



## Information to Employees - January 2021

### Individual Pension Account (EPK) - Why?

You may have heard of individual pension account by now. But why introduce this change for everyone with built up defined contribution pension in Norway? The main goal is to make pension simpler, cheaper and provide more pensions to you as a member of a defined contribution pension plan. Individual Pension Account is a comprehensive pension reform and perhaps the most important change ever for you as a member of a company paid saving plan.

### This is EPK

Your employer sets off real money for your retirement. If this is in a defined contribution pension plan, which most people in the private sector have, your Individual Pension Account is automatically created for you in January 2021 by the pension provider your employer has. The pension savings from your current employer, together with the generated return, will be added this account. At first, you will not notice any difference. But if you leave your current employer, your pension capital and your pension account will follow you to your new employer, if this employer offers a defined contribution pension. This will make it much clearer and easier for you than before, when plan earned pension capital was not transferred to a new employer's defined contribution pension plan.

### Pension savings from previous employers

100 billion Norwegian Kroners! This is the total value of the pension savings from previous employers rapped as Pension Capital Certificates («PKBs»). After February 1st, 2021, your share of savings will be moved to your Individual Pension Account with your current employer's pension provider. This will be cheaper for you, as the employer from now on will pay the administration costs of these previously earned rights. Further you will be charged less for capital management as it equals the employer's negotiated rate. This cost rate is a lot lower than your PKB (s) are currently charged. Lower costs mean more pension to you.

### Does it apply to me?

As long as you still work and are a member of a defined contribution pension, you will get a EPK. It is important to note that EPK only includes defined contribution pensions and previous rights (PKB) from defined contribution pensions. It means that paid-up policies from defined benefit schemes and earnings from the public sector pension schemes will not be part of your new EPK.

You will get a number of new options with EPK. You can e.g. choose to have your retirement account managed another place than with your current employer's pension provider.

We will share more updated information the coming weeks. You can also look forward to a rich and valuable webinar January 28th.

We will provide you with lots of practical information about EPK and the consequences of the choices you can make. Make sure to save the date for the webinar (will be recorded and available on our info web sites). In the previous information letter, we suggested that you get familiar with how

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your pension capital is invested with its split on shares and interest rates. This applies to both the pension savings with your employer and in your PKB (s). Not everyone remembers where their pension savings are. A tip is to start your search on [www.norskpensjon.no](http://www.norskpensjon.no). Log in with your BankID and find the full overview of all yours pension agreements. Check it out and try forecasting your future income in the calculators. Not satisfied? With EPK you can affect the outcome. This exercise is highly recommended!

## Finance café

We are expanding and upgrading our services. To make things clearer for you, we are setting up a

Finance Café. This will be a service center for you as employee and will provide information on how we can support you with your insurances, savings or pensions. We start off by launching a guidance service, where you will get objective neutral information about pension changes and what opportunities you have in relation to your Individual Pension Account.

This service will be available from February 1st, 2021 and we will share contact information during January. Your first contact with the service center will be free of charge.

## Welcome to our webinar about EPK - Thursday January 28<sup>th</sup>

The webinar is arranged for employees of our corporate clients with a defined contribution pension and will highlight the opportunities that comes along with EPK. We will advise on what might make sense for you and examen on how to make your choices on [www.norskpensjon.no](http://www.norskpensjon.no).

EPK is here to stay and will follow you during your career from employer to employer. You can act on the options you now have at any time in the future, so it is important to understand your opportunities to influence your pension savings. You are responsible for managing your pension capital. Your choices are important for your future income.

Register for the Webinar at: <https://info.soderbergpartners.no/eventpage/view?eventid=8413>

## More information

Söderberg & Partners helps your employer and you through the information race around EPK. You will find updated information about EPK here:

<https://info.soderbergpartners.no/individual-pension-account/>