

VMWARE SWEDEN AB

PENSIONS & INSURED BENEFITS

APRIL 2022

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A business of Marsh McLennan

Agenda

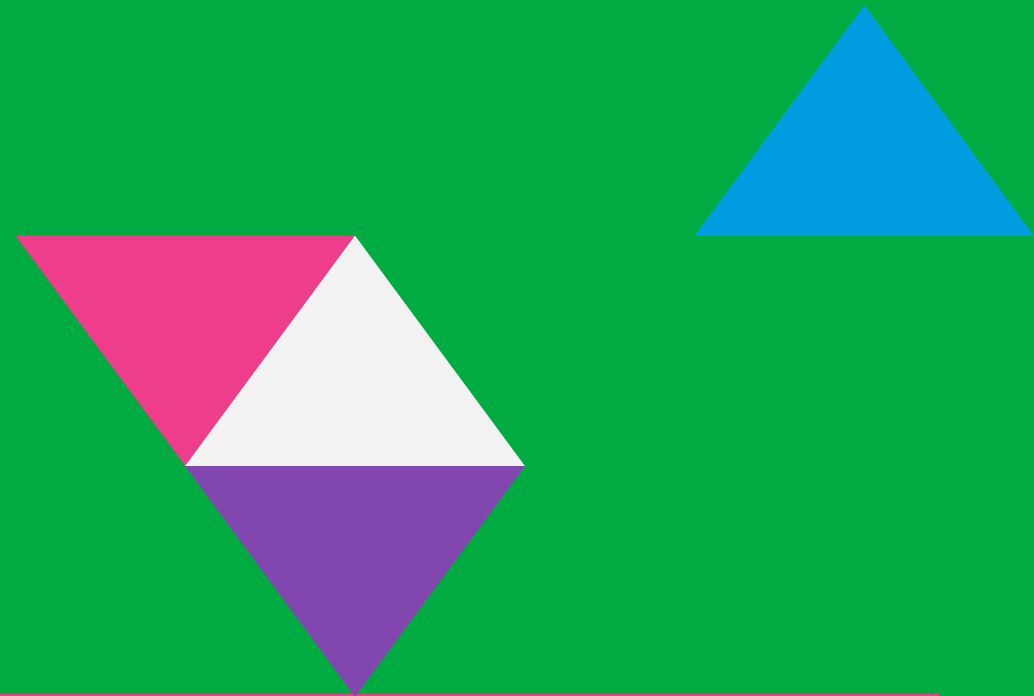
- Summary of Pensions & Insured Benefits for VMware
- Changes of the occupational pension scheme
- Transfer of capital
- Salary sacrifice
- Individual advisory meetings

Pensions and insurances - summary

- Occupational pension scheme *Improvement*
- Salary sacrifice
- Disability pension / Waiver of premium *Improvement*
- Preventive care -Counselling
- Rehabilitation insurance
- Private Health Care insurance
- TGL – Occupational Group Life insurance
- Additional Life insurance
- TFA- Work Injury insurance

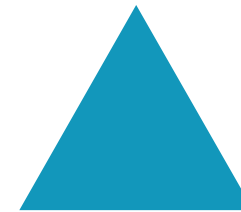


Pension benefits



Occupational pension scheme

- Defined contribution
 - 15% of pensionable salary (no cap)
- Pensionable salary
 - Equals on target earnings (base salary plus on target bonus excluding holiday pay)



Occupational pension scheme

The contribution to SPP will be placed in a default solution:

- Retirement pension with repayment cover
- 100% unit linked management (default fund is Mercer Advantage Balanced Growth)
- Beneficiaries are: 1. husband/wife/registered partner/cohabitant 2. Children

Individual choices

- Management (traditional management/ unit linked management)
- Family pension (repayment cover / family cover)

Occupational pension scheme

Fees from January 1, 2022 through Mercer Total with SPP

New fees from Jan 1, 2022		Current fees	
Annual fixed fee	SEK 0 (traditional life management) SEK 0 (unit-linked management)	Annual fixed fee	SEK 0 (traditional life management) SEK 0 (unit-linked management)
Capital fee	0.86% (traditional life management) (0.45% of the asset value, 0.2% in guarantee fee and 0.21% in capital management fee) 0.2% (unit-linked management) plus asset management fee of 0.1% - 2.0% depending on fund selection	Capital fee	1.01% (traditional life management) (0.6% of the asset value, 0.2% in guarantee fee and 0.21% in capital management fee) 0.35% (unit-linked management) plus asset management fee of 0.1% - 2.0% depending on fund selection
Premium fee	0% (traditional life management) 0% (unit-linked management)	Premium fee	0% (traditional life management) 0% (unit-linked management)

Transfer of capital

Fees on transferred capital/when transferring capital from previous provider SEB Trygg Liv

New fees from Jan 1, 2022		Current fees	
Annual fixed fee	SEK 0 (traditional life management) SEK 0 (unit-linked management)	Annual fixed fee	SEK 0 (traditional life management) SEK 0 (unit-linked management)
Capital fee	<p>0.66% (traditional life management) (0.25 % of the asset value, 0.2% in guarantee fee and 0.21% in capital management fee)</p> <p>0.0% (unit-linked management) plus asset management fee of 0.1% - 1.6% depending on fund selection (including discount of 20% of SPP's ordinary fund offer with asset management fee above 1.0%)</p>	Capital fee	<p>0.76% (traditional life management) (0.35 % of the asset value, 0.2% in guarantee fee and 0.21% in capital management fee)</p> <p>0.0% (unit-linked management) plus asset management fee of 0.1% - 1.6% depending on fund selection (including discount of 20% of SPP's ordinary fund offer with asset management fee above 1.0%)</p>

Salary sacrifice

Salary sacrifice to enlarged occupational pension premium

- Conditions:

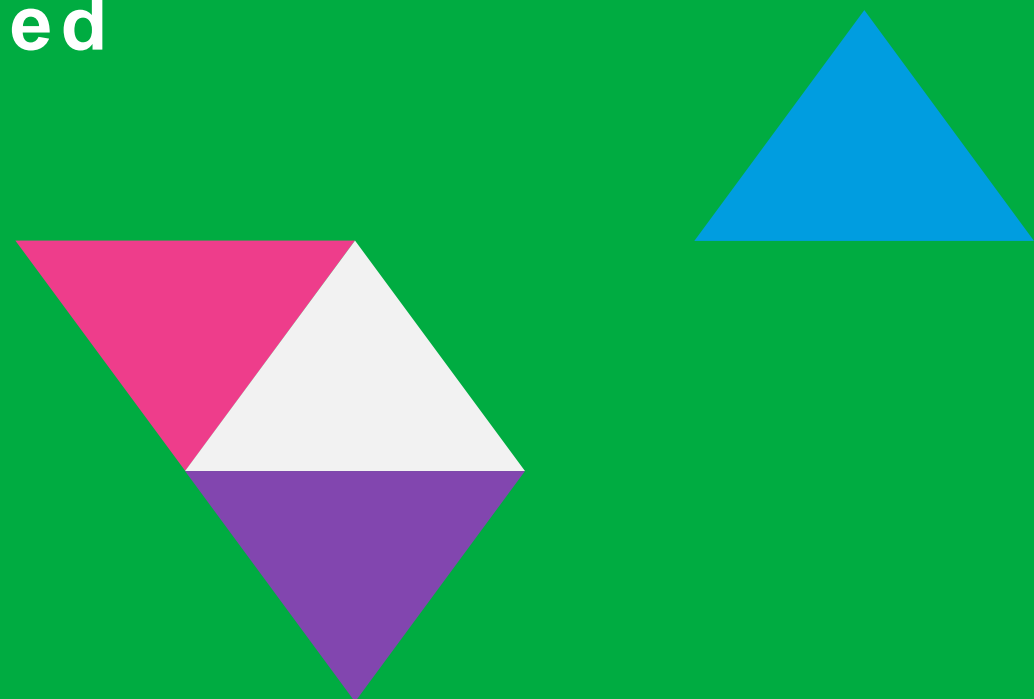
- Salary above 8.07 times the income base amount (SEK 572,970 for 2022) or 10 price base amount (SEK 483,000 for 2022, if planning to go on parental leave).
- VMware pays 5.8 % saving as an additional contribution to the pension scheme.
- Insurance provider: SPP

- Individual choice:

- Management (traditional/ unit linked)
- Repayment cover

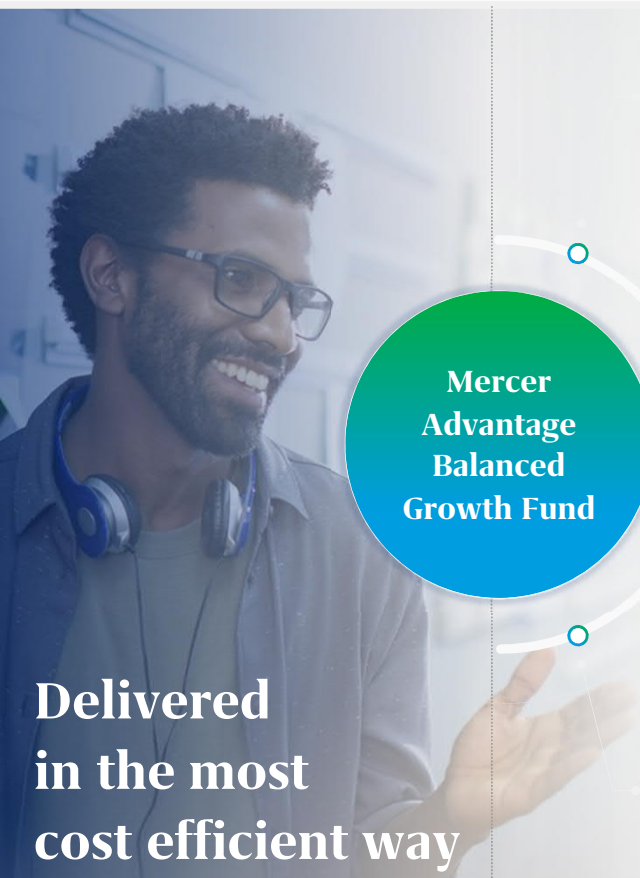


Mercer Advantage Balanced Growth Fund



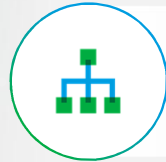
Our Philosophy

Mercer Advantage Balanced Growth Fund



Mercer
Advantage
Balanced
Growth Fund

Delivered
in the most
cost efficient way



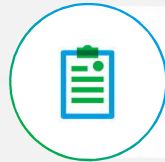
Strategic Asset Allocation

- Strategic asset allocation is the most important decision.
- Genuine diversification is beneficial to investment outcomes.



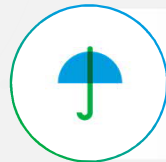
Dynamic Asset Allocation

- Markets can move asset prices away from “fair value” for significant periods of time.
- Medium-term dynamic asset allocation views can add value and mitigate risk.



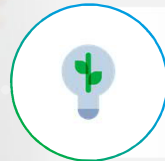
Active Management

- Selecting highly-rated fund managers.
- Utilising active management where optimal.



Risk Management

- Risk and return are related.
- High-quality investment operations and implementation are critical to success.



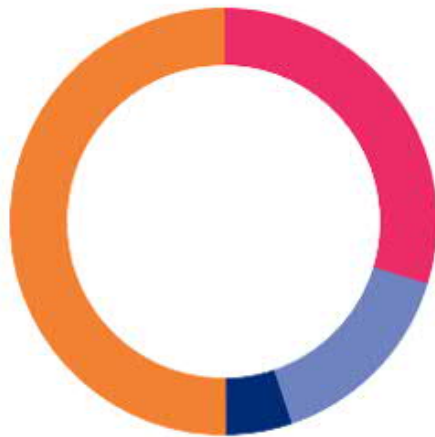
Sustainability

- ESG risks can affect long-term risk and return outcomes.
- A broader perspective can improve risk management and lead to new opportunities.

Current Asset Allocation

Mercer Advantage Balanced Growth Fund

ASSET ALLOCATION



■ Equity
 ■ Defensive Fixed Income
 ■ Growth Fixed Income
 ■ Multi-Asset

PORTFOLIO BREAKDOWN

Equity	29.8 %
ODIN Sverige A	15.0
- ODIN Sverige A (100%)	
Sustainable Global Equity	14.8
- SSGA (23%)	
- Impax (17%)	
- RBC (23%)	
- Wellington (17%)	
- Mirova (20%)	
Defensive Fixed Income	15.1 %
Short Duration Global Bond Fund 2	7.6
- PIMCO (100%)	
Short Duration Global Bond Fund 1	7.5
- Robeco (100%)	
Growth Fixed Income	5.0 %
Global High Yield	5.0
- Nomura (50%)	
- PGIM Inc. (50%)	
Multi-Asset	50.1 %
Mercer Diversified Growth Fund	25.3
- Equity (39%)	
- Listed Real Assets (16%)	
- Defensive Fixed Income (9%)	
- Growth Fixed Income (28%)	
- Cash (3%)	
- Alternatives (5%)	
Mercer Diversified Growth Fund Hedged	24.8
- Equity (39%)	
- Listed Real Assets (16%)	
- Defensive Fixed Income (9%)	
- Growth Fixed Income (28%)	
- Cash (3%)	
- Alternatives (5%)	

Portfolio Construction Sustainability

Invest sustainably

Sustainability

Sustainability Policy

- Strong ESG integration
- Climate change integration and seeking to reduce carbon emissions over time with a view to achieving net zero carbon emissions by 2050
- Stewardship monitoring on voting and engagement activity and UK Stewardship Code
- Taking a broader and longer-term perspective on risk, including sustainability trends
- Screening or exclusions approach



This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment
Chart shown demonstrates asset allocation of Mercer Diversified Growth Fund



The Sustainability Policy sets out how Mercer will implement its beliefs on sustainable investment within the multi-client fund solutions it manages.

Active Sustainable Equity Screening Policy



Exclusions list – The fund excludes exposure to securities undertaking the below activities. The revenue exclusion criteria is used to capture companies whose core industry relates to any of the below activities, but allows some fringe companies that do not focus on these activities as a core part of their business model. For example, in the alcohol industry Diageo would be excluded but Tesco would not. In contrast, outright exclusions such as Controversial Weapons are widely viewed with condemnation so these companies have a blanket ban.

Mercer has set the activity restrictions, with sub-investment managers responsible for screening individual stock listings. The current restrictions reflect, amongst other things, regulatory restrictions and 'norms based' expectations to accommodate client requirements.



Adult entertainment: companies with >10% revenue from adult entertainment-related business activities.



Alcohol: companies with >10% revenue from alcohol-related business activities.



Controversial weapons/armaments: companies directly involved in the development and production (manufacture), sale or distribution of cluster munitions; anti-personnel mines; automatic and/or semi-automatic civilian firearms and biological, chemical and nuclear weapons.



Fossil Fuels: companies with >10% revenue from the extraction of thermal coal and/or tar sands oil.

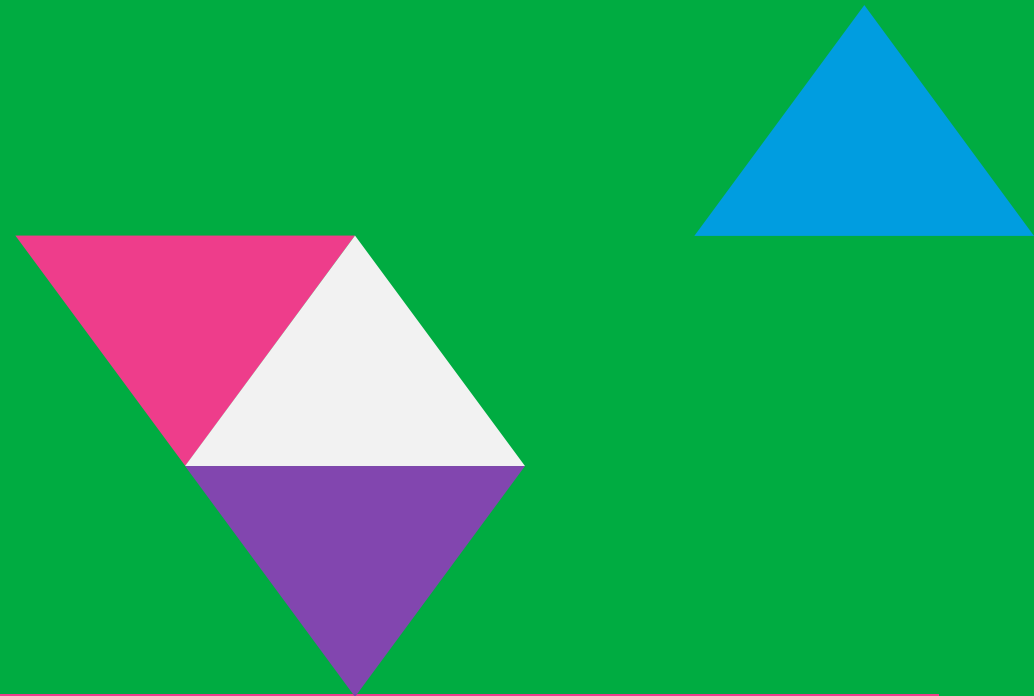


Gambling: companies with >10% revenue from gambling-related business activities.



Tobacco: companies with any revenue from complete tobacco product manufacturing and companies with >10% revenue from tobacco-related business activities (e.g. transport, packaging and retail).

Risk insurances



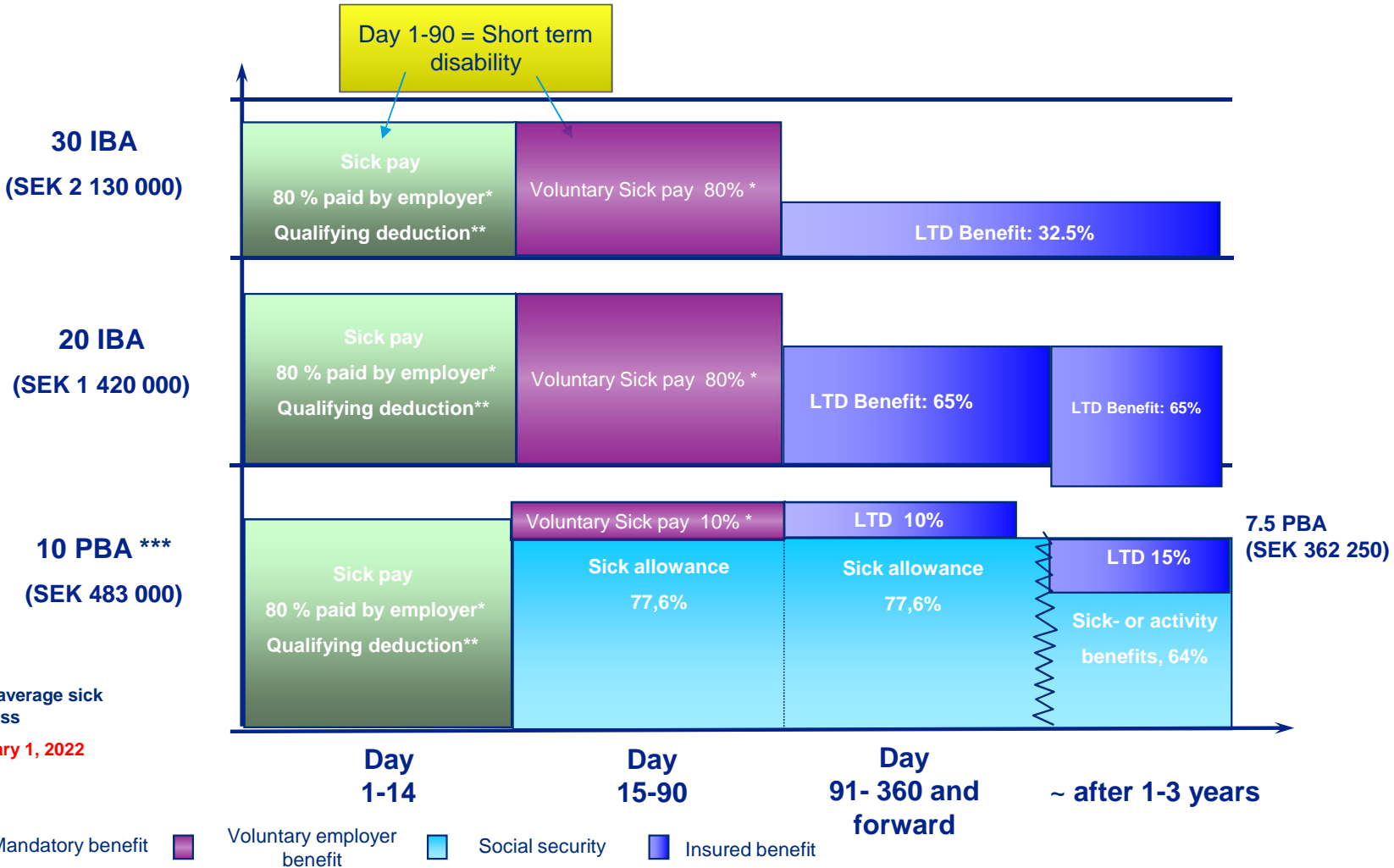
Long term sickness/disability - Income benefits



Complements social security benefits.

- Voluntary sick pay
- Insured benefits (cost paid by VMware Sweden on top of the retirement contribution).
 - Waiting period: 90 days.
 - Waiver of premium.
 - Long-term disability insurance.
 - Provider SPP.
 - Benefits are paid until fully recovered and back at work, if not until age 65.

Description of disability cover



* Note: of base salary

** equivalent to 20% of the average sick pay the first week of sickness

*** legal change from January 1, 2022 from 8 PBA to 10 PBA

Private Health care insurance

The insurance gives the employees a complement to the Swedish state medicine with the following services:

- Fast help and medical advice and assistance with planning of medical appointments by their own experienced nurses via medical care hotline.
- Quicker medical care through a network of private doctors and access to private hospitals in Sweden.
- The insurance does not cover emergency treatments.
- The insurance has a benefit tax for the employees.
- Insurance provider
 - Länsförsäkringar

Preventive care - Counselling & Rehabilitation insurance

Preventive care – Counselling:

Certain illnesses can be prevented if help is provided in an early stage. To have the possibility to talk to someone with the right expertise and experience in handling different problems and stress-related issues can often help.

DKV's professional therapists will answer calls all year round and around the clock. It does not matter if the problems are of a private or professional nature. The counselling takes place over the phone and is completely confidential.

Manager support - Managers may receive support in their professional role as well. For example, there may be counselling about difficult conversations, conflicts, employees who are or are at risk of becoming unwell, labor law or laws and regulations on work environment.

If you need counselling, call Helpline at 0770-456 780 press 3, DKV's professional therapists will answer your call 24/7.

Rehabilitation insurance:

DKV's rehabilitation insurance helps employers take care of their employees' health.

If support and appropriate healthcare is implemented in an early stage it reduces the risk of employees suffering ill health. Rehabilitation insurance therefore provides security for both the employer and its employees.

The insurance includes a health- and rehabilitation counsellor who will propose a rehabilitation plan and will support the employee and the employer throughout the whole process.

Provider: SPP/DKV



TGL – Occupational Group Life Insurance

Life insurance / tax-free lump sum payment

- Benefit
 - SEK 289 800 – 6 Price base amount (PBA) The amount is reduced from age 55
 - SEK 96 600 – Child allowance/child up to the age of 20, 2 price base amount up to the age of 16. Reduced from the age of 17.
- Beneficiary - The default beneficiary to the 6 Price base amount is as follows:
 - 1. Husband/wife/registered partner, 2. Children, 3. Parents

Note: cohabitant (common-law spouse) are not automatically eligible

If you want another beneficiary provision to apply, you must complete a special beneficiary form

- Insurance provider
 - SEB Trygg Liv

Additional Life insurance

Life insurance / tax-free lump sum payment

- Benefit
 - Lump sum of approximately 2 x annual OTE salary less TGL benefit (6 PBA) rounded up to nearest PBA amount (20, 25, 30, 35 and 40 PBA. Maximum benefit amount is 40 PBA (SEK 1,932,000 for 2022).
- Conditions
 - Paid on death as a lump sum. Subject to fringe benefit tax for employee.
- Beneficiary
 - The beneficiary is the spouse, cohabitant of the insured or the insured's inheritors.
- Insurance provider
 - Länsförsäkringar.

TFA – Work injury insurance

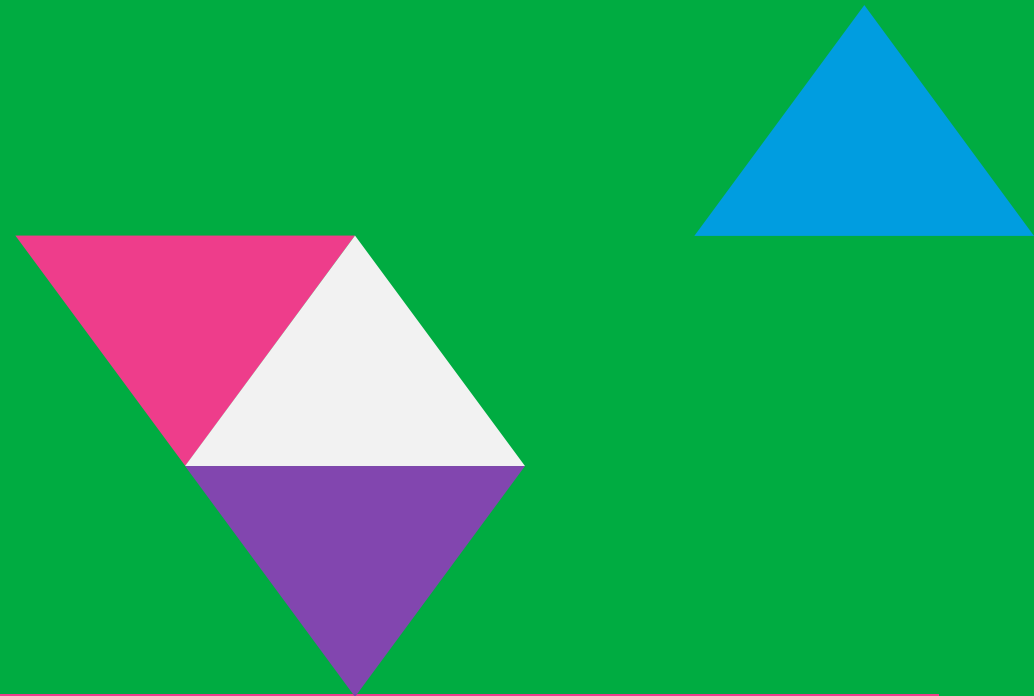
TFA “trygghetsförsäkring vid arbetsskada”, work injury insurance, is a no-fault liability insurance and can provide compensation for recognised work injuries resulting from:

- accidents at workplace
- accidents while travelling to/from the workplace (where the Traffic Damage Act is not applicable)
- occupational diseases
- TFA benefits may be payable due to:
 - Loss of income
 - Expenses for medical care, medicines etc.
 - Pain and suffering
 - Compensation for permanent medical complaint

Employees who sustain a work injury are not able to take legal action against an employer who is covered by a TFA insurance or against any other employee covered by TFA.

- Insurance provider AFA (administered by the company Fora)

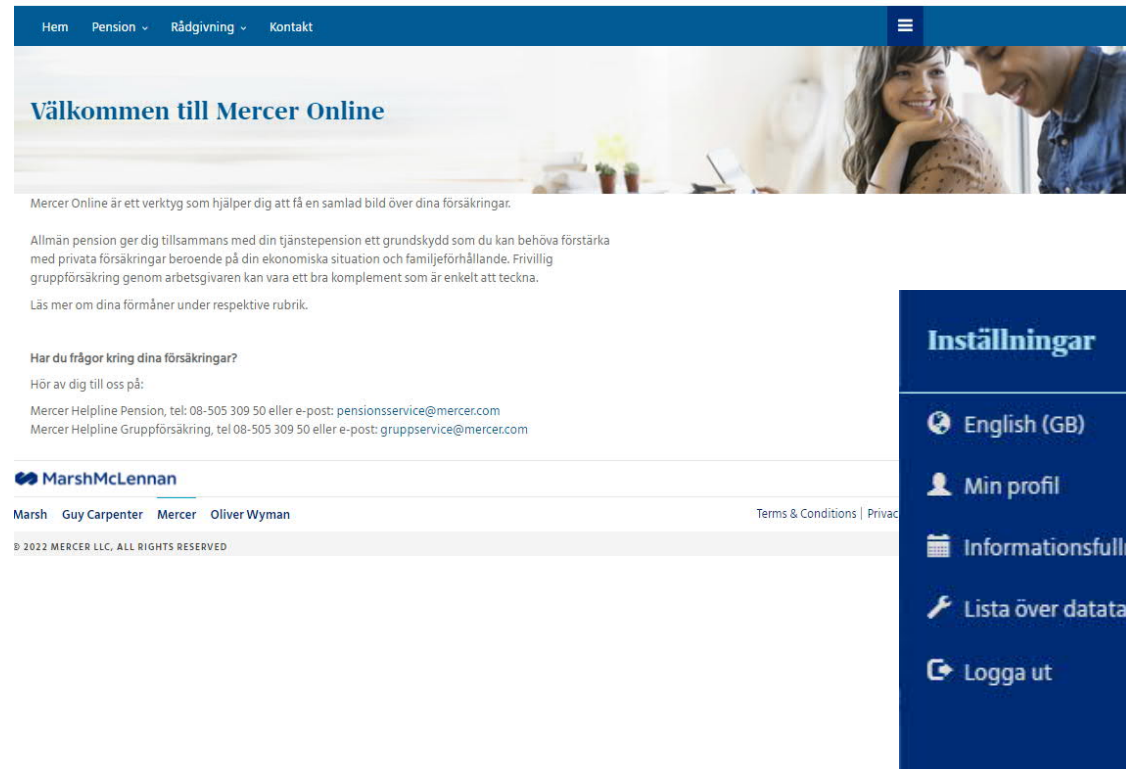
Mercer services



Mercer Online Private/web tool

- www.merceronline.se
- Log in with mobile bank-id
- Send in power of attorney
- Register family information
- Individual pension statement
- Information/ forms

Inställningar



Hem Pension Rådgivning Kontakt

Välkommen till Mercer Online

Mercer Online är ett verktyg som hjälper dig att få en samlad bild över dina försäkringar.

Allmän pension ger dig tillsammans med din tjänstepension ett grundskydd som du kan behöva förstärka med privata försäkringar beroende på din ekonomiska situation och familjeförhållande. Frivillig gruppförsäkring genom arbetsgivaren kan vara ett bra komplement som är enkelt att teckna. Läs mer om dina förmåner under respektive rubrik.

Har du frågor kring dina försäkringar?
Hör av dig till oss på:
Mercer Helpline Pension, tel: 08-505 309 50 eller e-post: pensionsservice@mercerc.com
Mercer Helpline Gruppförsäkring, tel 08-505 309 50 eller e-post: gruppsservice@mercerc.com

MarshMcLennan

Marsh Guy Carpenter Mercer Oliver Wyman

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Inställningar

- English (GB)
- Min profil
- Informationsfullmakt
- Lista över datataggar
- Logga ut

Individual advisory meetings

We offer the opportunity to book a 1-1 meeting with an adviser from Mercer.

To book your meeting send an email to pensionservice@mercer.com

Before a meeting, log in to www.merceronline.se and fill in a power of attorney and register your family situation.

During the meeting we will go through your personal pension summary that includes a pension forecast, survivors cover and your risk insurances.

Contacts, available support

Your Mercer contacts

- Mercer Helpline 08-505 309 50 pensionservice@mercer.com
Monday – Friday 09.00-12.00,13.00-16.00 (15.00 June-August)

Mercer Online Private

- www.merceronline.se

SPP/DKV

- Fund details and to change funds www.spp.se. Log in with personal bank-id.
- 0770-456 780 (press 3) Preventive care - Counselling 24/7: to speak with a therapist.

LÄNSFÖRSÄKRINGAR

- Health care insurance
 - 0771-666 115 Health care Planning (Monday-Friday 8-18) or via chat at www.lansforsakringar.se log in with bank-id.
 - 0771-666 115 Health care Advice Hotline (24 hours a day, 365 days a year)





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