



Assumptions for calculation of pensions for pension schemes under P+

December 2024

This document provides an overall description of your pension statement which shows how you are covered as well as the names of your pension and insurance covers.

You can find the Regulations which form the basis of your pension scheme [here](#)

CALCULATION OF PENSIONS

The pensions are calculated according to the technical basis which is reported to the Danish Financial Supervisory Authority. Calculation and payment of bonus are based on P+'s Bonus regulations. The Board determines the bonus rates annually and can change the Bonus regulations.

P+ Regulations 2019

Retirement pension, disability pension, spouse's or cohabitant's pension as well as children's pension are all calculated according to a basic and a supplementary pension respectively.

- **Calculated pension**
The calculated pension is comprised of a basic and a supplementary pension respectively. The calculated pension includes a 2 percent calculation interest rate. If bonus is inadequate for maintaining the calculated pension, it will be reduced – also if payment of benefits has started. This applies to all types of pensions, including forecasts for both the first and the later payments.
- **Basic pension**
The basic pension is calculated according to the technical basis and can be changed, cf. the conditional basis, item 14.2 in the Regulations, if the basic interest rate, the biometrical assumptions or the cost structure change significantly. The Board can change the assumptions of the basis – e.g. the basic interest rate, the biometrical assumptions or the cost structure - if one or more of the assumptions change permanently.
- **Supplementary pension**
The supplementary pension is the difference between the calculated and the basic pension respectively. The supplementary pension is a supplement to the basic pension and is paid via bonus. The supplementary pension may be adjusted and possibly discontinued if e.g. the return on investments fails to meet the assumptions.

First year of payment if you retire . . .

On the pension statement under *Første udbetalingsår, hvis du går på pension (First year of payment if you retire)* . . . is a pension forecast stating the current value of the pension benefits based on a number of assumptions which may change, and consequently the forecast is not binding. Contributions, costs and fixed amount covers included in the pension forecast are adjusted for inflation, and the pension is discounted with the inflation rate. Up to and including 2029, the inflation rate accounts for 1.9 percent, from 2030 up to and including 2034, it accounts for 1.8 percent and hereafter it accounts for 2 percent. The interest rate forecast appear from the paragraph *Deposit interest rate forecast (pre-tax)*.

Payment schedule

On the pension statement under *Udbetalingsforløb*, you can see how your total regular benefit payment may develop over time based on a number of assumptions. The assumptions may change, and consequently the payment scheme is not binding. In the payment schedule costs are adjusted for inflation, and the pension is discounted with the inflation rate. Up to and including 2029, the inflation rate accounts for 1.9 percent, from 2030 up to and including 2034, it accounts for 1.8 percent and hereafter it accounts for 2 percent. The forecasted interest rates appear from the paragraph *Deposit interest rate forecast (pre-tax)*. Potential fixed amount covers are also adjusted for inflation.

If you receive disability pension benefits

In the pension forecast and payment schedule neither fixed amount covers nor amounts that correspond to non-contributory cover are adjusted for inflation. Furthermore, it is assumed that disability pension which is granted for a short period of time is prolonged for the longest period possible. If the disability pension is granted for a short period of time, this is not reflected in the pension statement. Deduction in disability pension benefits is assumed being unchanged during the entire payment period. If you receive temporary disability

pension benefits, the pension forecast and payment schedule are calculated as if payment of contributions is resumed with the same amount without adjustment for inflation after payment of disability pension benefits has been discontinued. Payment is discontinued when the period for which you have been granted disability pension expires.

Non-contributory cover

For pension schemes subject to non-contributory cover, the basic pension under *Første udbetalingsår, hvis du går på pension ...* is calculated based on continued payment of pension contributions. The size of the retirement savings scheme (also called retirement insurance), annuity certain and endowment policy under *Til dine efterladte, hvis du dør* is also based on continued payment of contributions and will be reduced to an amount corresponding to the paid contributions in case of payment.

Payment of contributions after stipulated retirement age

The pensions are calculated according to the retirement age stipulated in the Regulations. Prolongation of contribution payments and postponement of benefit payments surpassing the fixed retirement age are considered as a new policy.

Savings products

Annuities certain and endowment policies as well as retirement savings schemes (also called retirement insurances) are savings products in market rate. The size of the pensions is adjusted according to the return on investments of the investment profile, and accordingly it may both decrease and increase. This applies to all types of pensions, including forecasts for both the first and later payments. In general, annuities certain in payment are adjusted at year-end.

Exemption from paying contributions

If you are granted disability pension, you are exempt from paying contributions. However, this does not apply to contributions used for annuities certain, retirement savings schemes (also called retirement insurances) or high savings pension schemes. The exemption from paying contributions is discontinued if the right to disability pension is discontinued. Read more about exemption from paying contributions [here](#)

MemberFunds

P+ sets aside an amount which at present corresponds to 2 percent of your contributions to regular pensions to MemberFunds which are individual special bonus provisions, cf. the Policy for bonus and special bonus provisions. MemberFunds are a part of P+'s basic own funds and serve as collateral for P+'s obligations. MemberFunds are paid as a supplement to the retirement pension benefits and are in general determined annually. MemberFunds may be changed or discontinued.

The expected return used for calculation of the supplement appears below. On the pension statement you can see how MemberFunds are paid, and you can read more about MemberFunds [here](#). In case of transfer of the pension scheme to another company and in case of a cash compensation for withdrawal, MemberFunds are included in the transferred amount.

Percentage cover and fixed amount cover

Disability pension, spouse's or cohabitant's pension as well as children's pension are all insurance covers where the size of the cover is based on one of the following two principles:

- Percentage cover where the insurance cover is determined as a percentage rate of the calculated retirement pension at age 68.
- Fixed amount cover where the insurance cover is determined as a fixed amount.

Adjustment of the fixed amount cover

The calculated pension (the basic and supplementary pension respectively) is determined as a fixed amount cover. The basic pension is determined as an individual percentage cover of the retirement pension based on the ratio of the covers of the calculated pension. The ratio is adjusted regularly as the pension scheme develops and may result in the basic pension being adjusted for one or more insurance covers or the retirement pension.

The fixed amount covers that are not in payment are adjusted annually on 1 January with the consumer prices index. The adjustment may affect the retirement pension and insurance covers that are not fixed amount

covers . Fixed amount covers that are not in payment are not adjusted annually if you receive temporary or permanent disability pension.

When you start receiving retirement pension benefits and on transition to dormant membership, all fixed amount covers become percentage covers. The insurance covers are determined according to the rules applying to the pension agreement. On resumption of contribution payments, you must opt for the fixed amount cover again.

When you start payment of a fixed amount cover, the paid calculated pension benefit may be adjusted both upwards and downwards as stipulated in the Bonus regulations.

Adjustment of pension schemes with a deposit interest rate

The adjustment of your pension depends i.a. on the deposit interest rate, the administrative costs and the group life premium. The adjustment may be both negative and positive. This applies to all types of pensions, including forecasts for both the first and later payments. In general, pensions in payment are adjusted at year-end.

Adjustment of private contribution payments

Private monthly contribution payments are adjusted annually on 1 January with an adjustment rate corresponding to the adjustment rate applying to annuities certain. The adjustment rate is determined under existing laws.

DEPOSIT INTEREST RATE FORECAST (PRE-TAX)	2025-29	2030-34	2035 →
Regular pension under P+ Regulations 2019	6.15 %	6.51 %	5.92 %

EXPECTED RETURNS (PRE-TAX)	0-5 years	5-10 years	10 years →
Annuity certain, endowment policy and retirement savings scheme (also called retirement insurance) under P+ Regulations 2019:			
P+ Aktiemax	8.08 %	8.56 %	7.28 %
P+ Balance	6.15 %	6.51 %	5.92 %
P+ Obligationsmax	4.57 %	4.83 %	4.82 %
MemberFunds	6.15 %	6.51 %	5.92 %

The forecasted deposit interest rates are determined according to social assumptions provided by the Council for Return Expectations. For pension schemes under P+ Regulations 2019 the actual deposit interest rate for 2025 is applied.

UNCERTAINTY IN PENSIONS

Uncertainty in the calculation of your benefit

The payment based on the expected return is our best estimate of the size of your benefit when you retire. The calculation is done on basis of key assumptions and average observations about return, inflation, life expectancy and tax. We cannot accurately forecast the development of these conditions . Accordingly, we cannot be certain about the size of your benefits.

Uncertainty of returns

To give you an idea about the uncertainty, we also calculate the benefit on basis of a high and a low return. These two figures show the size of your benefit if the financial markets develop better or worse than expected. The size of your benefit will in all probability (90 percent) lie between the two.

Only the uncertainty about the development on the financial markets is included in the calculation based on a high and low return respectively. The uncertainty about inflation, tax rules, life expectancy etc. is not included. You can read more about the calculation method and the forecast [here](#)

Uncertainty of life expectancy

The life annuity is paid for as long as you live. The size of the benefits depends on the future average life expectancy. If later on we estimate that the life expectancy increases more than expected, yours and the other members' lifelong pensions must last longer. This implies that the benefits may be reduced.

Below, you can see an example of how the size of your benefit may fall if the average life expectancy for all members increases with one year e.g. from 85 to 86 years.

Expected benefits per year (DKK)	Age 85	Age 86
Annual pension	100,000	95,000

ADMINISTRATIVE COSTS

The direct administrative costs are determined by the Board. The cost rates appear from the technical basis which is reported to the Danish Financial Supervisory Authority. Calculation of pension forecasts includes below forecasted rates for 2026 and onwards. For 2025, the present costs, which you find [here](#), are applied.

Forecasted rates for 2026 and onwards:

Administrative costs	Retirement pension	Annuity certain, endowment policy and retirement savings scheme (also called retirement insurance)
Monthly fixed costs	DKK 25	DKK 15
Payment of monthly contribution	DKK 45	DKK 0
Payment of single contribution	DKK 45	DKK 45
Payment of monthly benefit	DKK 25	DKK 10
Benefit payment spouse/children	DKK 0	DKK 0

Group insurance

The group insurance is a one-year insurance. The Board determines the group insurance and premium annually, and in 2025 the group insurance premium accounts for DKK 2,880 (including administrative costs) The group insurance premium is paid through bonus. If your group insurance includes a lump sum disability benefit, it can be paid once in the event of permanent disability.

PROVISION PERIODS

P+ does not require submission of health information. On the contrary, you become subject to provision periods.

On admission, the pension scheme is subject to a 2-year provision period for compulsory members and members under a company scheme and a 4-year provision period for individual members on payment to P+ for a consecutive period of 2 and 4 years respectively.

A 2-year provision period is applied in case of contribution increases, payment of single contributions, resumption of contribution payments from dormant membership as well as opting for and changing the disability pension, the spouse's or cohabitant's pension, the children's pension, pension life cover and group insurance.

You can read more about provision periods in the Regulations and the Insurance terms.

TAXATION

Employer contributions

Your employer deducts the pension contribution before calculating tax and labour market contribution. P+ settles the labour market contributions with the tax authorities. Accordingly, you have benefitted from a tax relief on the pension contribution, and it should not be stated on your tax return. The paid contributions are not included in your taxable income.

Private contributions

When you pay the pension contributions yourself, P+ reports the payments to the tax authorities. The reported amounts appear from your tax return.

Payments to a pension scheme with regular payments are fully deductible in your personal income when the payment period is 10 years or longer. If the payment is reduced within the first 10 years, different rules apply.

If the payment period is less than 10 years, or you pay single contributions, the total tax relief must as a main rule be divided with 1/10 per year for 10 years. If the 1/10 relief is less than DKK 60,300 (2025), you can 'top up' and deduct this amount every year. The 'top up' relief is usually adjusted annually. If you pay contributions to different private life annuities, the limit of DKK 60,300 applies to all schemes as a whole.

General information

Payments to annuities certain are deductible in your personal income. In 2025, the maximum tax relief - regardless of if you pay into one or more annuities certain - accounts for DKK 65,500 after payment of labour market contribution.

Payments to a retirement savings scheme (also called retirement insurance) are not deductible in your personal income. If you have more than 7 years until reaching the state pension age, you can pay up to DKK 9,400 in 2025. If you have 7 years or less until reaching the state pension age, you may pay up to DKK 61,200 in 2025. If you pay into different retirement savings schemes (also called retirement insurances), the maximum payment applies to all of them as a whole.

The group insurance premium is taxable and reported to the tax authorities.

An individual pension return tax of 15.3 percent is paid annually. Deposit values earned before 1 January 1983 are exempt from pension return tax.

Payment of benefits

Your monthly pension benefits are taxed as personal income. Payments are not subject to labour market contributions.

- Payment of retirement sums and endowment policies is subject to a 40 percent tax charge.
- Payment of annuities certain, endowment policies and pension life cover on death is subject to a 40 percent tax charge.
- Payment from the group insurance and retirement savings schemes (also called retirement insurances) is tax-free.

On payment of a lump sum death benefit, a potential estate tax is deducted when payment is made to others than spouse, cohabitant or registered partner.

Adjustment of the pension return tax is made annually at the end of December. The adjustment may impact on the year's benefit payments.

§ 53A schemes

Payments to § 53A schemes are not deductible. In return, the benefit payments are tax-free unless special rules apply to residence abroad at the time of payment. This applies to both regular payments and lump sums.

The return is taxed as capital income, and we report the amount to the tax authorities. The amount appears from your tax return if you are tax liable to Denmark. In Greenland, special rules apply to taxation of the return. You can read more [here](#)

WITHDRAWAL PENALTY

P+ has rules about withdrawal penalties which apply on transfer of your pension scheme or payment of a cash compensation for withdrawal. If the withdrawal penalty is applied, the actual charge appears from the website. Read more about the rules on withdrawal penalties and the actual charge [here](#)

TERMINATION

If your pension scheme is set up through your employer, it cannot be terminated without your employer's consent. If you have set up a private pension scheme, you have the right to cancel the scheme within 30 days. You can always discontinue payment of contributions to the pension scheme, however, you should be aware that you may be taxed additionally if you have not made payments to a lifelong pension scheme for at least 10 years. The rules on cash compensations for withdrawal appear from the Regulations.

LEGISLATION, TRANSPARENCY AND RIGHT TO COMPLAIN

You should read the pension statement carefully and make sure that all information is correct. To ensure transparency and good corporate governance, there are rules and laws that we as a pension fund must comply with.

Transparency

To make it easier for you to understand your pension scheme and compare your schemes in different pension companies, you can see the pension fund's portfolio composition and your pension scheme's risk labelling [here](#). Here you can also find our Solvency and Financial Conditions Report (the report is only available in Danish).

The General Data Protection Regulation

We process and store your personal data according to the Act on Processing of Personal Data. This means that you have the right to gain insight into the information we hold about you and have corrected, handed over and, if necessary, erased any information about you which is wrong or misleading.

We mainly communicate with you through e-Boks and Min pension. We do never t send civil registration numbers or other sensitive personal data via mail, and our IT systems comply with the general standards for security.

Anti-money laundering

We are obliged to ensure that the pension fund is not misused for money laundering or terrorist financing which e.g. implies that we must know our members and their relatives to whom we pay benefits. This applies especially to members and relatives resident outside Denmark. Accordingly, there may be situations where we require picture ID or other documentation related to payments made and received.

Right to complain

If you disagree with the outcome of a decision, you have the right to complain. You can send an e-mail to klageansvarlig@pplus.dk – read more [here](#)



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