

How does the Board calculate the increase (indexation) as of 1 January 2025?

The PensioenfondS PDN Board decided to partially increase pensions in 2025 by 1.78%. We refer to this increase as indexation.

Employers and unions agreed that the pensions should follow the Consumer Price Index All Items, derived (October - October). Statistics Netherlands determines this price index, which amounts to 2.58%.

In line with the standard indexation policy, the Board then considers whether the fund's financial situation is sufficient to allow full indexation. This year, this is possible if the policy funding level was 133.4% or higher on 31 December 2024. If the policy funding level is between 133.4% and 110%, the Board may only award partial indexation. In doing so, the Board adheres to the Dutch Financial Assessment Framework's (FTK) statutory calculation rules.

The policy funding level was 125%. This meant that the Board could only award 68.8% of the index and is how the Board arrived at the rate of $(68.8\% \times 2.58\% =) 1.78\%$.

We already informed you in the December 2024 Newsletter that, due to procedural and operational constraints, the Board was unable to use the so-called transition FTK, which does allow full indexation.

What does this mean for you?

Your pension will be higher, but your pension's purchasing power will fall because the increase does not match inflation.

What consequences does this have for PensioenfondS PDN's financial situation?

The indexation means that the fund's funding level will fall by approximately 2.1%. A lower funding level is less favourable for possible indexation in the future and increases the likelihood of the funding level being too low to make a balanced transition to the new pension. The Board considered these disadvantages against the benefit of partially increasing pensions now.

More information about the indexation?

If you

- would like to know more about the Board's indexation decision, click [here](#) or check the website under 'Downloads' to find the 'Increased pension' article in the December 2024 Newsletter.
- would like to see how your pension has increased in recent years, click [here](#) or visit the website and click under 'Funding level, returns and other financial figures' in the right hand column on the 'Table on indexation'.