

Short Annual Report

Forward is in good financial shape

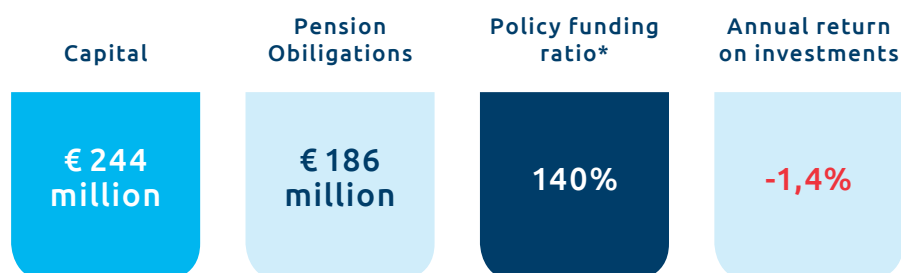
For every € 100 we need to pay out for all current and future pensions Forward had on average € 140 available in 2018. Additionally and rather exceptional these days is that on 1 January 2019 we were able to increase the accrued pensions of employees by 4.97%. Positive messages and this despite a (limited) loss on our investments. In this Short Annual Report you will find the most important figures and other interesting facts relating to 2018.

Martine Zeegers

VP HR Unilever Benelux & bestuurslid Unilever APF



Our situation at the end of 2018



forward

Kring van Unilever APF

* Funding ratio = capital divided by pension obligations.
Policy funding ratio = average funding ratio of 12 consecutive months; this is determinative for important decisions (on pension increases for example).

Your pension is worth gold

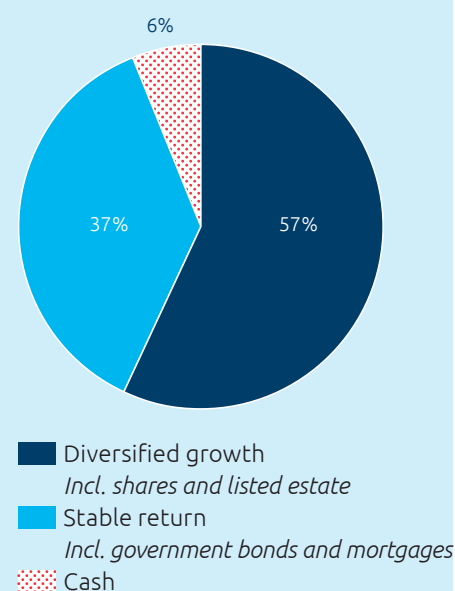
A pension costs money, a lot of money. Each year we determine the contributions required for the agreed pension accrual. In the table below you can see how much you pay as an employee according to the current CLA and how much Unilever contributed in 2018.

	In % of pensionable salary*	Total in 2018	Average per employee
Contribution employee	3%	€ 4 million	€ 1.500
Contribution Unilever	35%	€ 48 million	€ 18.000

* Pensionable salary = annual salary minus approximately € 13,000. This is because in addition to your pension you will also receive AOW (state pension). Which is why you do not accrue pension over your entire salary.

The reason why pensions cost a lot of money is due to the fact that people are living longer on average and because of the low interest rate which we have to use in our calculations (the lower the interest rate, the more money we need to have available according to the law). In addition, Unilever and the trade unions have agreed a good pension scheme. And the better the scheme, the more expensive it is

Asset mix at the end of 2018



For you we make the effort

The number of active members fell substantially in 2018 due to the sale of BCS and the factory in Oss. At the same time this also meant a substantial rise in the number of ex-members (left employment but have not yet retired). Because Forward was only established in 2015, the number of pension beneficiaries is still low.



-591

2,417

active participants



+972

1,707

ex-participants



+22

94

retirees

True or false?

'By the time I retire, the pension pot **will be empty**'

False!

Many people think that their pension contributions are used to pay the pensions of the current pensioners. **This is not true.** The contributions that you pay are most definitely used to save for your own pension; from that pot of money we will pay your pension in the future. This is not the case for the Dutch state pension (AOW); that is probably where this misconception comes from.

Did you know that...

- ✓ there is a separate pot of money for increasing the pensions of active members during the first years of Forward. Of this **pot of € 15 million** there is around € 6.5 million left. In any event this secures a pension increase on 1 January 2020, independent of the financial situation of Forward.
- ✓ Forward pursues the same policy for **responsible investment** (see ESG annex) as Progress, the other scheme of the Unilever Pension Fund
- ✓ the youngest of the 12 board members of our pension fund (Kristian Vleugels) is **only 33** and he finds pensions 'just plain interesting'.

More about 2018

You will find all the details relating to the past year in our full 2018 annual report. You can find this report (only in Dutch) via:

[Unileverpensioenfonds.nl/Forward](https://www.unileverpensioenfonds.nl/Forward) > Documenten > Publicaties > Jaarverslagen

Do you have questions about your pension? Then visit the pension consultation!

In 2018 many colleagues used our pension consultations. We will specifically visit your location to this end and you can ask us all the questions you may have. We will be on location in July. Keep an eye out for the invitation at your work location and make use of it!

You can of course also first visit our pension planner.



planner.unileverpensioenfonds.nl



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