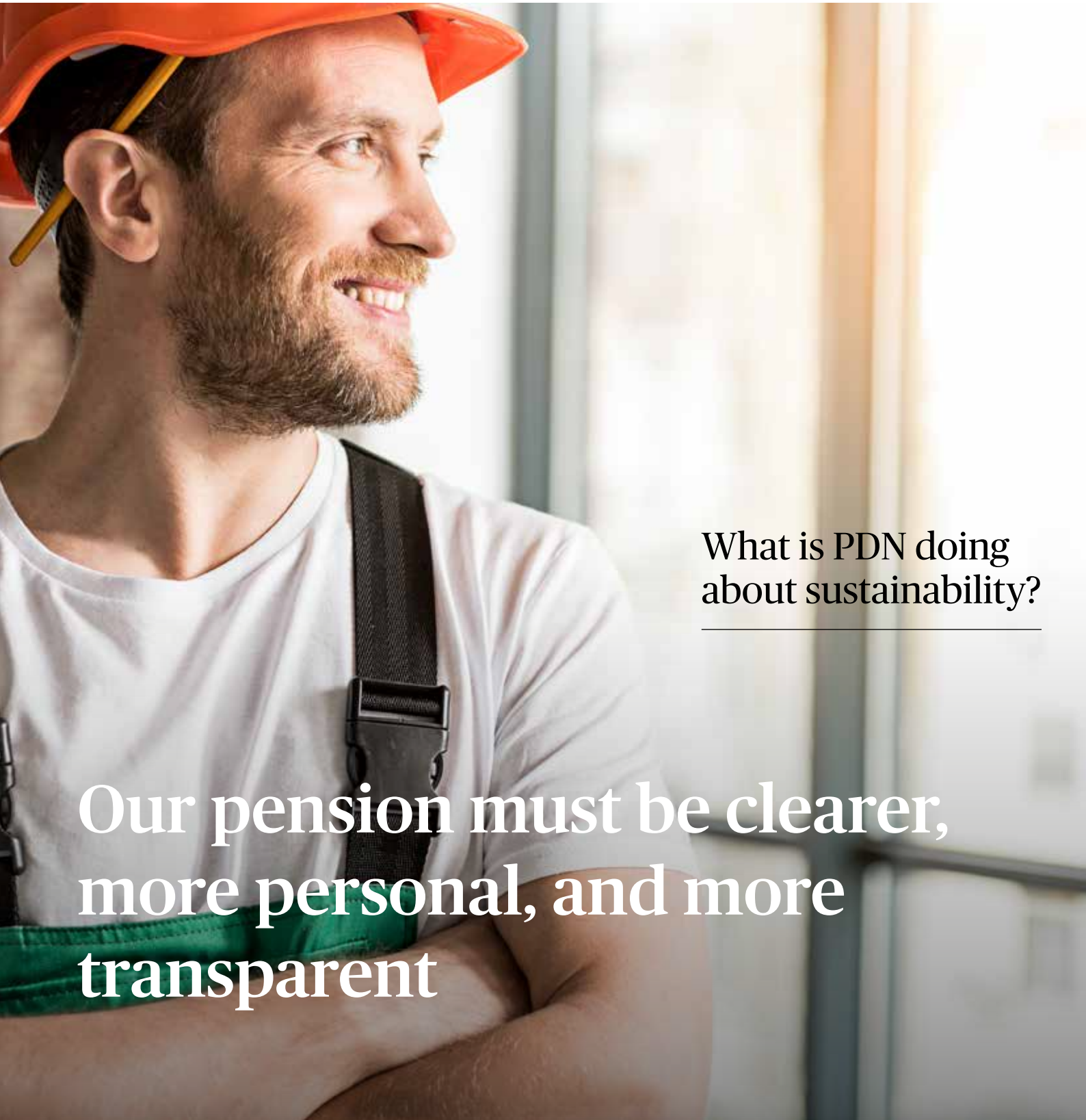


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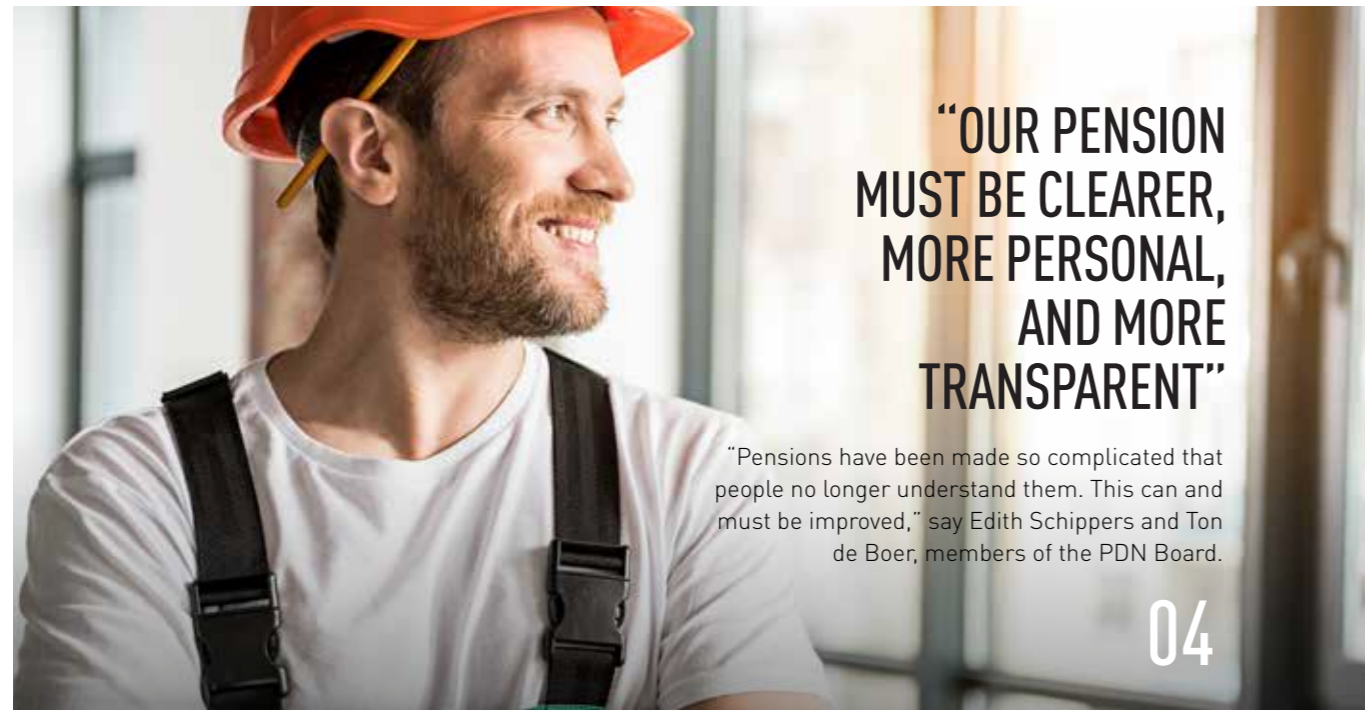
PDNMAGAZINE



What is PDN doing
about sustainability?

Our pension must be clearer,
more personal, and more
transparent

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The pandemic started over a year ago, and since then we have had to learn to live with a global virus. What a difficult year it has been. And we still cannot afford ourselves a sigh of relief and say: “It’s over”. Our resilience and endurance are well and truly being put to the test. But how quickly we have adapted to this new world; we now automatically grab our facemask as well as our wallet and keys before we leave the house.

People are incredibly adaptable, as you will read in this magazine. There is the story of 83-year-old Huub Reinders, who took early retirement due to his wife’s illness. But that did not stop him from compiling a photo archive of 80,000 photos and writing 12 novels.

ADJUSTMENTS

And what do you do if your planned retirement falls in the middle of a lockdown? You adapt and make the best of the situation. Henk Lukkezen tells us how.

Our pension accrual with PDN was also adjusted recently, so it is a good idea to check what this means for your future. You can read how to do that in this magazine. If you are still young and are thinking to yourself, “Well, I’ll get round to that later”, be sure to read about the experiences of two young professionals. They had a pension consultation and now know why it is important to take a good look at your pension, even when you are young.

Our pensions have to adapt, too. PDN Board members Edith Schippers and Ton de Boer explain why this is necessary and how our pension fund is preparing for the new pension regulations. They also make an appeal to all readers of this magazine.

Happy reading,

Ilona, Jacqueline, Karin, Mark & Monique

Our pension must be clearer, more personal, and more transparent.

“Pensions have been made so complicated that people no longer understand them. This can and must be improved”, stated Edith Schippers and Ton de Boer, respectively Chairman and Vice Chairman of the PDN Board.

The preparations for new pension regulations are in full flow. The cabinet, employers, and labor unions signed a pension agreement in 2019 in which the essential features are defined. The law will be amended this year based on responses received from all stakeholders during the consultation round. The law is expected to come into effect on January 1, 2022. Employers, labor unions, and pension funds can then start amending their own pension schemes. The new regulations will be in force no later than January 1, 2026.

“Many people are under the impression that you pay a lot and receive a little”

New pension regulations are sorely needed

“Pensions have become much more expensive and are very opaque. This results in people becoming more wary. The labor market has also changed, which makes different demands on pensions. Many people no longer work for the same employer for their entire lives, but change roles more often or

become independent entrepreneurs. The intention behind the new pension regulations is to make things much clearer with regard to how much you pay and what you get in return. It must become more transparent and easier to understand while ultimately providing better results for everyone,” explains Edith.

“The pension agreement is the product of several changes,” adds Ton.

“For example, interest rates have been low for years. During times of economic hardship, as a pension fund we have to bear the risks together. Additionally, we have to deal with tough rules on maintaining financial reserves. This has resulted in us not being able to increase pensions for years. It’s hard to explain that the fund has a lot of money in the communal pot, but that the pensions of members can’t be increased.

The fact that employees are accruing less pension because pensions are becoming more expensive is also difficult to communicate. Employees are already handing in a quarter of their wages for their pensions. We have reached the limit.”

Employers, labor unions, and pension funds: Who does what?

“A number of parties play a role in

the new regulations for pensions: employers, labor unions, pension funds, and administrators. Pensions are an employment condition that primarily the labor unions and employers make decisions on. The pension funds then implement those decisions. An example of such a decision is how the accrued pension from the previous scheme will be transferred to the new scheme,” answers Ton.

“We as a pension fund are here on behalf of the members, including the people who are still accruing pension and the people who are already receiving their pensions. This also applies to people who used to work for DSM and are now employed elsewhere,” explains Edith. “The Board thinks of all those groups.

We need to ensure that all members receive as much pension as possible for the money they are contributing or have contributed.”

What does the schedule look like?

“The first step is the legislation. A draft law is ready. The final version of the law is expected to be ready by the end of this year,” tells Ton.

“Afterwards, the ball will be in the court of the employers and labor unions,” adds Edith. “Together, they decide on the new contract and how they will implement it. After the employers and labor unions make their choices and decisions, it will be put to us. We then need to review what everyone agreed with one another. This means looking at whether

we as a pension fund can implement the agreements and what is needed to switch to the new system. This may seem easy, but it is a huge task for all involved parties: employers, labor unions, pension funds, and administrators. The new pension regulations must be in place everywhere by 2026”.

“All parties are already preparing for this. A number of projects are ongoing,” explains Ton. In addition to labor unions and employers, the Accountability Council, the Supervisory Board, and groups which form a single front such as pensioners and young professionals are part of this process. To ensure that all of that is coordinated properly, we work with employers and labor unions to establish a coordination team. We implement structures within the organization, the scheduling, and the timeline via that team. We are in the preparatory phase, so not yet working on the finer details, and we are assessing the roles, tasks, and distribution as well as how we coordinate these things among ourselves.”

“We ask what members think is important”

Our members’ opinions matter

“Currently, most of our efforts focus on the organizational side. Various choices will need to be made at a later phase, including how much investment risk you are prepared to take and how to transfer the already accrued pension to the new scheme. Members’ opinions are important in making these choices. Pension funds, employers, employees, and pensioners will ask about those opinions. I really want to pass that message on to the members,” emphasizes Edith. “We will ask them what they think is important and what their opinion is of the choices that need to be made. Of course, everyone needs to have a good idea of which choices are available and what they mean. We are tasked with explaining that clearly and well.”





Your pension: do something now

Two young professionals on their pension consultation

During an information session about pensions organized for young professionals of DSM Next, three members won a pension consultation. Paulien Steltenpool (33) and Vincent van Buul (33) talked to us about their experiences and what they learned.

What did you think about your prize?

Paulien: "I was really pleased with it, because I wanted to learn more about my personal situation."

Vincent: "It was fantastic. During an information session for all young professionals at DSM, communications consultant Mark Gerards had a clever way of holding everyone's attention. He concealed ten songs in his interesting story,

and you got one point for every artist and song you spotted. For example, he said: 'After years of working 9 to 5, it's time for your retirement.' That was obviously Dolly Parton's song. By listening to closely to the story, looking out for the songs and listening to the content, I learned a lot about PDN and about pensions in general. I also turned out to be one of the winners of a pension consultation."

What did you know about your pension before this pension consultation?

Paulien: "I didn't know all that much. I had several questions and I wasn't sure of the best way to use the pension planner."

Vincent: "I also had no real insight into my pension, apart from the one time I checked my pension overview a few years ago. And I also see the pension contribution on my payslip every month."

Had you visited PDN's website or checked out the pension planner before?

Paulien: "Yes, because I was wanted to find out about my situation. I had entered into a cohabitation contract and wanted to register my partner for the partner's pension."

Vincent: "No, never. After the consultation, I did take a look at various scenarios."

What did you know about your pension after this pension consultation?

Paulien: "The consultation was informative, enlightening, and really focused on my personal situation. I spent a number of years working abroad. I now understand how my pension is doing and how I can use the tool to make choices for the future. I also learned more about the state pension (AOW) and the DSM pension."

Vincent: "Much more. I thought you only had a few choices and that it was mainly a matter of waiting until you reached pension age. But you can also make a lot of important choices in the years before you retire."

What was the most surprising thing you learned?

Paulien: "That you can use the tool to see how the choices you make for the future, such as working fewer hours or retiring earlier, will affect your pension."

Vincent: "One of the things I learned is that it's important to make my voice heard when it comes to PDN's investment strategy. I think that reducing CO2

should be given (even) higher priority. Not only in the share portfolio, but also in other investment categories. Another thing I learned, and this is perhaps a bit naive, but I used to think that your income level remained pretty much the same if you kept working until pension age. It turns out that that's not how it works. In many cases, it's going to be less. Fortunately, I also expect to have paid off my mortgage by then, so I probably won't need as much income then."

Most young people are not interested in pensions. What do you think about that?

Paulien: "I get it, because your pension age is a long way off. Although I would advise everyone to look into it. It helps you understand your situation, and it

gives you peace of mind to know that things are properly taken care of and to see how your choices affect your pension."

Vincent: "I can understand that. As a 33-year-old, I probably won't start receiving my pension until (way) after 2050. Sometimes I think that's just so far away. People around my age will probably feel the same."

"You can also make a lot of important choices in the years before you retire"

Check your pension

Why it's good to do this now

From 2021, you will accrue less pension. Additionally, for many years now we have not been able to increase PDN's pensions. As a result, your pension is not keeping up with price and wage increases. What does this mean for your future? That's easy to find out. The pension planner has been updated with the new 2021 figures. The figures already include the lower accrual in 2021. This means you don't need to wait for your annual statement (UPS) to see the effect that lower pension accrual will have on your pension.

Check your pension:

1. Go to the pension planner in 'My PDN Pension' on the PDN website (pdnpensioen.nl).
2. Work out your income.
3. Via the 'Enough pension' tile on the PDN website, go to the Nibud Pensioenschijf-van-vijf calculation tool and work out your outgoings.
4. You'll now know whether your pension is healthy enough for you to do what you want.



“We need to work together to turn it into a success”

Many readers of this magazine will already be familiar with the DSM Pensioners Association (VDP). We regularly keep you up to date on VDP activities, although COVID-19 has thrown a spanner in the works. Nevertheless, the VDP is as busy as ever; the new Board has set itself a clear mission. We invited chairman Ger Wagemans and Miriam Moonen, chairman of the Communications Committee, to tell us more about it.

Ger has been chairman for the past two years: “I was always involved with pensions in my positions at DSM, first as a company lawyer and later as head of working conditions at DSM Limburg. I was a PDN Board member for three years, once I’d been with the company for 12 years.”

Miriam has been a Board member since January 2021 and is responsible for communications: “I worked at DSM for more than 25 years, including as HR Director of Business Services (DBS) in Sittard. In my previous position, as HR manager at Mosa, I was responsible for internal communication, among other things. For me, pensions were an employment condition, but beyond that I never really delved into it. In that respect, I can represent pensioners who are perhaps not overly familiar with pension issues. I am committed to conveying information in a clear and understandable way.”

What is the VDP?

“The VDP was founded in 2011, during my last year as a pension fund manager,” says Ger. “There was a need for pensioners to be represented. The VDP was established on the initiative of the PDN Board. In May we will be celebrating our 10th anniversary. We have some 1,300 members – that’s 10% of all PDN pensioners. Our members mainly had operations jobs, and the average age is 75. About 6,500 pensioners are surviving dependents of deceased former employees. The VDP is here to represent the interests of former employees and their dependents.”

What is your mission?

Ger: “The VDP wants to see pensions finally increase again in the new pension system. At the moment, pensions are really lagging behind after all those years without increases. That’s something we really have to talk about. And we are interested in the whole picture, not just the pensioners. Current employees and former employees will also benefit from this.”

What are your challenges for 2021 and beyond?

Ger: “PDN hasn’t been able to increase pensions since 2012. What can we do to achieve a financially viable pension in the new system? That’s the challenge. We are really pleased that the employer and the labor unions are involving us in the new system; they invited us to engage in consultations about it. We think that’s very important. We need to work together to turn it into a success. The umbrella organization of pensioners’ associations in The Hague also plays an essential role. A lot will depend on the new rules and how they are implemented. The VDP will be keeping a close eye on developments.”

There is a ‘right to be heard’. How are you going to approach that?

Ger: “First off, calling it a ‘right’ is a bit pointless. Of course you have to consult pensioners. You then need to make sure that you actually do something with this information. There’s

a good relationship between the Boards of the VDP and PDN; that’s a step in the right direction. We need to look forward and learn from the past. We’re not a bunch of moaners. One issue we need to discuss is what we are going to do about all those years without pension increases.”

How do you stay in touch with the members?

Miriam: “A lot of our communication is digital. The VDP website (vdpsm.nl) is one of our main communication tools. We want to modernize it and make it more accessible, both

for people who want to dive into all the details and for those who only want an overview of the main issues. We also want to organize a general meeting of members, but we are still deciding on the right format. Board member Etha van de Wiel represents us at the national pensioners’ organization Koepel

Gepensioneerden and other national pension meetings. We want to pass on information we gather there to our members in an interactive way. For example, we issued a memo about our stance on the pension system. Unfortunately, we haven’t been able to organize any physical meetings for quite some time. And when we are allowed again, the question is whether our target group will actually be able to participate. We need to look very carefully at how we can best represent our members.”

“Pensions have been made too complicated”

“We can only be strong if we are united”

Do you have a message for the readers?

Miriam and Ger: “If you are retired and you want to be involved in the new pension system, become a member of our association. There’s plenty of work to be done. A new pension system is on its way and we still have a lot to hammer out. We want everyone to have a good pension. The VDP is committed to achieving that, with our main objective being to re-instate pension increases.”

With headphones on and a microphone in front of him, Huub Reinders appears on screen right on time for our interview via Teams. He is 83 years old, and comes across as a seasoned professional in online meetings. Huub responded to our call for retirement stories. And he definitely has a story.

From welding to photography

"At DSM I was a high-pressure welder. I had got my 6G welding certification, which meant I was allowed to weld angled pipes. There were only six of us at DSM who were able to do that. I was a standby welder and worked on-call shifts. When they called me, a cab came to pick me up and the fire department accompanied me on the site for safety reasons. It was quite stressful when you had to weld at a plant that was shut down. It couldn't start up again until the welding was approved."

"In June 1995 I retired at the age of 57 due to my spouse's illness. At first it was difficult to suddenly be at home all the time and I felt as though I was being discarded. Photography was already

something of a hobby of mine. Once I retired, I was able to take that further." As a photographer and collector of old photos of Maastricht, after 26 years of retirement Huub's archive has expanded to include some 80,000 photos.

12 novels

"Weekly magazines used my old photographs of Maastricht. That's how I got in touch with Dutch magazine De Ster and started the weekly column 'Jo de Mommer' with old photographs of Maastricht. This inspired me to write my first novel, 'Jo de Mommer', which was published in 2004 in co-operation with the magazine. There was a tremendous amount of interest in the book; the 1,000 printed copies sold out in no time. Then I wrote a trilogy about Stokstraat

street in Maastricht. And in 2020, I published my 12th novel, 'Codenaam Rubin' (Code name Rubin).

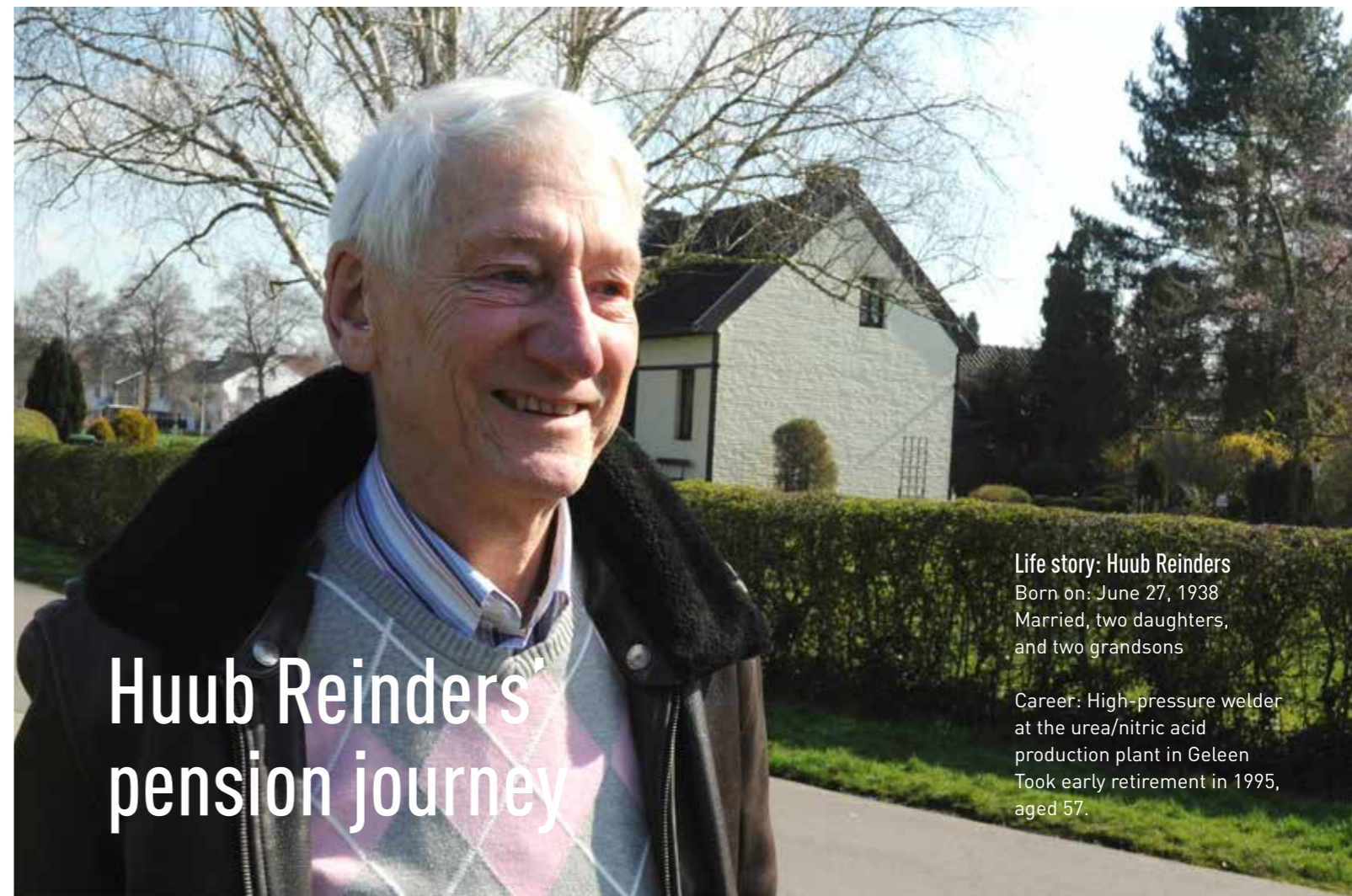
Who is Jo de Mommer?

A recurring character in his books is Jo de Mommer. "A lot of people think that he was a real person. That's a great compliment. But he's made up," laughs Huub. "But my books aren't purely fiction. The novels are based on real events. Around 80% is true and 20% is made up. 'Codenaam Rubin' is about the war-time experiences of Pie Mommers, one of Jo de Mommer's late uncles. For that story, I was inspired by manuscripts that I found at a flea market. Those manuscripts belonged to a man who lived in Rotterdam and came from Maastricht. During World War II he worked for a contractor who built bunkers for the Germans. I used those experiences as a basis for writing my novel. Another book, 'Jo de Mommer - De geheime code van de tempeliers' (Jo de Mommer - The Secret Code of the Templars), is based on the discoveries made during the renovation of the Dominican Church in Maastricht."

During our chat Huub regularly reaches down or around him for books, newspaper clippings, and photos to hold up in front of the camera, giving us a glimpse into his stories, which he recounts with great enthusiasm and energy.

Father Castorius

Huub is also very proud of the fact that he obtained Father Castorius' personal



Life story: Huub Reinders

Born on: June 27, 1938
Married, two daughters,
and two grandsons

Career: High-pressure welder
at the urea/nitric acid
production plant in Geleen
Took early retirement in 1995,
aged 57.



Huub Reinders, 2e van links, voor de Melaf in 1992

photo archive. In the 50s and 60s, this priest was well respected in the Stokstraat quarter of Maastricht. In those days, the neighborhood had a bad reputation; people lived in slums and poverty was rife. Father Castorius (1912-1989) took the neighborhood and its residents under his wing. He lived among the people and showed them that he was there for them. Right from the very beginning, Father Castorius captured his memories in photographs and kept everything in his personal archive. Maastricht City Library in the Centre Céramique building organized a photo exhibition of his old photos. This exhibition, which ran from April 3 to June 17, 2012, attracted 15,000 visitors. There was such a great demand for these photos that Huub compiled the photo

album 'Buurthuis Sterre der Zee: 1945 tot 1969' (Sterre der Zee community center: 1945 to 1969) and published it himself. Governor Theo Bovens received the first copy on October 24, 2012. In his book 'Herder laat je schaaapjes gaan' (Shepherd, Let Your Sheep Go) Huub also portrayed the many great achievements of this priest.

"It keeps me from getting stuck in a rut"

Still more stories to write

Huub no longer takes photographs, but he is certainly not ready to put down the pen. "It keeps me from getting stuck in a rut," he says laughing. "I'm currently writing my 13th book and I already have ideas for my 14th. I also write stories for the community magazine 't Belhääfke, which is published in three districts of Maastricht."

Huub writes his stories on the computer. When ideas come to him, he jots them down in his notebooks. He publishes his books himself. More information about his books and old photographs of Maastricht can be found on his website: huubreinders.com. He also enjoys hearing from former colleagues.



What is PDN doing about sustainability?

PDN has a duty to continue to provide good pensions, in whatever circumstances the world finds itself. We invest our members' pension contributions in a responsible way to ensure that we can offer attractive pensions, now and in the future. And we take our social responsibility in this too. Numerous scientific studies have strengthened our conviction that sustainability does not need to be at the expense of return on investments. On the contrary, we can take more well-considered investment decisions by incorporating information about people, the environment, and good corporate governance in our policy and implementation framework. Certainly because we are investing for the long term.

Objectives achieved in 2020

Together with our partners and our administrative organization DSM Pension Services (DPS), we continue to make efforts for sustainability and develop new initiatives. We measure progress on sustainability using performance indicators. For each performance indicator, we set ourselves a minimum standard to be achieved. We aim to continuously improve our sustainability performance. In 2020, we achieved all the objectives we imposed on ourselves for each performance indicator. We produced a report of our most important results with respect to sustainability in our annual sustainability report (available on the website under Downloads)*.

Below we highlight a selection of sustainability initiatives taken during 2020.

Reducing CO2 emissions

Historic commitments were made with respect to sustainability and combatting climate change in 2020. Companies, governments, and investors endorsed the idea of 'net zero': an economy that, by 2050, no longer emits more CO2 than it removes from the atmosphere. This global 'net zero' target can be considered as a prelude to an enormous overhaul of the economy.

In 2018, PDN signed the Montréal Pledge in which institutions from around the globe commit to publishing their carbon footprint and formulating policy on this topic. One of our external parties on sustainable investments, Sustainalytics, also conducted a baseline measurement for us. We did this to measure the carbon footprint in parts of our investment portfolio. We then decided to choose other investments that would reduce

the carbon footprint of our investments by 20% over a period of three years. We achieved this target at the end of 2020. We realized a 40% reduction within the American share portfolio and a 22% reduction within the European share portfolio compared with the benchmark.

Influencing companies in which we invest

Another way PDN exerts its influence on sustainability is by using engagement and by using its votes at meetings of shareholders. We will be using these policies in 2020 to actively influence those companies in which we invest to include sustainability in their governance. We will engage in discussion with these companies to realize positive and structural behavioral change. This influence is, of course, more effective if we do so with others, based on clearly defined priorities.

International Social Responsible Investing

PDN signed the Internationaal Maatschappelijk Verantwoord Beleggen covenant (IMVB, International Social Responsible Investing) in 2018. We have also incorporated the Organization for Economic Cooperation and Development (OECD) guidelines and the UN Guiding Principles in our sustainability policy, in our outsourcing to service providers, and in our monitoring and reporting on this. In the context of the IMVB covenant, we are focusing on certain societal developments that are important to our members and have been identified as high risk for our investment portfolio. Against this background, we highlighted two sustainability risks for which additional attention is needed: climate change and controversial weapons.

Green Bonds

We reinvested in 'green bonds' in 2020. These are obligations with which investors invest in sustainable projects.

In 2020, PDN's investments included the first German green state bond. The green bond investments we made in 2020 are in addition to the existing green bonds in which PDN already invested, including the World Bank and the Dutch State.

For PDN, sustainable investment also means investing in companies that work to make products more sustainable and in doing so contribute to a more sustainable world. In this context, PDN made a green bond investment in Fertiberia last year. This company is engaged in developing new fertilizers that require less water and are more environmentally friendly in terms of use. This company also aims to be the first fertilizer manufacturer in Europe that does not produce emissions and is also the first to use green hydrogen.

Exclusions

We invest in such a way that our investments reflect our own standards and values. Companies that conduct themselves in a manner that is not in line with the UN Global Compact's Ten Principles are excluded from our investment. The Ten Principles are subdivided into four main themes: human rights, labor law, environment, and fighting corruption.

We also exclude companies involved in the production of controversial weapons such as cluster bombs, land mines, chemical and biological weapons, depleted uranium ammunition, white phosphorus bombs, and nuclear weapons. Along with the manufacturers of such weapons, we also exclude vendors supplying products that are vital to their production (key suppliers). Countries that do not adhere to international treaties or which are under sanction by the UN, EU, or the Dutch government are also excluded from investment. In most cases, the sanctions are related to human rights, arms proliferation, and democratic rights.

Looking ahead to 2021

For PDN, 2021 is all about sustainability. We are reformulating our sustainability ambition and starting points for the coming years and will use these to further develop our sustainability policy. We are translating the policy into performance indicators and integrating these in our investment categories. In doing so, we remain very conscious of our role in society, but also of our important objective of providing a good pension for our members. This is a tremendous responsibility, certainly in the current economic climate. Additionally, it is important that our members can enjoy their pensions in a world that is liveable for everyone.

**Read more about sustainability at PDN? Check out our website, under 'Downloads'. We will be publishing the 2020 sustainability report there in early June.*



Head office to get its 'shine and sparkle' back

Situated on Wateringseweg in Delft is the head office of the Nederlandsche Gist- en Spiritusfabriek, a national monument dating back to 1907. It has been unoccupied since 2005. But that is about to change: BOEi, an organization that specializes in the restoration and redevelopment of cultural heritage, is bringing the building back to life.

Upon entering the head office, you are transported more than a hundred years back in time. At the request of the then factory owner Jacques van Marken, architect Schelling designed an office building with a large central hall. A glass dome gives the hall a certain allure. The payment and collection counters, the hatch for paying salaries, stained glass panels bearing the

names of ports, and busts of factory directors highlight the building's former purpose.

Building with a story

As 'de Gist' increasingly expanded on the western side of the site, the building fell into disuse. Since 2005, only essen-

tial maintenance work has been carried out by the current owner, DSM Delft. "It's a real shame. Ideally, you would want to restore it to its former glory and use it," says site director Fedde Sonnema. But for DSM Delft that is not a realistic option, since new offices need to be located close to the laboratories on the west of the site. So the only option was to sell it. Various parties expressed an interest, but the sale never materialized. "BOEi has also been interested for 15 years," says deputy director Sylvia Pijnenborg "I studied in Delft and know the building well. It's an incredibly beautiful building with a fantastic story: the story of Van Marken and the rise of industry in Delft."

High-end office space

The restrictive conditions have complicated redevelopment efforts: the land will still belong to DSM and the zoning plan and requirements that apply to the site will continue to apply. Fedde: "So you can't turn it into a hotel or an apartment complex. DSM Delft is also keen to retain the central hall. We think it could provide end-quality office space for about 250 people, which is a great use and also important for the city of Delft." Besides the restrictive conditions, maintenance work on the building is overdue and asbestos has been found. Restoration is expensive – but DSM Delft is not exactly asking the top price for the building. "We are selling it for one euro," says Fedde. "We are also renting out a piece of land for parking, so that future users won't have to venture into the neighborhood to find a space."

Incredible allure

The decision was made in early December: BOEi is going to buy the building. The organization can rely on various funds and subsidy schemes to pay for the restoration. "That makes the project feasible, so we're happy about that," says Fedde. Sylvia is also enthusiastic: "We want to make it sparkle and shine again. And we will, just as we have given barracks, prisons, monasteries, and water towers back their sparkle and shine. There is a market for offices in a building with this kind of allure. We will adapt the reception hall to make it suitable for special events." DSM Gist itself will probably also rent office space there for the management of the adjacent Gist Productie Bedrijf. "So the head office will regain both its charisma and its function."

First tenants at the end of 2021

Fedde is pleased. "It was painful to see this beautiful building deteriorate. It took a lot of hard work to find a good partner. So we are very happy to see it go to BOEi." BOEi has already started to formulate a plan, says Sylvia: "This will be followed by applying for subsidies and permits, making the building suitable for temporary use, looking for permanent tenants and, of course, the renovation itself." In three or four years' time, Delft will have yet another landmark. But the first tenants will be able to move in by the end of 2021."

A sneak peek

Over the past 15 years, 'Delft' has occasionally been able to take a sneak peek behind the door. Program manager Prashant Gupta, who will supervise the restoration process from DSM Delft: "We participated in Heritage Days and sometimes receptions were held there. A large exhibition with numerous events relating to '150 years of yeast production in Delft' attracted 20,000 visitors in 2019." The plan is for the building to continue to take part in Heritage Days in the future. And DSM will be allowed to organize several events there every year.

BOEi – for the love of heritage

BOEi, a not-for-profit organization, is driven by love of Dutch heritage. BOEi was founded 25 years ago by several commercial parties and the Province of North Holland to restore and redevelop industrial, agricultural, and religious heritage. "Heritage enriches lives and gives the area a unique atmosphere. Our monuments are silent memories, which come to life and pass on stories," says the organization. BOEi is financed by the 'Friends of BOEi', the BankGiro Lottery, funds, and shareholders. Private individuals can buy bonds, which yield 2.5% interest each year. More information on the website: boei.nl

Source: Biotech Campus Delft News January 2021

Retiring on a pension during the COVID-19 pandemic



Life story: Henk Lukkezen
Born on: June 21, 1954

Divorced, has a girlfriend, a son (36), a daughter (34), and two grandchildren.

Henk retired in March 2020, aged 66.

Henk Lukkezen was a member of the Accountability Council from 2010. He was due to retire in 2020, but that didn't quite go according to plan.

What was your career at DSM like?

"I started in 1996 as financial controller at DSM Resins in Ludwigshafen, where I was the only Dutchman. I moved with my family to Germany. In this role, I set up the administration for a technical service center/sales office. Between 2000 and 2005, I was site controller in Venlo. There, I supervised the administration for the construction of a new plant and the relocation of accounting and payroll administration to South Limburg. Then I moved to Zwolle, where I set up Accounting House Resins (AHR). At the AHR, we centralized the administration of all Resins plants in Europe. In 2011, DSM launched a global financial shared service center in India. As a result of this development, in 2013 I spent some time in India to set up a Business Group Resins shared service center there."

"In 2015-2016, DSM decided to pursue a different course again. It sold various Resins divisions. As part of the ONE DSM strategy, the plan was to centralize administrations at the business groups in regional financial centers. So in 2016 I started in Sittard as a financial lead

EMEA. I worked with a project team to transfer the financial administration from the business groups to a centralized financial control department EMEA. Once that transformation was completed, I moved to Hyderabad in 2018 to strengthen the organization in India and further streamline the changed processes. When this was finished, in March 2020, I returned to the Netherlands just before the lockdown."

"All these changes were always about strengthening and improving the organization, combined with a significant reduction/shift in administrative staffing. This often involved balancing various interests. The organization and those directly involved were not always happy about it or prepared for it. My biggest challenges were to safeguard the interests of those directly involved as well as to ensure the necessary continuity. Looking back, they were eventful, intense, and enjoyable times. Never a dull moment, as they say, although it did take its toll on my relationship. We moved as a family seven times for my work. My children didn't always like that, but they told me later that it did broaden their horizons."

Retiring on a pension does not always go as planned

How did your retirement go?

"When I returned to the Netherlands in March 2020, I had just retired and went straight into lockdown. That was quite a transition – from having a demanding job to no longer being allowed to go to the office and sitting at home on the sofa. A farewell party had been organized for me, but it was canceled due to the lockdown. My farewell gift was sent by post a few months later. That felt like going into isolation instead of retiring on a pension. On behalf of the employees, I was a member of

PDN's Accountability Council, but my membership of that also came to an end. My trip to celebrate my retirement didn't go ahead either. I bought a camper van and wanted to travel around with Carry. Apart from a few trips in the summer in the Netherlands, the camper didn't leave its spot much."

What's life like now that you are retired?

"My son lives in Leiden and my daughter lives in Maastricht. I have two grandchildren. My girlfriend Carry also has two grandchildren. She is a photographer and takes photos for magazines and events. My life is now much slower, and I have limited contact with people due to COVID-19. In the beginning, this made me feel restless, so I looked for other things to do so that I had something to do every day. I read a lot, and I've done a lot of odd jobs at home, such as replacing floors, wallpapering rooms, and landscaping the garden. Now I'm working on a project to make the house gas-free by installing new solar panels and replacing the central heating system with underfloor heating. I live near the center of Zwolle and we regularly walk to town. Unfortunately, we can't go for a drink on a terrace at the moment. I go for an hour's walk every day to try and stay in shape, and once a week I go to the gym for strength training."

Are you still putting your Board experience to good use?

"In 2010, I was asked to join PDN's Accountability Council. In the last elections, I didn't quite get enough votes. I missed out in the Board elections, too. But I still wanted to put all those pension courses I had taken to good use. That's how I ended up at the national pensioners' organization Koepel Gepensioneerden, where I am now responsible for the financial administration. I spend an average of one day a week doing that. The office is located in Utrecht. We have a general meeting four times a year and a Board meeting once a month. That all happens via Zoom now, and I do the administration online. As far as developments regarding pensions, healthcare, and welfare

are concerned, there will be interesting challenges in the years ahead."

Did you have a good pension plan?

"I moved around a lot, including abroad. Then you need to take a good look at how that affects your pension. Before I started at DSM, I worked at Philips. I transferred the pension accrued with Philips to PDN. I got divorced in 2005, which also affected my pension. I participated in the voluntary retirement saving scheme. Every year I put ten unused days of holiday into my pension. That helped towards my pension and closed the pension gap."

Looking back, is there anything you should have or would have liked to have done differently?

"Things always turn out differently than you think. It's important to have the financial room to respond. You should check your expenses, what you need, and whether you need to do anything extra in advance. Perhaps I shouldn't have moved around so much. As a result, I missed out on things and had to make frequent changes, but my life was richer and more interesting. And I wouldn't have had such a good job. DSM is constantly changing. That made me very flexible."

Is there anything you would like to share with your fellow pensioners?

"Think in good time about what you want to do with the rest of your life once you retire and always look for the positives. What do I have, and what can I still do? Most of all, don't get bogged down in negativity and stay active."

Is there any advice you would like to pass on to young professionals who are still accruing their pension?

"Try to look on the bright side, even though that's easier said than done at the moment. Don't get downhearted too quickly. Setbacks are not always easy, but if things always go smoothly, you'll never learn to cope with them either."

PDN's investment returns

When comparing Dutch pension funds' investment returns, PDN's returns are relatively low relative to those of the 100 large Dutch pension funds. Why is that?



There are three reasons for the low returns:

1. PDN opted for a low interest rate hedge.

We use special investments to limit the consequences of a fall in interest rates. We call this 'interest rate hedging'. PDN opted for a relatively low interest rate hedge. The majority of Dutch pension funds opted for a higher interest rate hedge. If interest rates fall, a high interest rate hedge results in positive returns. And that's what happened over the last few years.

Why did PDN opt for a low interest rate hedge?

PDN based its strategic investment policy on a global perspective of low economic growth and high government and company debt, with modest expectations of returns on capital markets. In this scenario, PDN assumed that interest rates were reaching the bottom and would not fall much further. But they did, which is why PDN has profited less from the fall in interest rates than pension funds with a higher interest rate hedge.

2. PDN is a grey fund

PDN's membership is relatively old, and is therefore referred to as a 'gray' fund. 'Green' funds have a young membership and can afford to take more investment risks. They select investments with a stronger focus on achieving returns in the long term. The expected return on investments is therefore structurally higher than for a relatively 'gray' pension fund.

'Gray' pension funds take a relatively risk-averse investment approach for the entire membership and the expected return on investments is structurally lower. Moreover, the obligation term of 'gray' funds is relatively short term. They benefit less from a fall in interest rates than 'green' funds. PDN cannot influence this aspect, and this is largely independent of its chosen investment policy.

3. The investment composition

PDN has opted for a certain investment distribution based on the risk appetite. We use what is known as a matching portfolio and a return portfolio for this. A matching portfolio focuses on taking limited risks, while a return portfolio focuses on realizing returns and excess returns. A return portfolio involves higher risk investments.

A continued fall in interest rates and higher returns on high risk investments have resulted in relatively high returns in recent years. The size of our return portfolio has been somewhat lower than other Dutch pension funds over the past seven years. This means that PDN's returns lagged behind other funds that opted for a different interpretation within the return portfolio.

Pension payment details

PDN makes pension payments on the 27th of the month (with the exception of December). If the 27th falls on a weekend, your pension will be paid before then.

2021 payment dates

may.....	27
june.....	25
july.....	27
august.....	27
september.....	27
october.....	27
november.....	26
december.....	21

PDN funding level

One important indicator of a pension fund's financial health is the funding level. This shows the relationship between PDN's pension assets and PDN's pension obligations, both now and in the future. If the funding level is 110%, for example, then for every €100 PDN pays to pensioners, PDN has €110 worth of assets. PDN publishes the figures on the website quarterly.

The table below shows the funding level from 2017 onwards.

Stand per end	Coverage ratio	Policy cover degree	Used intereste	Efficiency (incl.)
2017	110.1%	107.8%	1.5%	5.6%
2018	105.0%	109.3%	1.3%	-1.8%
2019	104%	102.3%	0.7%	12.7%
Q1 2020	91.2%	99.8%	0.4%	-6.6%
Q2 2020	93.4%	97.0%	0.2%	-1.5%
Q3 2020	96.7%	96.5%	0.2%	0.1%
Q4 2020	99.7%	95.5%	0.1%	4.0%

When making decisions on paying top-ups or making cuts, pension funds must refer to what is called the 'policy funding level'. This funding level is the average of the last twelve monthly funding levels.



Satisfaction survey

PDN conducts a satisfaction survey every two years. The opinion of our members is important to us. We would like you to tell us what we're doing well and where we could improve. We will use your feedback to further improve our services.

If you are accruing a pension with PDN or if you are already receiving your pension, you were invited to complete an online questionnaire between April 12 and May 9. We will inform you about the results of the survey later this year.

Communications Panel

If you would like to share your opinion on how PDN communicates with its members and to help improve PDN's communication, please become a member of the communication panel. We will contact you around twice a year to ask your opinion about a specific communication or communication tool, such as communications on our website, a brochure, or a pension journey. For example, we ran the new 'My PDN pension' environment by the communications panel before it was launched.

To take part or for more information, send an email to communicatieteam.dps@dsm.com.



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Column by Irene van den Berg

Hang in there

I'm tired of hearing people say, "Hang in there just a little longer". These words have been uttered all too often in the past year, by politicians and virologists among others. We just have to hang in there until the infection rates come down, until there is a vaccine, until almost the entire country has been vaccinated. But how long can you actually hang in there?

Lately, I've thought a lot about a colleague from my first job at a regional daily newspaper. He was approaching retirement and didn't really do much work. Other colleagues told me that he had had a wonderful career at the newspaper. But towards the end, he did little more than transcribe police reports and correct grammatical mistakes. He once told me that he didn't want to retire early because it would affect his pension. He just wanted to hang in there a little longer.

But this story doesn't have a happy ending: a few months before his farewell party, he was diagnosed with cancer. And not much after that, he passed away. He didn't get to enjoy his retirement. As a woman in her twenties, I learned the lesson that you shouldn't live in the future, but in the now. Something about the cliché that it can all end in the blink of an eye.

But it's hard to live in the moment during a pandemic. Because now we have to hang in there; enjoyment is for later. For the summer, the fall, next year perhaps. It's great that PDN is using this issue to address retiring on a pension during the lockdown. Without the farewell party or the anticipation of that trip you've wanted to take for so long. It's important to stop and reflect on this huge transition from your working life to retirement. But that's hard if the people around you want to look ahead, to better times.

Psychology teaches us that you can only keep going if you reward yourself enough. For example, if you want to lose weight through willpower alone, you probably won't be able to keep it up. Methods like Weight Watchers, now WW, are based on rewarding yourself with a tasty treat every now and then. If you skip dessert, you can have a glass of wine.

So my advice is: don't just hang in there, celebrate. See what you can do safely and within the rules, and enjoy it. Order food from a top restaurant, buy yourself an outrageously large bunch of flowers, or swap homes with a good friend. Something about the cliché that it can all end in the blink of an eye.

Irene van den Berg is a journalist and columnist, specialized in money and psyche. In her articles she examines our economic behavior. Irene writes for AD, Radar+, and Psychologie Magazine.



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