

Pensions increased in 2022

On June 22, the Board decided to increase pensions over the whole of 2021. This will take place from July 1, 2022 and applies to all members.

Increase as of July 1, 2022

PDN aims to increase your pension every year and to allow it to grow in line with inflation or wage increases. The financial position of the fund and the statutory regulations that apply to indexation play a major role during the annual decision-making process in this regard. The decision about the increase was based on the positive development of PDN's financial position and the new possibilities offered by legislation. Adopted at the beginning of June, the legislation lowers the policy funding level that a pension fund must reach in order to increase pensions. In short, the amendment means that, in 2022, a pension fund would be allowed to increase (index) pensions if its policy funding level¹ is 105% or above. Until now, the lower limit was 110%. However, instead of being automatically granted, this wider margin is subject to several conditions.

The Board carefully assessed whether PDN met the conditions required by this legislation. A balance was also made between granting these increases now or, in view of the transition to the new pension system, keeping the money in the fund for the time being. During this process, the Board carefully balanced the interests of all members.

Click [here](#) for the impact of indexation on the various stakeholders.

In view of all the uncertainties involved, the decision was made not to depart from the current policy framework. These are the rules that “normally” determine whether pensions are increased or not. While we are maintaining a steady line, we did decide to make use of the possibility offered by the new legislation. The fund may apply a policy funding level of 105% when calculating the percentage increase. This means the increase is 50%, with no further departures from the existing policy.

Increase as of July 1, 2022, for former employees' payable pensions and accrued pensions:

- Inflation was 3.28% in 2021.
- As of July 1, these members will receive an increase of 1.64%.

Increase as of July 1, 2022, for employees' accrued pensions:

- The average wage increase at DSM was 2% in 2021.
- As of July 1, these members will receive an increase of 1%.

This increase is locked in, which means that it will apply for life as of July 1.

If you would like to know more about granting indexation at PDN, please click [here](#).

¹ The policy funding level is the average of the fund's funding levels over the last 12 months.