % x total (fictive) years of service.

The accrual percentage per year of service is 1.16%.

Example:

Pension basis	€ 65,572
Age	35
Date in service	1-jan-22
Pension date	1-jan-55
Years in service	33
Accrual %	1.16%
Partner's pension	€ 25,101

Once the benefit starts, it is adjusted with 3% each year.

The coverage is on a risk basis, which means that the coverage exists as long as you are employed by Infineon Nijmegen. After leaving the company, the coverage lapses.

Partner's pension after leaving service

You have the option to maintain a part of the partner's pension by partially exchanging the pension capital. A transfer of value can be a solution for this.

Do you have children under 21 or studying and younger than 27?

If you die during employment, your children receive a benefit until the age of 21 or 27, if they are studying. This payment is 20% of the partner's pension.

The children must meet the following conditions:

- Younger than 21 years
- Studying and younger than 27 years
- Entitled to WAJONG and 27 years

After the benefit commences, the amount of the orphan's pension is adjusted with 3% each year. The orphan's pension is also insured on a risk basis. Upon leaving the company, the coverage lapses.

In the example:

Partner's pension	€ 25,101
Orphan's pension	€ 5,020

ANW shortfall

Temporary partner benefit in the event of your death

The General Surviving Dependents Act (ANW) is only paid by the government to the surviving partner in specific cases. Through Infineon Nijmegen a voluntary insurance can be taken out, which entitles the partner to an annual payment regardless of any payment from the government.

The benefit is € 17,859.72 gross per year (2023), paid in monthly installments and ends at the state pension age. The benefit remains the same after commencement. After leaving the company the coverage lapses.

The premium is paid by Infineon Nijmegen to Zwitserleven and settled per month with the gross salary. This lowers the gross income and you pay less income tax.

Important: The ANW shortfall is standard insured if a partner is known. If you do not want this extra coverage, this must be communicated to Zwitserleven (pension portal) within 3 months after participation. The insurance will then be cancelled as from the start. If you indicate this later, the cover lapses on the next premium due date. The partner needs to co-signs for this option.

Have you become incapacitated for work?

If you become incapacitated for work you may, after a waiting period of 104 weeks, qualify for exemption from premiums. You build up (partial) pension depending on the degree of disability. Zwitserleven continues the pension scheme as if you were working for that part, see table.

6 classes WIA/WGA:

Percentage incapacitated for work	Partial Premium Exempted
80% or more	= 100.0%
65-80 %	= 72.5%
55-65 %	= 60.0%
45-55 %	= 50.0%
35-45 %	= 40.0%
< 35 %	= 0.0%

How do you influence the return?

The pension plan Zwitserleven the participants contributions are invested by default in the neutral Lifecycle. A Lifecycle is an investment fund in which the investment risk is reduced as the retirement age approaches.

You can adjust the Lifecycle to your investment profile in [Mijn.Zwitserleven](#).

It is also possible to leave the prudent Lifecycle system by investing freely in the funds offered by Zwitserleven.

On your personal pension portal, you will find more information and you can make choices regarding the investments. [Here](#) you can read more about the different investor profiles.

Individual transfer of value

When entering the scheme, you can indicate that you want to make use of the right to transfer the value of your pension entitlements accrued with former employer(s).

Zwitserleven will request the value from former pension providers for the value of these pension scheme(s) and Zwitserleven will provide quotation(s). This allows you to assess whether value transfer makes sense.

In that case, you sign the offer and Zwitserleven will have the capital transferred by the related pension provider.

On [Mijnpensioenoverzicht.nl](#) you find your pension plans from previous employers.

SUPPLEMENTARY INCOME IN CASE OF INCAPACITY FOR WORK

WIA/WGA

All employees are insured for loss of income in the event of incapacity for work as a supplement to the benefit under the WIA/WGA. In the event of illness, the employer has an obligation to continue to pay wages for 104 weeks. This insurance relates to the loss of income in the event of incapacity for work from the 3rd year of illness if you qualify for a WIA/WGA benefit of at least 35%. Your benefit from the Employee Insurance Agency (UWV) will amount to a maximum of 70% of € 66,956 (2023).

WGA shortfall Comprehensive

Insured amount is the part time (SV) annual salary, with a maximum of € 66,956 (2023).

This insurance arranges a supplement to the remaining income (= benefit + salary) up to a total income of 70% with a maximum of 70% of € 66,956.

The benefit runs until the state pension age. After commencement, the supplement is indexed in accordance with the WIA index.

WIA Excess:

This insurance applies to 70% of the wages above € 66,956.

Example:

Income	€	80,000
Maximum SV wage 2023:	€	66,956
Difference	€	13,044
Sum insured 70%	€	9,131

The benefit depends on the disability percentage:

IOW %	Supplementation of the (maximum) daily wage
0 - 35%	None
35 - 45%	40.0%
45 - 55%	50.0%
55 - 65%	60.0%
65 - 80%	72.5%
80 - 100%	100.0%

The benefit runs until the state pension age. After commencement, the supplement is indexed in accordance with the WIA index.

The premium is paid by Infineon Nijmegen.

Questions?

For questions, please call or email pension consultancy miQ in business: info@miqinbusiness.nl or 070-2050517.

Appendix

Flexibility options

In the pension plan provides for the accumulation of a 'pension capital'. This capital is built up until, at the latest, the so-called retirement age (68) and is converted into a lifelong old-age pension at the interest rate applicable at the time. You can also opt for a variable pension.

The pension scheme offers standard possibilities to 'flex' the pension:

1. Early retirement age

You can have all or part of your pension commence earlier than the pension target date. This is possible up to a maximum of 5 years before the state pension age. Only the old-age pension from the pension scheme can be brought forward. This does not apply to the AOW; the AOW pension age is determined by the government and can be found on the website of the Sociale Verzekeringsbank.

If the old-age pension commences earlier than the AOW, these benefits do not match.

2. Working longer/postponing retirement date

The pension scheme offers the possibility of postponing the retirement date until a maximum of 5 years after the state pension age, regardless of whether the employment is continued. Retiring later means that the retirement pension will be higher.

The premium contribution stops at the pension target age of the pension contract.

3. Part-time retirement/part-time pension

Up to 5 years before the pension target date you can choose to continue working part time and retire part time.

4. Variation in pension amount

On the retirement date you can choose a high-low or a low-high pension for a set period. The low old age pension must be at least 75% of the high old age pension (100:75).

Example: The original old-age pension amounts to € 10,000. This old-age pension is converted into a high-low pension. The high old-age pension is then € 12,000 and the low old-age pension € 9,000.

One consideration for the high-low construction may be that the pension commences earlier than the state pension. In this way, an approximately equal income can be created.

5. 10% lump sum payment

In (the course of) 2024 you have the option of having a fixed percentage of 10% of the value paid out as a lump sum, exclusively on the retirement date. You pay income tax on this amount and it is freely disposable. The lifelong old age pension will decrease as a result.

6. Exchange of pension

It is possible to exchange the partner's pension for a higher old-age pension. Your partner will receive the partner's pension after your death on the retirement date. If your partner has a full income, there may be no need for the partner's pension. The partner's pension can then be exchanged to increase the retirement pension. The exchange can only take place if the partner agrees in writing.

It is also possible to reduce the old-age pension for a higher partner's pension.