

2023 Annual Report

Pension Fund 2 of Credit Suisse Group (Switzerland)

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Note: The masculine form used in these regulations always refers equally to all genders.



Editorial

I – Editorial

In brief

The 1e plan offers insured participants with a salary subject to AHV contributions of over CHF 138,180 (as of 2023) the opportunity to select one of eight investment strategies for their pension assets. This allows the corresponding pension capital to be invested in line with their individual risk tolerance and risk ability.

On February 6, 2024, it was announced that the pension model of Pension Fund 2 of Credit Suisse Group (Switzerland) will be adapted to the pension model of the UBS Pension Fund with effect from January 1, 2027. As a result, no further contributions will be made to 1e retirement capital savings with effect from January 1, 2027. The pension pot will continue to exist but without contributions. To offset this change, the pension capital savings coverage will be increased accordingly. The existing balance in 1e retirement capital savings will remain invested and it will still be possible to change the investment strategy at any time. It has not yet been confirmed whether or not the 1e retirement capital savings will be liquidated at a later date.

Key figures

The key figures at year end were as follows:

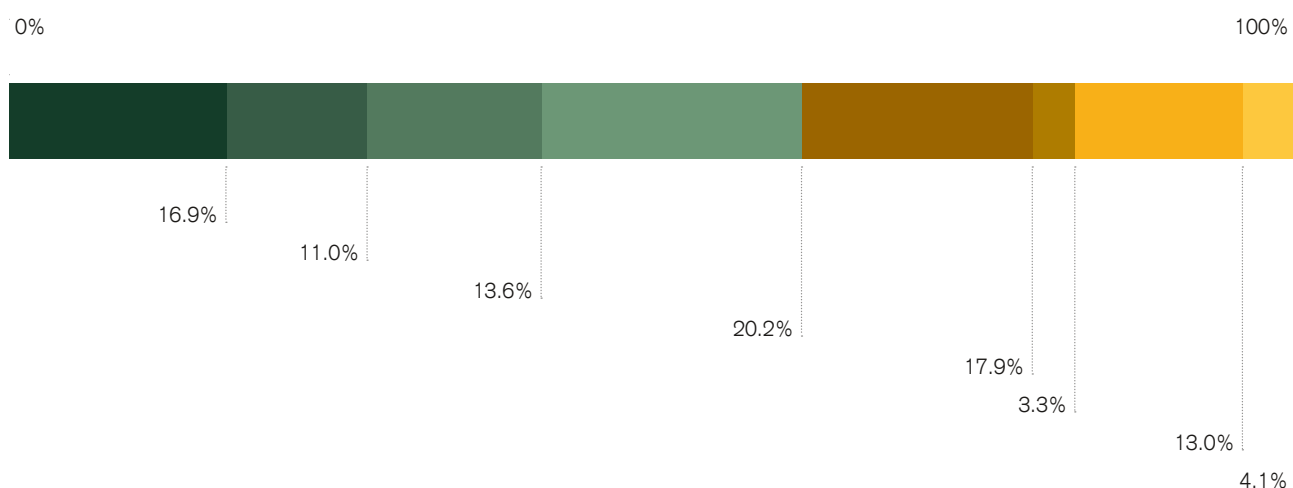
Key figures for Pension Fund 2

	2023 in CHF mn	2022 in CHF mn	Change
Contributions	124.1	155.0	(30.9)
Lump-sum payments on retirement	25.7	11.3	14.5
Total assets	867.5	836.1	31.5
Active participants' liabilities	815.2	802.6	12.6
Actuarial provisions	7.0	8.9	(2.0)
Total active participants	8,204	9,711	(1,507)
Performance of collective investments in %			
CSA Low-Risk Strategy CHF G	1.31	(0.81)	
CSA Mixta-BVG 15 G	4.25	(9.41)	
CSA 2 Mixta-BVG 25 G	4.79	(10.71)	
CSA 2 Mixta-BVG 35 G	5.23	(11.34)	
CSA 2 Mixta-BVG 45 G	5.72	(12.41)	
CSA 2 Mixta-BVG 65 Real G	9.11	(15.11)	
CSA 2 Mixta-BVG 75 G	9.59	(16.72)	
CSA 2 Mixta-BVG 100 G	11.06	(19.51)	

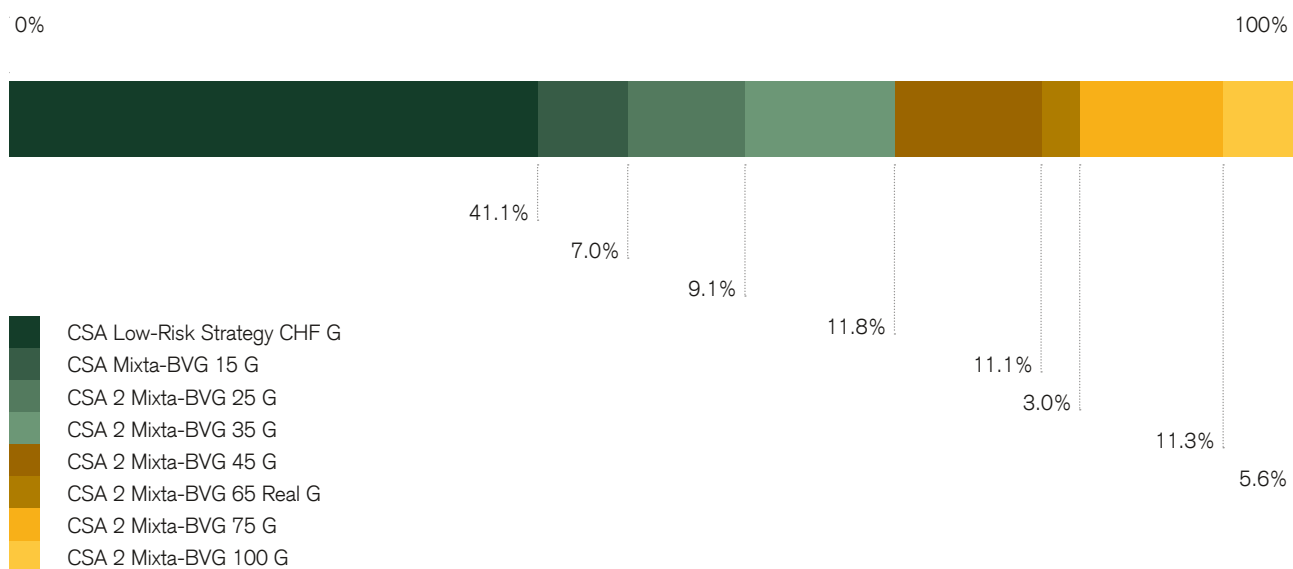
Key figures for Pension Fund 2

	31.12.2023 in CHF mn	Number of insured participants invested	31.12.2022 in CHF mn	Number of insured participants invested	Change in CHF mn	Change in insured participants invested
Liquid funds – investments	36.5	n/a	23.0	n/a	13.6	n/a
CSA Low-Risk Strategy CHF G	136.4	3,370	137.3	4,073	(1.0)	(703)
CSA Mixta-BVG 15 G	88.7	574	81.0	632	7.7	(58)
CSA 2 Mixta-BVG 25 G	110.5	746	93.7	852	16.8	(106)
CSA 2 Mixta-BVG 35 G	164.0	969	152.5	1,127	11.5	(158)
CSA 2 Mixta-BVG 45 G	145.4	908	152.1	1,064	(6.7)	(156)
CSA 2 Mixta-BVG 65 Real G	26.7	248	28.9	257	(2.2)	(9)
CSA 2 Mixta-BVG 75 G	105.5	930	117.6	1,212	(12.1)	(282)
CSA 2 Mixta-BVG 100 G	33.3	459	29.3	494	3.9	(35)
Total	846.9	8,204	815.4	9,711	31.5	(1,507)

Portfolio investments – breakdown in CHF



Portfolio investments – breakdown by number of insured participants invested



Insured participants and pension plan

MyPension portal for insured participants

The administration of the 1e plan is completely digital and is carried out in real time via the MyPension portal.

Insured participants can use the individual performance reports to access the performance of their chosen investment strategy for 1e retirement capital savings on the MyPension portal. The illustration of asset performance includes purchases, savings contributions, payouts, and absolute profit or loss. It is also possible to view time- and capital-weighted returns on a monthly basis. The reports can be found in the "1e retirement capital savings/performance" section. In addition, various data, such as the transaction list and net profit, can be downloaded.

The portal complies with stringent requirements for security and data protection, not least by means of two-factor authentication. The MyPension portal for insured participants is operated jointly by the Pension Fund and Pension Fund 2.

In addition to the online portal, personalized retirement planning from our trained employees is also available. We are proud to be able to offer comprehensive support and a high quality of service to insured participants.

Administration costs

Administration costs are financed entirely from the employer's contribution reserves. These costs amount to CHF 433 per beneficiary (previous year: CHF 315).

Investments

Investment strategies

Eight different fund products are available from the Credit Suisse Investment Foundation (CSA) and Credit Suisse Investment Foundation 2 (CSA 2) with an attractive cost structure. This gives insured participants the opportunity to invest in products with equity holdings of between 0% and 100%, depending on their individual risk profile. They are each responsible for their own participation in the performance of the assets, but they also bear the associated investment risk. When an insured participant leaves Pension Fund 2 or retires, the fund products are divested and a lump-sum payment is made.

The MyPension portal is used to determine the risk profile and select the individual investment strategy.

Information about the investment strategies can be found at www.credit-suisse.com/pensionfund in the "Documents and publications" section.

Sustainable investments / environmental, social, and governance (ESG) criteria

The Board of Trustees believes that sustainable investments incorporating ESG criteria are an important tool when it comes to adequately taking into account the increased expectations and needs in this area.

The eight investment strategies implement Credit Suisse Asset Management's sustainable investment approach. With one exception, all investment funds include ESG reporting in their monthly fact sheet. As well as the ESG rating of the investment fund against its benchmark, the fact sheet also includes the intensity of carbon emissions and various ESG scores, broken down by topics such as climate change.

Board of Trustees

Resolutions and activities of the Board of Trustees of Pension Fund 2 of Credit Suisse Group (Switzerland)

The Board of Trustees dealt with the following items of business at the regular Board of Trustees meetings:

- 2022 Annual Report and financial statements, and discharge of the management
- Pension Fund regulations, amendments
- Organizational regulations, amendments
- Regulations on provisions, amendments
- Questions relating to the acquisition of Credit Suisse Group AG by UBS Group AG
- Adaptation of the pension model of Pension Fund 2 of Credit Suisse Group (Switzerland) to the pension model of the UBS Pension Fund

We would like to thank you, the insured participants, for placing your trust in us.

PENSION FUND 2 OF CREDIT SUISSE GROUP (SWITZERLAND)



Joachim Oechsli
Chair of the Board of Trustees



Martin Wagner
Chief Executive Officer



Balance sheet and operative account

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II – Balance sheet and operative account

2.1 Balance sheet

The amounts listed in the balance sheet, operative account, and explanatory notes are rounded to the nearest CHF. In individual cases, the total (in CHF and as a percentage) differs marginally from the sum of the individual values.

	Note	31.12.2023		31.12.2022	
		CHF	%	CHF	%
Assets					
Investments	3.6	867,430,704	100.0	830,970,758	99.4
Liquid funds / money market investments		15,710,049	1.8	11,015,478	1.3
Investments – beneficiaries	3.6.3	846,866,368	97.6	815,362,984	97.5
Investments – own holdings	3.6.3	4,854,286	0.6	4,592,297	0.5
Accounts receivable		–	–	–	–
Prepayments and accrued income		107,537	0.0	5,086,701	0.6
Total assets		867,538,240	100.0	836,057,458	100.0

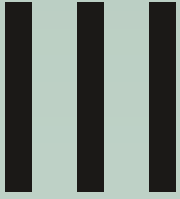
	Note	31.12.2023		31.12.2022	
		CHF	%	CHF	%
Liabilities					
Liabilities		31,696,829	3.7	12,751,111	1.5
Termination benefits and pensions		31,666,307	3.7	12,735,007	1.5
Other liabilities		30,523	0.0	16,104	0.0
Accrued liabilities and deferred income		809,487	0.1	532,309	0.1
Employer's contribution reserve	3.6.10	12,858,863	1.5	11,213,062	1.3
Pension liabilities and actuarial provisions		822,173,062	94.8	811,560,977	97.1
Active participants' liabilities	3.5.2	815,200,062	94.0	802,627,977	96.0
Actuarial provisions	3.5.5	6,973,000	0.8	8,933,000	1.1
Reserve for fluctuations in asset value	3.6.4	–	–	–	–
Non-committed funds (+) / underfunding (–)		–	–	–	–
Balance as of January 1		–	–	–	–
Income surplus (+) / expense surplus (–)		–	–	–	–
Total liabilities		867,538,240	100.0	836,057,458	100.0

2.2 Operative account

Operative account

	Note	2023 in CHF	2022 in CHF
Ordinary and other contributions and lump-sum transfers			
Employee contributions		54,518,802	69,180,448
Employer contributions		70,061,700	85,886,416
Other contributions and transfers		(493,693)	(114,072)
One-time payments and purchase amounts		26,432,068	35,069,821
Transfers to employer's contribution reserve	3.6.10	7,120,257	9,335,700
Total ordinary and other contributions and lump-sum transfers		157,639,133	199,358,314
Lump-sum transfers on joining the Pension Fund			
Termination benefit transfers		9,513,977	18,265,448
Repayment of withdrawals for home ownership/divorce		575,156	290,518
Total lump-sum transfers on joining the Pension Fund		10,089,133	18,555,966
Inflow from contributions and lump-sum transfers on joining the Pension Fund		167,728,266	217,914,279
Regulatory benefits			
Survivors' pensions (surviving spouse's pensions)		(749,851)	(418,944)
Disability pensions		(188,444)	(34,096)
Lump-sum payments on retirement		(25,723,856)	(11,253,506)
Lump-sum payments upon death or disability		(3,857,827)	(2,322,096)
Total regulatory benefits		(30,519,978)	(14,028,643)
Termination benefits			
Termination benefits on leaving the Pension Fund		(155,931,913)	(54,517,674)
Transfer of additional funds for collective withdrawals		–	(1,000)
Withdrawals for home ownership/divorce		(8,003,276)	(2,425,826)
Total termination benefits		(163,935,189)	(56,944,500)
Outflow for benefits and withdrawals		(194,455,167)	(70,973,143)
Increase / decrease in pension liabilities, actuarial provisions, and employer's contribution reserves			
Increase (-) / decrease (+) in active participants' liabilities	3.5.2	27,320,847	(135,167,530)
Income from investments – beneficiaries	3.5.2	(39,892,931)	85,260,516
Increase (-) / decrease (+) in actuarial provisions	3.5.5	1,960,000	958,000
Increase (-) / decrease (+) in employer's contribution reserve	3.6.10	(1,645,801)	(198,200)
Total increase / decrease in pension liabilities, actuarial provisions, and employer's contribution reserves		(12,257,886)	(49,147,214)

	Note	2023 in CHF	2022 in CHF
Income from insurance benefits			
Income from reinsurance	3.5.1	2,980,217	2,281,916
Total income from insurance benefits		2,980,217	2,281,916
Insurance cost			
Premium on reinsurance	3.5.1	(4,557,228)	(4,923,011)
- Risk premiums		(4,258,207)	(4,599,989)
- Cost premiums		(299,021)	(323,021)
Contributions to BVG Security Fund		(16,776)	(40,995)
Total insurance cost		(4,574,003)	(4,964,005)
Net result of insurance activities		(40,578,574)	95,111,832
Investments			
Income from liquid funds/money market investments		382,707	(134,296)
Income from investments – beneficiaries	3.6.7	45,613,875	(87,939,267)
Income from investments – own holdings	3.6.7	275,562	(1,773,922)
Interest on termination benefits		(553)	(472)
Asset management costs	3.6.8	(2,127,235)	(2,202,469)
Net return on investments		44,144,355	(92,050,426)
Other income		-	-
Other expenses		-	-
Administration cost			
	3.7.1		
General administration cost		(3,487,536)	(2,992,870)
Auditors and pension actuary		(56,316)	(45,363)
Supervisory authorities		(21,929)	(23,173)
Total administration costs		(3,565,781)	(3,061,406)
Income surplus (+) / expense surplus (-)		-	-



Explanatory notes

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III – Explanatory notes

3.1 General information and organization

3.1.1 Legal form and objectives

"Pension Fund 2 of Credit Suisse Group (Switzerland)" (hereinafter "Pension Fund 2") is a foundation as defined by Art. 80 et seq. of the Swiss Civil Code (SCC) and Art. 331 of the Swiss Code of Obligations (SCO).

The foundation provides additional provision against the financial consequences of retirement, death, and disability in favor of the employees of Credit Suisse Group AG and companies that have close business and financial ties with it, together with their dependents and surviving dependents, as supplementary coverage to that provided by the Pension Fund of Credit Suisse Group (Switzerland). This additional provision is provided through the choice of different investment strategies pursuant to Art. 1(e) of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2).

In order to achieve its purpose, the foundation may conclude insurance contracts or join existing contracts, as long as the foundation itself acts as both policyholder and beneficiary.

3.1.2 BVG registration and registration with the BVG Security Fund

Pension Fund 2 is not registered in the register of occupational pension plans of the BVG- und Stiftungsaufsicht des Kantons Zürich (Office for Occupational Insurance and Foundations of the Canton of Zurich, BVS.) The foundation is affiliated with the BVG Security Fund.

3.1.3 Plan statutes and regulations

As of December 31, 2023, the following plan statutes and regulations were in force:

Plan statutes and regulations		
	Approved on	Valid from
Deed of foundation	08.02.2019	25.04.2019
Pension Fund regulations	12.12.2022	01.01.2023
Organizational regulations	12.12.2022	01.01.2023
Regulations on investments	25.10.2021	31.12.2021
Regulations on provisions	25.10.2021	31.12.2021
Regulations on partial liquidation	09.04.2020	09.04.2020
Regulations on the election of the Board of Trustees	31.10.2019	01.01.2020

3.1.4 Supreme body, management, and authorized signatories

Board of Trustees

The Board of Trustees is composed of an equal number of employee and employer representatives, 12 in all, whose term of office runs from 2021 to 2024. The names of the members of the Board of Trustees are listed below, along with the composition of the committees and the other governing bodies (as of December 31, 2023).

The Chair and Vice-Chair of the Board of Trustees and the Chief Executive Officer have joint signatory authority (dual authorization) on behalf of Pension Fund 2. The Board of Trustees is further entitled to grant joint signatory authority to other persons and to determine the nature and scope of this authority. The authorized signatories are listed in the Commercial Register.

Employer representatives, appointed by Credit Suisse Group AG (founder)

Joachim Oechslin, Chair, Credit Suisse Group AG, Zurich
André Helfenstein, Credit Suisse (Switzerland) Ltd., Zurich
Claude Täschler, Credit Suisse (Switzerland) Ltd., Zurich
Daniel Imhof, Credit Suisse AG, Zurich
Niklaus Boser, Credit Suisse AG, Zurich (from October 23, 2023)
Christian Stark, Credit Suisse Services Ltd., Zurich
Ina Hasdenteufel, Credit Suisse AG, Zurich (until September 29, 2023)

Employee representatives

Moreno Ardia, Zurich, Vice-Chair, Credit Suisse (Switzerland) Ltd., constituency 1
Damian Hodel, Zurich, Credit Suisse (Switzerland) Ltd., constituency 1
Daniel Egli, Lucerne, Credit Suisse (Switzerland) Ltd., constituency 1
Gaby Kuchta-Schmidt, Zurich, Credit Suisse AG, constituency 1 (from April 1, 2023)
Arnaud Erhard, Lausanne, Credit Suisse (Switzerland) Ltd., constituency 2
Christian Braun, Zurich, Credit Suisse Asset Management (Switzerland) Ltd., constituency 3
Joëlle Laprévotte, Zurich, Credit Suisse (Switzerland) Ltd., constituency 1 (until March 31, 2023)

The constituencies are as follows:

Constituency

1	Credit Suisse (Switzerland) Ltd. and Credit Suisse AG, German-speaking Switzerland
2	Credit Suisse (Switzerland) Ltd. and Credit Suisse AG, French-speaking and Italian-speaking Switzerland
3	Other affiliated companies

Investment Committee

Oliver Fässler, Chair
Daniel Imhof
Christian Braun
Arnaud Erhard (from April 1, 2023)
Andreas Dänzer (CIO)
Timoteo Gandolfi (non-voting)
Martin Wagner (CEO) (non-voting)
Joëlle Laprévotte (until March 31, 2023)

Audit and Risk Committee

Moreno Ardia, Chair (from April 1, 2023)

Christian Stark

Gaby Kuchta-Schmidt

Damian Hodel

Joëlle Laprèvote, Chair (until March 31, 2023)

Executive Committee

Joachim Oechslin, Chair

Moreno Ardia (from April 21, 2023)

Martin Wagner (CEO)

Daniel Egli (until April 20, 2023)

Management

Martin Wagner, Chief Executive Officer (CEO)

Andreas Dänzer, Chief Investment Officer (CIO)

Holger Inhester, Chief Financial Officer (CFO)

Roger Nigg, Chief Pension Services (CPS)

Branch office

Pension Fund of Credit Suisse Group (Switzerland), Zurich
(hereinafter "Pension Fund 1")

3.1.5 Actuaries, auditors, advisors, supervisory authority

Pension actuary

c-alm AG, St. Gallen, contracting party (from January 1, 2023)

Roger Baumann, actuary

Aon Schweiz AG, Zurich, contracting party (until December 31, 2022)

Willi Thurnherr, actuary

Auditors

PricewaterhouseCoopers AG, Bern

Supervisory authority

BVG- und Stiftungsaufsicht des Kantons Zürich (Office for Occupational Insurance and Foundations of the Canton of Zurich, BVS), Zurich

3.1.6 Affiliated employers

As of the end of the reporting year, 13 (previous year: 13) different employers with active participants and with close business and financial ties to Credit Suisse Group AG were affiliated with Pension Fund 2.

Affiliated employers

Name of the affiliated employer	31.12.2023 Number of active participants	31.12.2022 Number of active participants	31.12.2023 Proportion in %
Credit Suisse (Switzerland) Ltd.	3,055	3,567	37.24
Credit Suisse AG	3,196	3,855	38.96
Credit Suisse Services Ltd.	1,273	1,463	15.52
Credit Suisse Asset Management (Switzerland) Ltd.	366	421	4.46
BANK-now Ltd.	135	132	1.65
Credit Suisse Funds AG	60	64	0.73
Credit Suisse Insurance Linked Strategies Ltd.	28	36	0.34
Credit Suisse Trust Ltd.	26	27	0.32
Credit Suisse Group AG	1	63	0.01
Pension Fund of CSG (Switzerland)	49	37	0.60
Fides Treasury Services AG	1	34	0.01
Aventicum Capital Management (Suisse) SA	9	7	0.11
Credit Suisse Investment Partners (Switzerland) Ltd.	5	5	0.06
External insured participants	–	–	0.00
Total as of December 31	8,204	9,711	100.00
Number of affiliations with active participants	13	13	

3.1.7 Corporate governance

Integrity and loyalty of the responsible persons

All internal persons subject to the regulations – including the members of the Board of Trustees, its committees, and the branch office – must confirm their compliance with the loyal conduct regulations of Pension Fund 2 using a standardized form. The persons concerned have undertaken, furthermore, to disclose their bank accounts at the request of the Board of Trustees and to comply with the rules of Credit Suisse AG governing personal account trading.

Similarly, external staff entrusted with asset management tasks, such as asset managers, the global custodian, investment consultants, and investment controllers, are required to submit a written declaration of loyal conduct.

Exercise of voting rights under Art. 49(a)(2) BVV 2

Investments – beneficiaries and investments – own holdings

The investment foundation, which distributes the collective investments (investment vehicles), generally exercises its voting and creditors' rights from equity and debt securities in the interests of the investors. The investment foundation systematically exercises voting rights associated with direct share ownership in Swiss companies. In the case of foreign companies, it can exercise the voting rights. Where it holds shares indirectly, the investment foundation gives the underlying target fund its voting recommendation.

Policy on retrocessions

Investments – beneficiaries and investments – own holdings

For the available collective investments, income from reimbursements is credited to the relevant investment vehicle and shown in the income statements of the investment vehicles concerned in the Annual Report.

Remuneration of the Board of Trustees and the committees

Pursuant to the Board of Trustees resolution of June 2021, employee representatives will be compensated as follows for their participation in the Board of Trustees and its committees:

Remuneration of the Board of Trustees

	Annual one-time payment in CHF	Attendance fee in CHF
Board of Trustees	2,000	1,600
Investment Committee	1,000	800
Audit and Risk Committee	1,000	800
Executive Committee	1,000	800

Meetings of the Pension Fund and Pension Fund 2 that take place on the same day are considered a single meeting.

Effective costs are reimbursed against proof of expenditure. Course fees and expenses incurred for the attendance of the necessary training sessions linked to employee benefits insurance are reimbursed.

3.2 Active participants and pensioners

3.2.1 Active participants and the change in the number of active participants

Active participants

	Men	Women	Total
Total as of December 31, 2022	7,189	2,522	9,711
New hires	183	90	273
Departures (total)	(1,327)	(453)	(1,780)
of which through disability	(5)	–	(5)
of which through retirement	(138)	(42)	(180)
of which through change of job	(1,181)	(411)	(1,592)
of which through death	(3)	–	(3)
Total as of December 31, 2023	6,045	2,159	8,204
Change in the number of persons	(1,144)	(363)	(1,507)
Change in %	(15.9)	(14.4)	(15.5)

3.2.2 Pensioners and the change in the number of pensioners

Pensioners

	Men 1.1.2024	Men 1.1.2023	Women 1.1.2024	Women 1.1.2023	Total 1.1.2022	Total 1.1.2023
Disability pensions	9	4	4	2	13	6
Survivors' pensions	1	–	13	7	14	7
Total pensioners	10	4	17	9	27	13
Change in the number of persons	6	–	8	–	14	–
Change in %	150.0	–	88.9	–	107.7	–

Pensioners, change in the number of pensioners		
	2023	2022
Number of pensioners at the beginning of the financial year	13	3
New pensioners		
Disability pensions	8	6
Survivors' pensions	7	4
Termination of pension entitlement		
Death of disability pension recipient	–	–
Reactivation of disability pension recipient	(1)	–
Retirement of disability pension recipient	–	–
Death of surviving spouse's pension recipient	–	–
Number of pensioners at the end of the financial year	27	13

3.3 Implementation of objectives

3.3.1 Characteristics of the pension plan

Pension Fund 2 provides purely extra-mandatory occupational employee benefits as defined in Art. 1e BVV 2. The foundation operates two pension pots, the retirement capital and the retirement capital supplementary account (for early retirement), in the defined contribution system.

The death and disability benefits are determined on the basis of the pensionable salary. Congruent reinsurance coverage is provided by Schweizerische Mobiliar Lebensversicherungs-Gesellschaft AG (Mobiliar.)

Pensionable salary

All employees aged 17 and above are insured for retirement benefits and for the risks of death and disability, provided that the effective salary corresponds to at least 4.7 times the maximum AHV retirement pension.

The pensionable salary is calculated using the maximum effective salary of CHF 823,200, consisting of the base salary, base salary excess, and variable salary (incentive award), minus a coordination deduction corresponding to 4.7 times the maximum annual AHV retirement pension (CHF 138,180). The pensionable salary can be a maximum of CHF 685,020. The pensionable salary risk component equals the average of the last three pensionable variable salaries (incentive award).

Retirement

The reference age in Pension Fund 2 is 65. Retirement can be taken between the ages of 58 and 70 at the request of the bank or the insured participant.

Retirement capital

The retirement benefit is paid out as a lump sum. The retirement capital, consisting of the retirement capital and retirement capital supplementary account pension pots, forms the basis of the retirement benefits. The foundation does not pay retirement pensions.

Disability benefits

The amount of the temporary disability pension is calculated on the basis of the sum of 70% of the pensionable base salary, 45% of the pensionable base salary excess, and 45% of the pensionable salary risk component.

Moreover, the obligation to pay contributions into Pension Fund 2 is waived from the 366th day in the event of an uninterrupted period of inability to work (waiver of contributions). During the period of disability, Pension Fund 2 will pay both the employee's savings contributions and those of the employer in accordance with the Standard contribution option, based on the pensionable base salary, the base salary excess, and the pensionable salary risk component before the occurrence of the inability to work.

Contributions are waived in respect of the portion of the salary that can no longer be earned. The waiver of contributions is granted for as long as the insured participant remains disabled, but only up to the age of 65.

As a general rule, the assets in the retirement capital supplementary account are paid out as a lump-sum payment under the regulations after Pension Fund 2 has been notified of the legally binding decision of the IV (Federal Disability Insurance).

Death benefits

Should an active insured or recipient of a disability pension die, the surviving spouse or cohabiting partner within the meaning of the regulations will be paid a surviving spouse's pension or cohabiting partner's pension amounting to 66⅔% of the insured disability pension or of the disability pension already being drawn, provided that the surviving spouse or cohabiting partner fulfills one of the following criteria:

- They are responsible for financially supporting one or more children.
- At the time of the insured participant's death, the surviving spouse is 45 or older and the marriage or cohabitation lasted at least five years.

If the surviving spouse is not entitled to a pension, they will receive a lump-sum payment equal to three times the annual surviving spouse's pension.

The surviving spouse's pension or cohabiting partner's pension is supplemented by a lump sum payable at death.

Further information on the implementation and purpose of the pension plan can be found in the current "Retirement capital savings" Pension Fund regulations at www.credit-suisse.com/pensionfund.

3.3.2 Financing, financing method

Employer's and employee's contributions

The insured participants can choose the level of their savings contributions from the three contribution options: Basic, Standard, and Top. In the absence of active selection, they are assigned to the Standard contribution option.

The age-dependent savings contribution rates for the employee are between 5.0% and 14.0% of the pensionable base salary and between 3.0% and 9.0% of the pensionable base salary excess and variable salary (incentive award).

The age-dependent savings contributions for the employer are between 7.5% and 25.0% of the pensionable base salary. The savings contribution rate for the base salary excess and variable salary (incentive award) is 6.0% from the age of 18 onwards.

Transfers to the employer's contribution reserve are determined as follows: The transfers amount to a constant 1.1% of the pensionable base salary, the pensionable base salary excess, and the variable salary, up to the age of 24. From the age of 25, the transfers amount to a constant 1.25% of the pensionable base salary, the pensionable base salary excess, and the variable salary.

The employer's contribution reserve is used in particular to pay the incurred risk premiums of the reinsurance company, the cost contributions for ongoing operations (operating activities), and the contributions for the build-up of the actuarial provisions.

Further information on contributions can be found in the current "Retirement capital savings" Pension Fund regulations at www.credit-suisse.com/pensionfund.

3.4 Significant accounting policies and valuation methods, consistency

3.4.1 Statement of compliance with Swiss GAAP FER 26

Bookkeeping, balance sheet reporting, and valuation are carried out in accordance with the provisions of Swiss GAAP FER 26.

3.4.2 Significant accounting policies and valuation methods

The books of account are kept in accordance with the commercial principles of the Swiss Code of Obligations.

Investments – beneficiaries

Valuation is carried out at market value as of the balance sheet date.

Investments – own holdings

Valuation is carried out at market value as of the balance sheet date.

Other assets

Other assets are recognized at nominal value minus any valuation adjustments required for operational purposes.

Active participants' liabilities

The pension liabilities of active participants comprise the individual retirement capital of the insured participants. In each case, these assets correspond to the current value of the transaction account and the valuation price of the investment strategy including any positive and/or negative performance.

Actuarial provisions

The actuarial provisions are intended to offset short-term unfavorable fluctuations of the risks of death and disability for the active participants. The provisions are determined by the recommendations of the pension actuary. These comprise the following provisions:

- Provision for actuarial risks
- Provision for operational risks

Other liabilities

Other liabilities are recognized at nominal value.

3.4.3 Changes in accounting policy and in bookkeeping

Based on a recommendation from the new pension actuary, two tables in the explanatory notes to the annual accounts have been revised and the presentation, including the previous year, has been amended.

Explanatory note no. 3.5.2 Active participants' liabilities

The "Decrease in pension liabilities as a result of retirement and death" row was too imprecise in its definition given that from a business perspective it relates to realized gains and losses from termination benefits and lump-sum payments (leaving the Pension Fund, retirement, and death). Based on the recommendation, this row will no longer be included and the amounts will be allocated to "Income from investments – beneficiaries." This has no effect on active participants' liabilities as reported in the balance sheet.

Explanatory note no. 3.6.10 Employer's contribution reserve

The presentation of the change in the employer's contribution reserve has been further refined. Withdrawals for the coverage of operating activities includes administrative costs, contributions to the BVG Security Fund, and interest on termination benefits. The decrease or increase due to the

development of risk and the interest on investments – own holdings in line with annual performance are now reported separately.

The previous year's figures have been amended accordingly.

3.5 Actuarial risks / risk benefit coverage / coverage ratio

3.5.1 Type of risk benefit coverage, reinsurance agreements

Congruent reinsurance coverage is provided for the death and disability benefits by Schweizerische Mobiliar Lebensversicherungs-Gesellschaft AG (Mobiliar.) Pension Fund 2 is the beneficiary vis-à-vis Mobiliar, finances the insurance premiums, and has the right to surplus sharing.

3.5.2 Active participants' liabilities

Development of active participants' liabilities

In the reporting year, the active participants' pension liabilities developed as follows:

Active participants' liabilities	2023 in CHF	2022 CHF	Change in CHF
Total pension liabilities as of January 1	802,627,977	752,720,962	49,907,015
Employee savings contributions	54,330,665	69,139,561	(14,808,896)
Employer savings contributions	69,759,544	85,817,233	(16,057,689)
Exempt contributions at the expense of PF2	211,460	70,430	141,030
Exempt contributions reinsured	278,833	39,641	239,193
One-time payments and purchase amounts	26,435,468	35,073,823	(8,638,355)
Termination benefit transfers	9,513,977	18,265,448	(8,751,471)
Repayment of withdrawals for home ownership/divorce	575,156	290,518	284,638
Termination benefits on leaving the Pension Fund	(155,931,913)	(54,517,674)	(101,414,239)
Withdrawals for home ownership/divorce	(8,003,276)	(2,425,826)	(5,577,450)
Lump-sum payment in the event of death	(2,178,528)	(627,941)	(1,550,587)
Lump-sum payments on retirement	(25,723,856)	(11,253,506)	(14,470,350)
Total pension liabilities as of 31.12., excl. income from investments – beneficiaries	771,895,506	892,592,668	(120,697,162)
Income from investments – beneficiaries	43,304,556	(89,964,691)	133,269,246
Total pension liabilities as of 31.12., incl. income from investments – beneficiaries	815,200,062	802,627,977	12,572,085

3.5.3 Total retirement savings capital in accordance with the law on occupational pensions (“shadow account”)

The foundation is exclusively active in the extra-mandatory sphere. There is no BVG retirement provision.

3.5.4 Liabilities under insurance contracts (surrender values)

Liabilities under insurance contracts (surrender values)	31.12.2023 in CHF	31.12.2022 in CHF	Change in CHF
Disability pensions	19,225,779	7,709,476	11,516,303
Survivors' pensions (surviving spouse's pensions)	9,392,681	8,901,680	491,001
Total liabilities under insurance contracts (surrender values)	28,618,460	16,611,156	12,007,304

The foundation has congruent reinsurance coverage and does not bear any actuarial risks for its own account. The reported liabilities under insurance contracts (surrender values) serve the purposes of transparency and completeness in the actuarial balance sheet (see 3.5.8).

3.5.5 Actuarial provisions

Actuarial provisions	31.12.2023 in CHF	31.12.2022 in CHF	Change in CHF
Provision for actuarial risks	4,649,000	5,955,000	(1,306,000)
Provision for operational risks	2,324,000	2,978,000	(654,000)
Total actuarial provisions	6,973,000	8,933,000	(1,960,000)

Provision for actuarial risks

The provision for actuarial risks is intended to offset short-term unfavorable fluctuations of the risks of death and disability for the active participants. The provision is formed on the recommendations of the pension actuary based on a risk analysis. The provision is recalculated each year with a target value of 2.0% of the pensionable base salary savings component in Pension Fund 2.

Provision for operational risks

The provision for operational risks is intended to indemnify the insured participants in the event of any operational errors. The provision is determined on the basis of a risk analysis. The provision is recalculated each year with a target value of 1.0% of the pensionable salary amount in Pension Fund 2.

3.5.6 Conclusions of the last actuarial report

In its actuarial report as of December 31, 2023, the pension actuary confirmed the following:

- Pension Fund 2 of Credit Suisse Group (Switzerland) provides sufficient security to ensure that it can fulfill its regulatory obligations.
- Regulatory and actuarial provisions on benefits and financing are in line with statutory provisions.
- The measures taken to cover actuarial risks are adequate.

Further conclusions can be found in Section V – Confirmation of the pension actuary.

3.5.7 Actuarial principles and other significant actuarial assumptions

The foundation has congruent reinsurance coverage and does not bear any actuarial risks for its own account.

3.5.8 Coverage ratio under Article 44 BVV 2

The coverage ratio as defined by Art. 44 BVV 2 is the ratio of pension assets to pension liabilities, as calculated according to commercial criteria.

Actuarial balance sheet				
	Note	31.12.2023 in CHF	31.12.2022 in CHF	Change in CHF
Pension liabilities				
Active participants' liabilities	3.5.2	815,200,062	802,627,977	12,572,085
Liabilities under insurance contracts (surrender values)	3.5.4	28,618,460	16,611,156	12,007,304
Actuarial provisions	3.5.5	6,973,000	8,933,000	(1,960,000)
Pension liabilities and actuarial provisions (PL)		850,791,522	828,172,133	22,619,389
Assets				
Assets from insurance contracts	3.5.1	28,618,460	16,611,156	12,007,304
Accrued liabilities and deferred income and other liabilities		(32,506,316)	(13,283,420)	(19,222,896)
Employer's contribution reserve	3.6.10	(12,858,863)	(11,213,062)	(1,645,801)
Pension assets (PA)		850,791,522	828,172,133	22,619,389
Coverage ratio under Art. 44 BVV 2 in % (= PA/PL)		100.0	100.0	–
Reserve for fluctuations in asset value	3.6.4	–	–	–
Non-committed funds		–	–	–

The coverage ratio as of December 31, 2023, was 100.0% (previous year: 100.0%).

3.6 Explanatory notes on investments and net return on investments

3.6.1 Organization of investment activities, investment advisors and investment managers, investment rules and regulations

The regulations on investments of Pension Fund 2 specify the objectives and principles, the organization, the division of responsibilities, authority, and the guidelines for the investment of assets and for monitoring this process.

Board of Trustees

As the highest governing body, the Board of Trustees is responsible for the investment of assets, separated into investments – beneficiaries (individual level [investment strategies]) and investments – own holdings (foundation level). It determines the investment strategies available to insured participants and the underlying investment vehicles. It also defines the investment organization and investment policy for own holdings. The Board of Trustees may delegate all or part of its duties of asset management to the Investment Committee.

However, the Board of Trustees has sole responsibility for the overall process and the monitoring thereof, and cannot delegate this responsibility.

Investment Committee

The Investment Committee is the specialized body responsible for the management of the foundation's assets. It prepares investment-related decisions for the Board of Trustees and manages the implementation of these decisions. The Chair of the Investment Committee submits a report to the Board of Trustees at least quarterly on the investment activities and on the performance of the assets,

separated into investments – beneficiaries (individual level) and investments – own holdings (foundation level).

The Investment Committee is responsible for periodically reviewing the available investment strategies. Each time there is a change to the available investment strategies, the Investment Committee must decide whether it is necessary to inform the insured participants and, if so, how this should be done.

Central custodianship account (global custodian)

Central custodianship (global custody) is provided by Credit Suisse (Switzerland) Ltd.

Asset managers

Asset management is carried out by means of collective investments (investment funds) of the Credit Suisse Investment Foundation (CSA) and Credit Suisse Investment Foundation 2 (CSA 2). The investment foundations are overseen by the Occupational Pension Supervisory Commission (OPSC).

Pension Fund 2 has entrusted asset management exclusively to persons or institutions that meet the requirements pursuant to Art. 48f to 48i BVV 2.

Liquid funds / money market investments

The “Liquid funds / money market investments” item comprises the foundation’s operating funds.

Investments – beneficiaries (individual level)

Investments – beneficiaries comprises the units of the investment vehicles of the insured participants, as well as the liquid funds required for the settlement of business transactions relating to the pension provision (investment of monthly contributions, individual purchases by insured participants, withdrawals for home ownership, etc.).

The Board of Trustees decides on the focus and composition of the available investment strategies and selects the providers. In doing so, care is taken to ensure that each individual investment vehicle complies with investment regulations pursuant to BVV 2. The expansion of investment options is permitted under this ordinance (Art. 50(4)^{bis} BVV 2). The available investment strategies are monitored periodically, at least once a year, and are adjusted or replaced as necessary.

The insured participants are responsible for selecting their individual investment strategy from the investment strategies on offer (the selection decision).

As a general rule, the insured participants may personally select or change the investment strategy only via the MyPension platform, which is made available by Pension Fund 2.

If the insured participant does not choose an investment strategy, the investment will be made in line with the “Default” investment strategy.

If an investment strategy is no longer offered, the insured participant will be given the opportunity to switch to another investment strategy in good time. If the insured participant does not choose an investment strategy, the investment will be made in line with the “Default” investment strategy.

The investment strategies available for selection differ especially with regard to the risk and return profile. The “low risk” investment strategy is the default strategy. It invests in money market investments, bonds, and debt obligations with a duration of up to three years. The remaining strategies have an average equity holding between 15% (Mixta 15) and a maximum of 100% (Mixta 100).

There is no guarantee with regard to the performance of the selected investment strategy.

All relevant information on the available investment strategies can be found at www.credit-suisse.com/pensionfund.

Investments – own holdings (foundation level)

The foundation’s own holdings consist of four Mixta-BVG products: CSA Low-Risk Strategy CHF G, CSA 2 Mixta-BVG 25 G, CSA 2 Mixta-BVG 35 G, and CSA 2 Mixta-BVG 45 G.

3.6.2 Use of expanded investment options (Art. 50(4)^{bis} BVV 2) with a coherent presentation of compliance with security and risk allocation (Art. 50(1)–(3) BVV 2)

Investments – beneficiaries

CSA 2 Mixta-BVG 65 Real G, CSA 2 Mixta-BVG 75 G, and CSA 2 Mixta-BVG 100 G

For the CSA 2 Mixta-BVG 65 Real G, CSA 2 Mixta-BVG 75 G, and CSA 2 Mixta-BVG 100 G investment vehicles, the expansion of investment options is utilized pursuant to Art. 50(4)^{bis} BVV 2. The investment vehicles exceed the equities investment category pursuant to Art. 55(b) BVV 2 by 15%, 25%, and 50% respectively, as of the reporting date.

The investment vehicles have a clearly defined investment policy. Furthermore, the asset manager fulfills the requirements applicable to regulated and supervised collective investments, thereby ensuring due diligence in selection, management, and monitoring. As part of the pursued investment strategy, the investment vehicles have broad diversification and thus meet the requirement for appropriate risk spreading.

Insured participants are informed about the costs and risks in a transparent manner.

3.6.3 Totals and breakdown of investments into investment categories

Total investments – beneficiaries as of 31.12.

	2023 in CHF	2022 in CHF	2023 in %	2022 in %	Change in CHF
Liquid funds – investments	36,539,849	22,951,446	4.3	2.8	13,588,403
CSA Low-Risk Strategy CHF G	136,371,337	137,341,351	16.1	16.8	(970,014)
CSA Mixta-BVG 15 G	88,654,014	80,995,066	10.5	9.9	7,658,948
CSA 2 Mixta-BVG 25 G	110,475,485	93,662,980	13.0	11.5	16,812,505
CSA 2 Mixta-BVG 35 G	164,007,176	152,485,788	19.4	18.7	11,521,388
CSA 2 Mixta-BVG 45 G	145,394,208	152,085,262	17.2	18.7	(6,691,054)
CSA 2 Mixta-BVG Real 65 G	26,671,506	28,858,333	3.1	3.5	(2,186,827)
CSA 2 Mixta-BVG 75 G	105,501,933	117,646,101	12.5	14.4	(12,144,168)
CSA 2 Mixta-BVG 100 G	33,250,860	29,336,658	3.9	3.6	3,914,202
Total	846,866,368	815,362,984	100.0	100.0	31,503,384

The breakdown of investments into investment categories (asset allocation) for the individual investment vehicles can be accessed via the MyPension portal.

Total investments – own holdings as of 31.12.

	2023 in CHF	2022 in CHF	2023 in %	2022 in %	Change in CHF
CSA Low-Risk Strategy CHF G	9,878	9,750	0.2	0.2	128
CSA 2 Mixta-BVG 25 G	10,580	10,097	0.2	0.2	483
CSA 2 Mixta-BVG 35 G	10,930	10,386	0.2	0.2	543
CSA 2 Mixta-BVG 45 G	4,822,898	4,562,063	99.4	99.3	260,835
Total	4,854,286	4,592,297	100.0	100.0	261,990

3.6.4 Target reserve for fluctuations in asset value and calculation of the reserve

Due to the structure, there is no need for reserves for fluctuations in asset value.

3.6.5 Current (open) financial derivative instruments

Pension Fund 2 does not directly use any financial derivative instruments.

The investment guidelines of the individual collective investments permit the use of derivative instruments in compliance with the statutory provisions of BVG and BVV 2. Further information on the use of derivative instruments can be found in the annual report for the Credit Suisse Investment Foundations (CSA and CSA 2).

3.6.6 Market value and contracting parties of securities for securities lending

Pension Fund 2 does not directly engage in securities lending. The individual collective investments can engage in securities lending. The regulations of the Federal Act on Collective Investment Schemes apply in similar fashion (Art. 55(1)(a) Federal Act on Collective Investment Schemes (CISA), Art. 76 of the Ordinance on Collective Investment Schemes (CISO), and Art. 1 et seq. CISO-FINMA).

3.6.7 Explanatory note on the net return on investments

The following table shows the performance of the individual collective investments. The individual performance of the insured participants may deviate from the figures shown here as a result of the inflow and outflow of capital.

Performance		
	2023	2022
Collective investments (investment groups)	in %	in %
CSA Low-Risk Strategy CHF G	1.31	(0.81)
CSA Mixta-BVG 15 G	4.25	(9.41)
CSA 2 Mixta-BVG 25 G	4.79	(10.71)
CSA 2 Mixta-BVG 35 G	5.23	(11.34)
CSA 2 Mixta-BVG 45 G	5.72	(12.41)
CSA 2 Mixta-BVG Real 65 G	9.11	(15.11)
CSA 2 Mixta-BVG 75 G	9.59	(16.72)
CSA 2 Mixta-BVG 100 G	11.06	(19.51)

The following tables show the performance for the total investments – beneficiaries and total investments – own holdings. An approximation method is used for calculation; capital inflows and outflows are not taken into account.

Performance (approximation), investments – beneficiaries		
	2023	2022
Investments – beneficiaries	in CHF	in CHF
Total investments – beneficiaries as of Jan. 1	815,362,984	764,048,742
Total investments – beneficiaries as of Dec. 31	846,866,368	815,362,984
Average total investments – beneficiaries (unweighted)	831,114,676	789,705,863
Income from investments – beneficiaries (net)	43,507,879	(90,083,321)
Performance of investments – beneficiaries (in %)	5.23	(11.40)

Performance (approximation), investments – own holdings

Investments – own holdings	2023 in CHF	2022 in CHF
Total investments – own holdings as of Jan. 1	4,592,297	10,704,400
Total investments – own holdings as of Dec. 31	4,854,286	4,592,297
Average total investments – own holdings (unweighted)	4,723,291	7,648,348
Income from investments – own holdings (net)	261,990	(1,826,420)
Performance of investments – own holdings (in %)	5.55	(23.88)

3.6.8 Explanatory note on asset management costs

The asset management costs include all costs incurred in connection with the management of the assets.

The following tables show the total expense ratio TER KGAST per collective investment, as well as the asset management costs according to the operative account for investments – beneficiaries and investments – own holdings.

Total expense ratio (TER KGAST)

	2023 in %	2022 in %
CSA Low-Risk Strategy CHF G	0.09	0.08
CSA Mixta-BVG 15 G	0.26	0.29
CSA 2 Mixta-BVG 25 G	0.27	0.31
CSA 2 Mixta-BVG 35 G	0.28	0.31
CSA 2 Mixta-BVG 45 G	0.28	0.31
CSA 2 Mixta-BVG Real 65 G	0.58	0.48
CSA 2 Mixta-BVG 75 G	0.31	0.29
CSA 2 Mixta-BVG 100 G	0.32	0.29

Asset management costs

Sum of all key cost figures

Investment category	2023 in CHF	2022 in CHF	2023 in %	2022 in %
Direct asset management costs Investments – beneficiaries	7,667	5,917	0.36	0.27
Direct asset management costs Investments – own holdings	–	–	–	–
Total of all TER costs for investments – beneficiaries collective investments recorded in the operative account	2,105,996	2,144,054	99.00	97.35
Total of all TER costs for investments – own holdings collective investments recorded in the operative account	13,572	52,497	0.64	2.38
Total asset management costs	2,127,235	2,202,469	100.00	100.00
Total asset management costs in %	0.26	0.28		

Non-transparent investments

Pension Fund 2 has no non-transparent collective investments within the meaning of Art. 48(a)(3) BVV 2. The cost transparency ratio for investments – beneficiaries is 100.0% (previous year: 100.0%). The cost transparency ratio for investments – own holdings is 100.0% (previous year: 100.0%).

3.6.9 Explanatory note on investments in an employer's enterprise

All investments with Credit Suisse Group AG or its subsidiaries are regarded as investments in an employer's enterprise. A further point to consider is a special regulation for banks (see Federal Social Insurance Office notices on employee benefits insurance no. 84, section 486): Investments with the employer that are of a business nature rather than an investment nature are not regarded as investments in an employer's enterprise if the employer is a bank. In this context, monies invested in liquid form for a specified period of time with a view to proposed (re)investment also constitute business transactions. This also includes pending strategy changes, purchases, and pending entries and departures.

Investments in Credit Suisse Group securities are possible within the scope of the individual collective investments. CSA and CSA 2 ensure that the 5% limit as defined by Art. 50(4)^{bis} BVV 2 in conjunction with Art. 57(2) BVV 2 is observed.

Otherwise, there are no investments in an employer's enterprise.

3.6.10 Employer's contribution reserve

Change in the employer's contribution reserve			
	2023 in CHF	2022 in CHF	Change in CHF
Reserve as of January 1	11,213,062	11,014,862	198,200
Transfers to employer's contribution reserve	7,120,257	9,335,700	(2,215,444)
Withdrawals for risk contributions of the reinsurance company	(4,557,228)	(4,923,011)	365,783
Transfers (+) / withdrawals (-) for increase / decrease in actuarial provisions	1,960,000	958,000	1,002,000
Withdrawals for the coverage of operating activities	(3,583,109)	(3,102,873)	(480,236)
Decrease (-) / increase (+) due to the development of risk	61,186	(249,288)	310,474
Reserve as of December 31 before interest	12,214,166	13,033,391	(819,224)
Interest on investments – own holdings in line with the annual performance	644,697	(1,820,329)	2,465,026
Reserve as of December 31	12,858,863	11,213,062	1,645,801

The employer's contribution reserve is used in particular to pay the incurred risk premiums of the reinsurance company, the cost contributions for ongoing operations (operating activities), and the contributions for the build-up of the actuarial provisions.

This results in the following breakdown per employer:

Detailed employer's contribution reserve

	31.12.2023 in CHF	31.12.2022 in CHF
Credit Suisse AG	5,340,287	4,699,138
Credit Suisse Services Ltd.	1,802,156	1,546,780
Credit Suisse Asset Management (Switzerland) Ltd.	550,983	477,560
BANK-now Ltd.	165,355	138,272
Credit Suisse Funds AG	83,355	71,318
Credit Suisse Insurance Linked Strategies Ltd.	51,915	46,298
Pension Fund of CSG (Switzerland)	46,147	36,317
Fides Treasury AG	37,567	37,367
Credit Suisse Group AG	62,608	62,407
Aventicum Capital Management (Suisse) SA	9,727	7,922
Credit Suisse (Switzerland) Ltd.	4,658,551	4,045,689
Credit Suisse Investment Partners (Switzerland) Ltd.	6,662	5,659
Credit Suisse Trust Ltd.	43,551	38,335
Total employer's contribution reserve	12,858,863	11,213,062

3.7 Explanatory notes on other balance sheet and operative account items

3.7.1 Administration cost

Pension Fund 2 has no employees of its own. Administrative activities relating to the administration of insured participants are carried out by Pension Fund 1. This cooperation is based on the Service Order agreement dated December 10, 2019. Around CHF 3.5 mn is attributable to the services provided by Pension Fund 1 (previous year: CHF 2.8 mn). There were no project expenses in the reporting year (previous year: CHF 0.15 mn).

Administration costs are financed entirely from the employer's contribution reserves. These costs amount to CHF 433 per beneficiary (previous year: CHF 315).

3.8 Supervisory authority requirements

None.

3.9 Further information regarding the financial situation

3.9.1 Partial liquidations

In order to ensure the appropriate implementation of any partial liquidations, the Board of Trustees and the management are continuously reviewing the situation. In the event of restructuring that results in significant downsizing or if the affiliation agreement is terminated, partial liquidation must be carried out by law.

The Board of Trustees has not yet been able to conclusively determine for the 2022 reporting year whether the conditions for partial liquidation were met in connection with the restructuring measures for Credit Suisse Group AG that were announced on October 27, 2022.

On March 19, 2023, it was announced that UBS Group AG would be acquiring Credit Suisse Group AG. As part of this acquisition, further restructuring measures were announced that have not yet been fully implemented.

The Board of Trustees has determined that, due to the restructuring that began in 2022 and 2023, Pension Fund 2 of Credit Suisse Group (Switzerland) is in the process of a material, comprehensive partial liquidation.

The termination of the affiliation agreement with Fides Treasury Services AG at the end of 2023 led to a further, overlapping partial liquidation with an effective date of December 31, 2023. This affects 37 insured participants and CHF 1.0 mn in retirement capital, which equates to approx. 0.12% of total assets.

Pension Fund 2 will inform the insured participants about the partial liquidations separately in the second quarter of 2024.

3.9.2 Legal proceedings in course

There are currently no legal proceedings in course.

3.10 Events subsequent to the balance sheet date

On February 6, 2024, it was announced that the pension model of Pension Fund 2 of Credit Suisse Group (Switzerland) will be adapted to the pension model of the UBS Pension Fund with effect from January 1, 2027. This means that Pension Fund 2 will continue to exist from this date but without contributions.

For the insured participants, this adaptation will lead to changes in the employer's savings contributions as well as to the options for drawing a pension and/or a lump sum upon retirement.

The insured participants have been informed of the changes separately by means of individual emails and information published on the website.

These adaptations will have no effect on the 2023 annual accounts.

IV

Auditors' report

Report of the statutory auditor to the Foundation Board of Pension Fund 2 of Credit Suisse Group (Switzerland)

Zurich

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Pension Fund 2 of Credit Suisse Group (Switzerland) (the Occupational pension scheme), which comprise the balance sheet as at 31 December 2023, the operating accounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements (pages 9 to 30) comply with Swiss law, the foundation deed and the scheme regulations.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Occupational pension scheme in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Foundation Board is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Foundation Board’s responsibilities for the financial statements

The Foundation Board is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law, the articles of association and the scheme regulations, and for such internal control as the Foundation Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

Responsibility of the expert in occupational benefits for the audit of the financial statements

The Foundation Board appoints a statutory auditor as well as an expert in occupational benefits for the audit. The expert in occupational benefits is responsible for evaluating the necessary reserves for underwriting insurance-related risk, consisting of pension liabilities and actuarial reserves. Assessing the evaluation of the pension liabilities and actuarial reserves is not a task of the statutory auditor pursuant to Art. 52c para. 1 let. a of the Swiss Occupational Pensions Act (OPA). In accordance with Art. 52e para. 1 OPA, the expert in occupational benefits also evaluates whether the occupational pension scheme provides assurance that it can meet its obligations and whether all insurance-related provisions regarding benefits and funding in the scheme regulations comply with the legal requirements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pension Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Foundation Board or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on other legal and regulatory requirements

The Foundation Board is responsible for ensuring that the legal requirements are met and that the statutory and regulatory provisions on organisation, management and investments are applied. We have carried out the required audits in accordance with article 52c para. 1 OPA and article 35 OPO 2.

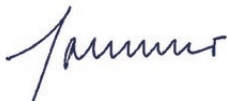
We have assessed whether

- the organization and management comply with the legal and regulatory requirements and whether an internal control exists that is appropriate to the size and complexity of the Occupational pension scheme;
- the investment of assets complies with legal and regulatory requirements;
- measures have been taken to ensure loyalty in fund management and whether the governing body has ensured to a sufficient degree that duties of loyalty are fulfilled and interests are disclosed;
- the non-committed funds or discretionary dividends from insurance contracts have been used in compliance with the legal and regulatory provisions;
- the legally required information and reports have been issued to the supervisory authority;
- the Occupational pension scheme's interests are safeguarded in disclosed transactions with related parties.

We confirm that the applicable legal and statutory and regulatory requirements have been met.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Johann Sommer
Licensed audit expert
Auditor in charge



Michel Weidmann
Licensed audit expert

Zurich, 19. April 2024



V

Confirmation of the
pension actuary

V – Confirmation of the pension actuary



Confirmation of pension actuary

Dear Mr. President,

Dear Madams, Dear Sirs,

c-alm AG has been commissioned by the board of trustees of the Pension Fund 2 of Credit Suisse Group (Switzerland) (hereinafter referred to as the «pension fund») to prepare an actuarial report as of 31.12.2023 based on Art. 52e of the federal law on occupational benefits («BVG»).

The purpose of the actuarial report is to determine whether the pension fund offers security that it can fulfil its obligations to active insured persons and pension recipients. **Purpose**

Based on the actuarial and economic analyses, specific recommendations are made to the board of trustees in the overall actuarial assessment. **Recommendations**

The signing pension actuary is licensed by the Swiss Supervisory Commission on Occupational Pensions («OAK») in accordance with Art. 52d para. 1 BVG. **Licence**

As pension actuary according to Art. 52a para. 1 BVG, we confirm that we are independent within the meaning of Art. 40 BVV 2 and in accordance with the directive OAK BV W – 03/2013. **Independence**

As members of the Swiss Association of Actuaries and the Swiss Chamber of Pension Fund Experts («SKPE»), we also adhere to the relevant principles and guidelines. **Qualification**

The individual data of active insured persons and pension beneficiaries cannot be conclusively checked for accuracy. However, we have checked the plausibility of the data and found no evidence of errors. **Plausibility**

This actuarial report of the pension fund has been prepared in accordance with the code of conduct for members of the SKPE and its professional guidelines and in accordance with directive OAK BV W-03/2014. The pension fund reports its benefit obligations in the balance sheet based on a technical interest rate of 1.62%. **Financial situation at reporting date**

The financial situation of the pension fund as of December 31, 2023, shows:

Key figures

- a surplus of net assets of CHF 0;
- a coverage ratio in accordance with the amendment to Art. 44 BVV 2 of 100.0% (previous year: 100.0%);

With the actuarial report we confirm in accordance with Art. 52e BVG that:

Confirmation of pension actuary

- the technical interest rate is reasonably adequate;
- the pension fund offers security that it will be able to fulfil its regulatory obligations as at the reporting date;
- regulatory actuarial provisions on benefits and financing are in line with current statutory requirements;
- the measures taken to cover the actuarial risks are adequate.

St. Gallen, 22.03.2024

c-alm AG, Contractual Partner

Dr. Roger Baumann

Responsible pension actuary

Partner

Pension actuary SKPE

Actuary SAA

Christian Graf

Senior Actuary

Pension actuary SKPE

Actuary SAA



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