

Assumptions for calculation of pensions for pension schemes under P+, former JØP

December 2023

In case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

This supplement 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 THE 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 2007, former JØP Regulations 2, P+ Ratepension, former JØP, P+ Pension Udland, former JØP, P+ Ratepension Udland, former JØP and P+ Aldersforsikring, former JØP

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

- **Calculated pension**
The calculated pension is comprised of a basic pension and a supplementary pension. The calculated pension includes a 4 percent calculation interest rate. For the term pension, the calculation interest rate is 0 percent. If bonus is inadequate for maintaining the calculated pension, it will be reduced. This applies to all types of pensions, including forecasts for both the first and later payments. P+ expects that the calculated pension is reduced with time - also after payment of benefits has started.
- **Basic pension**
The basic pension is calculated according to the technical basis which is conditional and may be changed if the basic interest rate, the biometrical assumptions or the cost structure change significantly. The Board can change the assumptions such as the basic interest rate, the biometrical assumptions and the cost structure if one or more of the assumptions change permanently.
- **Supplementary pension**
The supplementary pension is the difference between the calculated pension and the basic pension. The supplementary pension, which is a supplement to the basic pension, is paid from bonus. The supplementary pension may be adjusted or possibly discontinued if e.g. the return on investments fails to meet the assumptions.

P+ Regulations 1973, former JØP Regulations 1

For pension schemes under P+ Regulations 1973, former JØP Regulations 1 the part of the basic pension deriving from contribution increases and bonus as of 1 January 2006 is conditional and may be changed if the basic interest rate, the biometric assumptions or the cost structure change significantly.

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. In the pension forecast, contributions, costs and kronedækning are adjusted for inflation, and the pension is discounted with the inflation rate. Up to and including 2029, the inflation rate accounts for 2.3 percent, from 2029 up to and including 2034, it accounts for 1.9 percent, and hereafter it accounts for 2 percent. The interest rate forecast appear from the paragraph *Deposit interest rate forecast (pre-tax)*.

Payment course

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 course is not binding. In the payment course, contributions, costs and kronedækning are adjusted for inflation, and the pension is discounted with the inflation rate. Up to and including 2029, the inflation rate accounts for 2.3 percent, from 2029 up to and including 2034, it accounts for 1.9 percent, and hereafter it accounts for 2 percent. The forecasted interest rates appear from the paragraph *Deposit interest rate forecast (pre-tax)*. Potential kronedækninger are also adjusted for inflation.

If you receive disability pension benefits

In the pension forecast and payment course neither kronedækning 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 does not appear from the pension statement. Deduction from disability pension benefits is assumed being unchanged during the entire payment period.

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 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 equaling the paid contributions in the event of payment.

Resumption of contribution payments from non-contributory cover or dormant membership

On resumption of contribution payments after a period of non-contributory cover or dormant membership under P+ Regulations 1973, former JØP Regulations 1 it applies that the contributions are included on the same basis which applies to contribution increases which is a conditional basis including a basic interest rate of -1 percent. This applies regardless of the size of the contribution.

Payment after fixed 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.

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 an annuity certain, a retirement insurance or a high savings pension scheme. The exemption from paying contributions is discontinued if the right to disability pension is discontinued.

MemberFunds

For pension schemes under P+ Regulations 2007, former JØP Regulations 2, P+ Ratepension, former JØP, P+ Pension Udland, former JØP and P+ Ratepension Udland, former JØP, P+ sets aside an amount which at present equals 2 percent of your contributions to MemberFunds which are individual special bonus provisions, cf. the Policy for bonus and special bonus provisions.

Pension schemes under P+ Regulations 2007, former JØP Regulations 2 and pension schemes set up until 1 September 2018 under P+ Pension Udland, former JØP and P+ Ratepension Udland, former JØP include MemberFunds (15 years) which are individual special bonus provisions, cf. the Policy for bonus and special bonus provisions.

MemberFunds and MemberFunds (15 years) 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. MemberFunds (15 years) are paid as a supplement to the pension benefits. Payment is normally determined annually. In the event of death before payment of MemberFunds (15 years) has started or been completed, the remaining amount is paid as a lump sum. Payment of MemberFunds and MemberFunds (15 years) may be changed or discontinued.

The expected return for calculation of the supplement appears below. On the pension statement you can see how MemberFunds and MemberFunds (15 years) are paid. You can read more [here](#)

In case of transfer of the pension scheme to another company and in case of a cash compensation for withdrawal, MemberFunds and MemberFunds (15 years) are included in the transferred amount.

Term pension

In relation to the merger between DIP and JØP, pension schemes in interest rate groups Q and R had a part of their MemberFunds (15 years) transferred to a term pension. The term pension is paid along with MemberFunds (15 years) as long as they are paid. In the event of death before payment has started or been completed, the amount or remaining amount is paid as a lump sum. Interest on the term pension is paid at the deposit interest rate of interest rate group Q or R.

Procentdækning and kronedækning under P+ Regulations 2007, former JØP Regulations 2

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

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

Adjustment of kronedækning

The calculated pension (the basic and supplementary pension) is determined as kronedækning. The basic pension is determined as an individual percentage rate of the retirement pension based on the ratio of the covers of the calculated pension. The ratio is adjusted regularly concurrent with the development of the pension scheme and may result in the basic pension being adjusted for one or more insurance covers or the retirement pension.

Kronedækning that are not in payment are adjusted annually on 1 January with the consumer prices index. The adjustment may affect the insurance covers that are not based on kronedækning and the retirement pension. Kronedækning that are not in payment are not adjusted annually if you receive temporary or permanent disability pension.

When you start payment of retirement pension benefits or are transferred to dormant membership, all covers with kronedækning are changed to covers calculated as a percentage rate. The insurance covers are determined according to the rules applying to the pension agreement. On resumption of contribution payments, you must opt for kronedækning again.

When you start payment of a kronedækning, the paid calculated pension benefit may be adjusted both upwards and downwards, cf. 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 the later payments. In general, pensions in payment are adjusted at year-end.

Adjustment of private payments

Private monthly payments are adjusted annually on 1 January with an adjustment rate equaling the adjustment rate for annuities certain. The adjustment rate is determined according to existing law.

DEPOSIT INTEREST RATE FORECAST (PRE-TAX)	2025-28	2029-33	2034 →
P+ Regulations 2007, former JØP Regulations 2 (interest rate group O, P, Q, R)	6.34 %	6.48 %	5.80 %
P+ Regulations 1973, former JØP Regulations 1 (interest rate group D, E, F)	0.00 %	0.00 %	0.00 %
P+ Regulations 1973, former JØP Regulations 1 (interest rate group B and C)	6.34 %	6.48 %	5.80 %
P+ Ratepension, former JØP and P+ Aldersforsikring, former JØP	6.64 %	6.48 %	5.80 %
P+ Pension Udland, former JØP and P+ Ratepension Udland, former JØP	6.64 %	6.48 %	5.80 %

EXPECTED RETURNS (PRE-TAX)	0-5 years	5-10 years	10 years →
MemberFunds and MemberFunds (15 years)	5.53 %	6.00 %	6.06 %

The forecasted deposit interest rates are determined according to social assumptions provided by the Council for Return Expectations. For 2024 the actual interest rate is applied. For interest rate group D, E and F, a

forecasted interest rate of 0 percent is applied in order to take previous disbursements from the pension fund's basic own funds into account.

UNCERTAINTY IN PENSION FORECASTS

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 made on basis of key assumptions and average observations about return, inflation, life expectancy and tax. We cannot forecast the development of these conditions accurately. Accordingly, we cannot be certain about the size of your benefits.

Uncertainty about the return

In order 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 forecasted. 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 about life expectancy

The lifelong pension 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 size of 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 from e.g. 85 to 86 years.

Expected benefit per year	Age 85	Age 86
Annual pension	DKK 100,000	DKK 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 administrative costs for 2025 and onwards. For 2024, the present costs, which you find [here](#), are applied.

Forecast for 2025 and onwards:

Administrative costs	Retirement pension	Annuity certain, endowment policy and retirement insurance
Fixed monthly costs	DKK 20	DKK 10
Payment of contributions and single contributions each time	DKK 45	DKK 0
Payment per month	DKK 25	DKK 10
Payment to spouse/children	DKK 20	DKK 0

Group insurance

The group insurance is a one-year insurance. The Board determines the group insurance and premium annually, and in 2023 the group insurance premium accounts for DKK 2,350 (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 provisions. With a provision you are fully covered immediately if you are healthy and do not have a diagnosis at the time you are admitted or change your pension scheme.

On admission under P+ Regulations 2007, former JØP Regulations 2 members became subject to a 2-year provision period.

A 2-year provision period also takes effect on resumption of contribution payments after more than 1 year's dormant membership and risk increases of more than 25 percent. Under P+ Regulations 2007, former JØP Regulations 2 the provision period also applies on opting for the spouse's pension more than 1 month after the marriage and on opting for the children's pension. Furthermore, payment of all single contributions and contribution increases that are not the result of a regular adjustment or job change activate a provision period of 1 year.

There is no provision period applying to Supplerende alderspension under P+ Regulations 1973, former JØP Regulations 1 and P+ Regulations 2007, former JØP Regulations 2, P+ Ratepension, former JØP, Aldersforsikring, former JØP and P+ Ratepension Udland, former JØP.

You can read more about provision periods in the Regulations, the Insurance terms and [here](#)

SPECIAL INSURANCE COVERS

The retirement sum

Payment of the retirement sum must start no later than at the same time as payment of the linked retirement pension is started. The possibility of payment of a retirement sum appears from Min pension under Opsparing/Se min prognose.

Sum to unmarried members

If on your death you are unmarried and have not reached age 67, a sum equaling four times the spouse's pension benefits that a possible spouse would have been entitled to is paid under P+ Regulations 1973, former JØP Regulations 1.

Waisenrente (benefit for orphans)

If on your death you leave a child which no one has the obligation to support, double children's pension is paid under P+ Regulations 2007, former JØP Regulations 2, P+ Pension Udland, former JØP, and P+ Regulations 1973, former JØP Regulations 1.

TAXATION

Employer paid contributions

Your employer deducts the pension contribution before calculating tax and labour market contribution. P+ pays the labour market contribution to the Danish Tax Agency (SKAT). 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.

Privately paid contributions

When you pay the pension contributions yourself, P+ reports the payments to SKAT. 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, other rules apply.

If the payment period is less than 10 years, or you pay single contributions, the total tax deduction must as a main rule be divided with 1/10 per year for 10 years. If the 1/10's deduction is less than DKK 58,100 (2024), you can 'fill up' and deduct this amount every year. If you pay contributions to several private life annuities, the limit of DKK 58,100 applies to all schemes as a whole.

General information

Payment to annuities certain is deductible in your personal income. In 2024, the maximum tax deduction accounts for DKK 63,100 after payment of labour market contribution regardless of you pay into one or more annuities certain.

Payment to a retirement insurance is 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 9,100 in 2024. If you have 7 years or less until reaching the state pension age, you may pay up to DKK 58,900 in 2024. If you pay into several retirement insurances, the maximum payment applies to all of them as a whole.

Payment to the group insurance is taxable and reported to SKAT.

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 pension 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 insurance 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.

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

§ 53A schemes

Contribution 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 SKAT. 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 on 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. You can 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 the pension scheme is set up by yourself, 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 check that all information is correct. In order to ensure transparency and good corporate governance, there are rules and regulations that we as a pension fund must comply with.

Transparency

In order to make it easier for you to understand your pension and compare your pension schemes in different pensions 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 communicate mainly with you through e-Boks and Min pension. We do not 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. This means among other things 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 need picture ID or other documentation related to payments made and received.

Right to complain

If you find that P+ has made a wrong decision in a matter between you and the pension fund, you have the right to complain. You can send an e-mail to klageansvarlig@pplus.dk – read more [here](#)



P+

Pensionskassen for Akademikere
Dirch Passers Allé 76
DK-2000 Frederiksberg

www.pplus.dk
kontakt@pplus.dk
+45 3818 8700
CVR no. 19676889