

MARS
PENSIOEN FONDS



ARP/ASP
pension plan

WELCOME TO

You and your employer Mars have signed a pension agreement. You are now a participant in the Mars pension scheme, which is administered by Stichting Mars Pensioenfonds (MPF).

As a new associate you take part in the ARP/ASP Pension Plan. For more details and the conditions you must meet to qualify for a pension, please refer to the pension regulations.

Invite to pension meeting

Mars would like to invite you to a pension meeting where we will explain all you need to know about your pension scheme and which actions you must take. If you want to know more about your pension, we recommend that you attend the meeting.

If you have not yet received an invite, then go to Mars University or your manager and sign up for the next meeting.

MARS

PENSIOEN FONDS

This brochure addresses
**the following
5 topics:**

- 1. My pension scheme**
- 2. Pension for my partner and child or children**
- 3. Special events**
- 4. Your pension choices**
- 5. What else do I need to know**

1.

My pension scheme

Which pension scheme do I have?

The Mars Pensioenfonds is a defined contribution scheme or agreement. This means that you accrue pension capital through annual contribution payments. You use the pension capital to buy a life-long retirement pension and partner's pension (which you may convert to a retirement pension) on your retirement date.

We cannot say how much pension you will eventually receive. Not even if you opt for a fixed pension during the accrual of your pension capital. This depends on a number of factors, including the yield generated on the contributions paid and the pension type(s) you wish to purchase on your retirement date. It also depends on the pension purchase rates on your retirement date.

Your pension capital is accrued under two schemes: pension under the Associate Retirement Plan (ARP) and pension under the Associate Selection Plan (ASP). You accrue pension capital under both schemes. The two components of your pension scheme are detailed below.

How is my pension base calculated?

You do not accrue pension based on your entire gross annual salary*. In accumulating pension, Mars takes into account the retirement pension you will receive from the Dutch government. A sum is deducted from your gross annual salary over which you create no pension entitlement. This sum is referred to as the Contribution-free Amount. The sum that remains is your pension base.

The pension base is your pensionable* salary minus the Contribution-free Amount, which is € 15,329 on 1 januari 2022. This amount is indexed annually on 1 January in line with the consumer price index. A different Contribution-free Amount is used to calculate the surviving dependents' pension.

* The gross annual salary is also referred to as the pensionable salary. The pensionable salary is your gross basic salary, including any holiday allowance and extra variable wage of which the employer has informed the fund that it is pensionable, for example the shift allowance, Mars Volcontinu Supplement (MVT), Overtime worked and Sickness benefit.

Do you earn more than € 114,866?

Since January 2022 it is no longer permitted to accrue pension capital over a pensionable salary in excess of € 114,866.

No contribution is withheld or paid over the part of the salary in excess of € 114,866 any more.

How much contribution do I pay?

Mars pays the ARP contributions. You pay nothing. You pay no contribution for the risk cover of the partner and disability pension either. For the ASP you pay a compulsory employee contribution and a voluntary employee contribution. ASP offers an additional employer contribution that adds up to your voluntary contribution, paid for by Mars. For more information, please read the **Associate Selection Plan Chapter**.

How much do I pay for the administration of My Pension scheme?

The administration of your pension scheme costs money. There are administration costs, for instance. For more information about the costs of your pension scheme, please read the chapters on the **Associate Retirement Plan (ARP) and the Associate Selection Plan (ASP)**.

Do I accrue pension if I work part-time?

If you work part-time, you also accrue pension. The pension you accrue is less than if you were to work fulltime. If you work part-time, your pension accrual is based on the pension base associated with your part-time employment.

I accrued pension with my previous employer, can I transfer this to MPF?

You can transfer any pension you accrued elsewhere to MPF. This is referred to as transfer of accrued benefits. This means that part of the pension you accrued is paid into the ARP and part into the ASP. The value of the pension you accrued with your former employer is divided between the two schemes.

If you wish to use the option of value transfer, then you must apply for this transfer. You will receive a form from MPF.

Please remember that a value transfer is not necessarily advantageous for you. There are a number of aspects to consider. We recommend that you seek advice from an independent financial advisor. If you have any questions, you can also contact MPF.

Did you accrue pension with Pensioenfonds Zoetwaren? Then you can also transfer these pension claims to MPF.

When can I retire?

The standard retirement age at MPF is 68 years. But you can also retire earlier, from when you are 50 years old. You may also decide to retire later, when you are aged 70. If you decide to retire earlier or later, this may affect the pension you receive. You will receive old-age pension for as long as you live.

Fixed or variable pension

You will use the pension capital you are accruing in the ARP/ASP plan to purchase a pension on your retirement date. You will choose either a fixed or a variable pension.

A fixed pension gives you certainty. You know how much you will get each month for the rest of your life. A variable pension may be higher or lower every year. Your pension capital continues to be invested after your retirement date. This involves more risk, but chances are your pension will be higher.

You can make a preliminary choice for the capital in the ASP plan as of age 55.



Associate Retirement Plan (ARP)

The ARP, or Associate Retirement Plan, is the basis for your pension. Every 4 weeks, Mars pays a sum (contribution) into a ARP-account held by the Mars Pensioenfond. You do not need to make any payments or pay any contributions yourself.

How much contribution does Mars pay for me?

The contribution paid by Mars is a percentage of your pension base. The pension base is your pensionable salary minus the Contribution-free Amount.

The older you are, the higher the contribution, as a percentage of your pension base, paid by Mars. The table below sets out the contribution percentage per age category:

Age	ARP Contribution percentage
Age 15 to 19	7.5%
Age 20 to 24	8.3%
Age 25 to 29	9.4%
Age 30 to 34	11.0%
Age 35 to 39	12.3%
Age 40 to 44	14.2%
Age 45 to 49	15.8%
Age 50 to 54	17.8%
Age 55 to 59	19.8%
Age 60 to 64	21.7%
Age 65 to 67	23.7%

If circumstances change radically, Mars may decide to lower or discontinue contribution payments.

The following example shows you how to calculate the contribution for the ARP.

Calculation example

Imagine you are aged 34 and working for Mars. You work fulltime and your pensionable salary is € 45,000. The contribution for the ARP is calculated as follows:

Pensionable salary	€ 45,000
Contribution-free Amount	€ 15,329 -/-
Pension base	€ 29,671

Mars pays 11.0% contribution over the pension base into your ARP-account. This makes the annual contribution:
 $€ 29,671 \times 11\% = € 3,264$

Cost-price based contribution

The graduated scale for the ARP and ASP contribution is a so-called cost scale. This is based on what pension costs. This means that this graduated scale can go down if pension becomes cheaper in the future.

How much do I pay for ARP?

Mars pays the ARP contributions. You pay nothing.

Interest payment

The pension capital in your ARP-account grows with each contribution paid. Interest is added on a day-to-day basis. The interest added depends on the yields of the pension fund. The aim is to achieve an annual interest addition of CPI+3% with a maximum of 13% and a minimum of 0% per year. CPI+3% is the Consumer Price Index plus 3%. If the return on the fund's investments is lower in a given year, there may be some left of previous years so you can still receive the full interest addition (CPI+3%). It is possible, however, that the reserves are insufficient. In such a situation the CPI+3% is not paid in full.

Indexation

Will your pension enable you to buy as much in future as you can buy now? That is a question we cannot answer. We cannot say now how much your pension is going to be. How much you will receive mostly depends on:

- The pension contribution paid;
- The capital and profit generated;
- The pension you can purchase with that capital;
- The costs charged;
- Your choice for a fixed or a variable pension.

It also depends on the pension purchase rates on your retirement date.



Associate Selection Plan (ASP)

The ASP is the second element of your pension scheme, and offers an investment component that you are free to use as you see fit. A percentage of your pension base is paid as a contribution into an ASP-account held in your name by MPF. You decide how you wish to invest these contributions in investment funds selected by MPF.

The total contribution (the sum of the compulsory and voluntary employee contributions) you pay is deducted in 13 instalments from your gross salary, before deduction of wage tax and national insurance contributions.

How much contribution do I pay?

The contribution consists of three components:

1. Compulsory employee contribution

You pay a compulsory contribution each instalment. The contribution is 3.9% of your pension base.

2. Voluntary employee contribution

You can accrue extra pension capital under the ASP-plan. On top of the compulsory contribution you will then also pay extra contribution. This extra contribution is voluntary and is maximised depending on your age. The table below sets out the maximum amounts you can pay in.

Age	Maximum contribution voluntary ASP
Age 15 to 19	1.4%
Age 20 to 24	1.7%
Age 25 to 29	2.1%
Age 30 to 34	2.3%
Age 35 to 39	2.8%
Age 40 to 44	3.1%
Age 45 to 49	3.6%
Age 50 to 54	4.1%
Age 55 to 59	4.8%
Age 60 to 64	5.7%
Age 65 to 67	6.5%

Please note: If you choose to pay the maximum contribution percentage, the contribution automatically goes up as you get older. For instance, if you turn 35, you automatically move from 2.3% to 2.8%.

However, when you choose to deviate from the maximum percentage, this percentage will not change as you get older. Obviously, you can always choose another percentage. Do you want to reduce the contribution you pay? **You can do this on our website using MyMarsPension.**

3. Additional employer contribution

Mars finds it important that you build up a secure pension. To help you increase your pension capital, ASP offers an additional employer contribution that doubles your voluntary contribution, paid for by Mars. You only qualify for this employer contribution if you pay a voluntary contribution.

If circumstances change radically, Mars may decide to lower or discontinue contribution payments.

Which investment options do I have?

You use the ASP contributions to accrue pension capital in your ASP-account. There are two investment schemes you can choose from. You can Invest in a Life Cycle and in Vrij Beleggen (Free Investments). If you choose a life cycle MPF invests your contributions for you. You can choose from two Life Cycles: Life Cycle Fixed and Life Cycle Variable.



If you choose Vrij Beleggen you determine how your contributions are invested. You have to choose from the investment funds selected by Mars Pensioenfondsen.

Please note: for both investment types, you bear the investment risk.

Please go to the website for more information about the investment options.

Cost-price based contribution

The contribution table is called a cost-price based contribution, because it is based on what pensions cost. The contribution may go down if pensions become cheaper in the future.

How much does the ASP cost?

Mars Pensioenfond will periodically charge administration costs to members in the Associate Selection Plan (ASP). For example in 2021 these costs were periodically € 3.85 for active members. Are you no longer working at Mars? Then the costs are lower, at € 1.89. The Board determines these costs each year. However, there's a maximum. The costs will never exceed 1% of your total ASP capital. Moreover, new members don't have to pay these administration costs for the first three years. The administration costs for the ASP plan will be deducted from your ASP account. Currently, you do not have to pay purchase and sale costs for each investment.

Indexation

The ASP offers no indexation scheme. This is because the ASP is a pension scheme with an investment component. Whether or not the pension capital will grow depends on the investment results.

In future, will you be able to buy as much as you can buy now using your pension? That is a question we cannot answer. We cannot say now how much pension you will receive. This depends mostly on:

- The pension contribution paid;
- The capital and profit generated;
- The pension you can purchase with that capital;
- The costs charged;
- Your choice for a fixed or a variable pension.

It also depends on the pension purchase rates on your retirement date.

The example below shows you how to calculate the contribution in accordance with ASP.



Calculation example

Imagine you are aged 34 and working for Mars. You work fulltime and your pensionable salary is € 45,000. The contribution for the ARP is calculated as follows:

Pensionable salary	€ 45,000
Contribution-free Amount	€ 15,329 -/-
Pension base	€ 29,671

You pay a compulsory employee contribution. This is 3.9% of the pension base. The annual compulsory contribution is:

Compulsory contribution: € 29,671 x 3.9% = **€ 1,157**

However, you also wish to build up extra pension capital. You have therefore decided that in addition to the compulsory contribution you will also pay a voluntary employee contribution. You opt for the maximum contribution. The maximum contribution for your age is 2.3% of the pension base. The annual voluntary employee contribution is:

Voluntary contribution: € 29,671 x 2.3% = **€ 682**

Because you have opted to pay a voluntary employee contribution, Mars helps you in accumulating your pension capital. Mars does so by doubling your voluntary employee contribution, i.e. by 2.3% of the pension base. The additional employer contribution is:

Employer contribution: € 29,671 x 2.3% = **€ 682**

The total contribution paid into your ASP-account is: Compulsory employee contribution + Voluntary employee contribution + Additional employer contribution. In this example:

€ 1,157 + € 682 + € 682 = € 2,521

2. Pension for my partner and children

Your pension scheme also takes care of your family. Your partner will receive a partner's pension if you die before your retirement date. And if you die before your retirement date, your children may qualify for an orphan's pension. The partner pension is a defined benefit agreement.

What does my partner get if I die before my retirement date?

Partner's pension is the pension your partner receives in case you die. This pension is paid to your partner from the moment you die. Payments stop when your partner dies.

Your partner's pension is insured while you are working at Mars and are participating in the pension scheme. If you leave the employment of Mars, and you die, no full partner's pension and/or orphan's pension is paid to your surviving relatives. Your partner will only receive payment from the pension capital you accrued while you worked for Mars. The payment may therefore be much lower. Your partner will not receive payment from MPF if you have transferred the value of the accrued pension to another pension administrator.

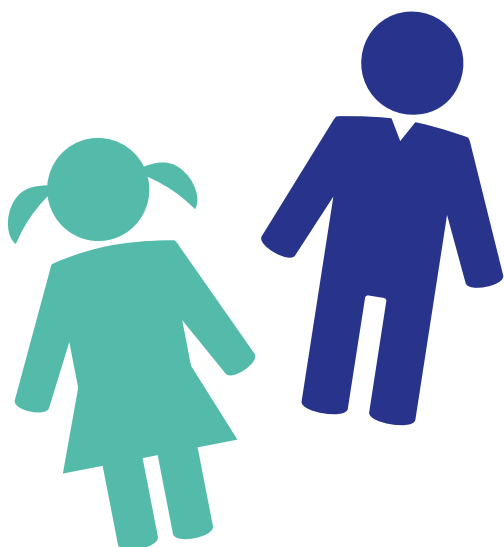
The partner's pension amounts to 1.16% of the pension base, calculated for each year you were a member of the pension scheme. The maximum pensionable salary of € 114,866 also applies for the partner's pension. If you die during employment and before your retirement date, MPF will assume that you would have continued working for Mars until the age of 68. An example of how an partner's pension is calculated is set out below.



What do my children get if I die before my retirement date?

The orphan's pension is a pension your children will receive in case you die. In principle, orphan's pensions are paid until your child reaches the age of 18. Under certain conditions, this may be extended until the age of 27. The orphan's pension is 20% of the calculated partner's pension. An example of how an orphan's pension is calculated is set out below.

Orphan's pensions are insured while you work at Mars and are a member of the pension scheme. If you leave the employment of Mars, and you die, no full orphan's pension is paid to your children. Your partner will receive payment from the pension capital you accrued while you worked for Mars. The payment may therefore be much lower. Your children will not receive payment from MPF if you have transferred the value of the accrued pension to another pension administrator.



Calculation example

Calculation of partner's pension and orphan's pension

Suppose you die at the age of 48 while you are in the employment of Mars. You joined Mars when you were 30 years old. You worked fulltime until your death and your pensionable salary was € 35,000.

Pensionable salary	€ 35,000
Contribution-free Amount for risk cover	€ 22,363 -/-
Pension base	€ 12,637

Years of service: Age 68 – Age 30 = **38 years**

The partner pension is:

Partner pension: € 12,637 x 1.16% x 38 = **€ 5,570** gross per year.

Your partner will receive the partner pension until his or her death.

The orphan's pension is 20% of the partner's pension.

Orphan's pension: € 5,570 x 20% = **€ 1,114** gross per year.

Every child will receive this payment until the age of 18. Under certain conditions, payments may be extended to the age of 27.

3. Special events

What happens if my partner and I divorce?

If you divorce, the Equalisation of Pension Rights in the Event of a Divorce Act will apply to you. Following the 'equalisation' your ex-partner will be entitled to half the pension capital you accrued during the marriage and registered partnership. You and your ex-partner have the option to make alternative arrangements. And perhaps you have already made arrangements when you got married or entered a partnership.

After your divorce, your ex-partner is entitled to a partner's pension if you die. This is referred to as a special partner's pension. If you separate after your retirement, and you insured the partner pension on your pension date, then your former partner is entitled to a full partner pension. Your former partner will receive this pension upon your death. If you are retired, and you remarry after your divorce or you enter into a new partnership, registered or otherwise, your new partner will not qualify for a partner pension.

What happens if I leave the company?

If you leave Mars, your participation in MPF will also stop. You no longer accrue pension in that case. The pension you accrued remains yours. This capital will be held by MPF until you transfer it to a new employer, or until you retire. The investment risk will remain for your account.

Under your pension scheme, the partner and orphan's pension are insured until you retire. This means that if you leave Mars and you die before your retirement, no full partner pension or orphans' pension is paid to your surviving



relatives. Your partner will then receive a benefit from the pension capital you accrued during the time you worked for Mars. There is one exception – namely if you die during the time you receive unemployment benefit from the state directly after leaving Mars.



What happens if I change jobs?

If you change jobs, you are likely to take part in a new pension scheme, held by a different pension administrator. In that case you may opt to take the pension you accrued at MPF to the new pension administrator. This is referred to as value transfer. You may also decide to leave the pension capital with MPF. If you retire, you can then use this pension capital to purchase retirement pension and partner pension if you so wish.

What happens if I become unfit for work?

If you become unfit for work, your pension accrual will be continued (in part) by MPF. This means you continue to accrue pension. How much this is depends on your degree of incapacity for work. This non-contributory continuation applies to both the ARP contribution and the compulsory employee contribution, your voluntary employee contribution and the associated additional employer contribution as part of the ASP element.

If you become unfit for work, either fully or partially, you will receive a state benefit subject to certain conditions, the so-called WIA (Work and Income Act) benefit from the Employee Insurance Agency (UWV). In that case you may also be entitled to a disability pension from MPF. You will be paid a disability pension by MPF, provided your pensionable salary exceeds the benefit limit. You will receive this pension in addition to your WIA benefit, until the moment you can return to work or you retire. For more information about the WIA, please go to www.uwv.nl.

The disability pension is paid as a supplement to the benefit paid under the Work and Income Act. It is maximised at 70% of your pensionable salary that exceeds the benefit limit, and applies if you become unfit for work fully (80% or more) and permanently. If you are partially unfit for work, you will receive a partial disability pension.

If you leave the service, MPF will continue to pay the contribution. You will also keep your disability pension, if you receive one. If you leave the service and then become unfit for work, the non-contributory continuation by MPF and the disability pension of MPF do not apply.

What happens when I retire?

When you retire, pension capital is released from the ARP and the ASP. You use this capital to buy an old-age pension on your retirement date, and a partner pension if applicable. That is the time to make your final choice for a fixed or a variable pension.

- Your pension capital in the ARP plan can be used to purchase a fixed pension* from Mars Pensioenfondsen or an external party, such as an insurer. A variable pension may be purchased from an external party only.
- You will use the capital in the ASP plan to purchase a fixed or a variable pension from an external party, such as an insurer.

The old-age pension is a lifelong benefit. It will commence on the first day of the month in which you retire. You will receive the benefit until your death.

** If you decide to purchase this pension from Mars Pensioenfondsen it is called a stable pension instead of a fixed pension. After all, you know more or less how much you will get each month for the rest of your life. The pension benefit may be increased if we are able to grant indexation, or decreased if we are forced to lower the pensions.*

4.

Your pension choices

Your pension scheme offers a number of options to adapt your pension to your personal needs. This means that you can accrue the pension you want and need. This starts during your career by deciding how you wish to invest your pension capital. Your pension scheme distinguishes between choices you must make and those you are free to make. Some choices you will need to make now, others when you wish to retire.

Choices you make during your career

During your career you need to take a decision on the following:

- How much voluntary employee contribution do I wish to pay?
- How do you want to invest?
- Do I opt for a fixed or a variable pension? You make a preliminary choice for the capital in your ASP plan at 55.

You may later reconsider your choices if you wish.

Choices you make before you retire

When you retire, pension capital is released. Just before your retirement, you must take a number of decisions about the following subjects:

- From which insurer do I wish to purchase pension?
- Which pensions do I wish to purchase?
- Do I make a final choice for a fixed or a variable pension?

In addition to the choices above you may also your adapt pension to your personal needs. The following choices will influence the amount of your pension:

- Early or later retirement.
- Temporarily receiving more or less pension.
- Temporarily receiving old-age pension.
- Fixed or a variable pension.

The MPF website contains more information about the choices to make. How these choices will affect your pension is relatively easy to calculate. You will also find information about the various investment options.

5.

What else do I need to



WWW.

What can you expect of MPF?

MPF will administer your pension scheme as best it can. We aim to inform you carefully and transparently. You will receive an annual pension statement with an overview of the pension capital you have accrued and how much you can purchase on your pension date. Please note that this pension statement is an indication only. How much your pension will be on your retirement date relies on investment returns, which fluctuate. You may also obtain more information about your personal pension, or apply for the pension regulations, the foundation's articles, the complaints and dispute regulation or the annual report. You can also download these documents from the website.

What does MPF expect of you?

To administer the pension scheme accurately, we need your help. We expect that you will keep us informed of any changes to your personal situation. For instance, if you wish to change investment funds, or if you decide to live with someone, get married or enter into a registered partnership. But also if you divorce or move house. Does your personal

situation change? Then please inform MPF correctly and on time. Also, you must submit all information and documents MPF needs for the correct application of the articles of association and these pension regulations.

www.marspensioen.nl

For more information about your pension, please check our website at www.marspensioen.nl. Use your DigiD to access **www.marspensioen.nl**.

Want to know more about our sustainable investments?

Visit **marspensioen.nl/sustainable**.

Our investment principles are found at **marspensioen.nl/investing**.

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Pension indexation

While you accrue pension, no indexation is added to your capital. Instead, your capital grows thanks to a combination of contributions and investment yields. This stops as soon as you retire. Whether or not your pension is then topped up by means of a pension indexation depends on the choices you make on your pension date. When you retire, you use your pension to purchase a lifelong old-age pension from the ARP and ASP. For the ARP you can use your pension to purchase a pension from MPF or an external insurer. If you purchase pension from MPF, the MPF indexation applies. If you purchase pension from an external insurer, the rules of that insurer apply. For the ASP you can only purchase your pension from an insurer. This means that the rules and regulations of that insurer apply.

The partner, orphan's and disability pension may be topped up by means of an MPF indexation. Each year, the board of the pension fund decides if a indexation will be granted, subject to the fund's finances. For the indexation no reserve is held, and no contribution is paid. MPF pays the indexation from the investment yield.

MPF bases the indexation on the consumer price index which indicates by how much prices have risen in a year. The MPF indexation is 75% of this consumer price index, with a maximum of 3%. We also look at the wage increase in the Food, Beverages and Tobacco Industry in that same year. If this so-called wage index is lower than the price index, the wage index number applies to determine the indexation.

More information

The ARP/ASP Pension Regulations contain detailed information and conditions you must meet to qualify for pension.

I am unhappy

MPF will administer your pension scheme as best it can. That does not mean that you may not complain. If you are unhappy with any of our services, we would like to hear from you. Please register your complaint with the board of the pension fund. The complaints and disputes regulation sets out which steps you must take. For more information about the regulation, please go to our website.

Contact

For questions and information, please contact MPF. Below are our contact details:

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