

Pension Fund of  
Credit Suisse Group (Switzerland)



# 2020 Annual Report Abridged version





Investments

A challenging year for investment

Rarely has an event had such a global impact as that seen following the outbreak of the SARS-CoV-2 virus. The virus and its associated COVID-19 infections spread rapidly through the world's globalized and networked population. From an investor perspective, it was a year of extremes.

At the start of the reporting year, capital markets began to reflect the consequences of the lockdowns in prices. Since the actual effects were difficult to estimate initially, the observed correction soon developed into a full-blown crash. Investors fled risk investments in panic in favor of safe liquidity. Even government bonds or gold, which in normal times are considered safe havens, were sold in large quantities at times to create liquidity. Central banks opened the floodgates again and flooded the system with cheap money. This led to a decoupling of financial markets from the real economy.

As more was learned about the virus, uncertainty decreased and as a result, capital markets, especially equity markets, were able to recover significantly. The vaccines against the new type of virus were developed in record time and proved to be highly effective. Following a tumultuous year fueled by low interest rates, high liquidity in the system, and the hope of an early return to some sort of new normality, some stock markets climbed above or came close to their historical highs.

**Sustainable investments**

Working on behalf of the Board of Trustees, the ESG Committee forged ahead with its sustainability strategy in 2020. Administering the rights of shareholders in the Pension Fund is an important part of this strategy. During the reporting

year, the Pension Fund exercised its voting rights at more than 400 general meetings; for the first time, this activity included foreign companies throughout Europe. To ensure structured and uniform voting, the ESG Committee has defined its own voting policies.

In addition to administering shareholder rights, the ESG Committee also engages in strategic dialog with companies. In the reporting year, a partnership of this kind was established with EOS at Federated Hermes.

The Pension Fund uses ESG ratings to measure the sustainability of its equity and bond investments and reports them to the Board of Trustees on a quarterly basis. Furthermore, in 2020 the Pension Fund participated in the climate scenario analysis of the Federal Office for the Environment (Paris Agreement Capital Transition Assessment, PACTA for short) and made its data fully available for analysis in support of this important study – the results of which will be incorporated into the future design of the sustainability strategy.

**PENSION FUND OF CREDIT SUISSE GROUP (SWITZERLAND)**

Management:  
Martin Wagner, Manager  
Andreas Dänzer, Chief Investment Officer  
Roger Nigg, Chief Pension Services  
Sebastian Krejci, Chief Risk Officer

This abridged version of the Annual Report comprises the key facts, figures, and events for the 2020 financial year. You will find the detailed Annual Report on the Pension Fund's website at [www.credit-suisse.com/pensionfund](http://www.credit-suisse.com/pensionfund).

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# Key figures

Coverage ratio

120.5%

Total assets

CHF 18 billion

Performance

6.2%

Reserve for fluctuations  
in asset value

CHF 2.4 billion

Technical interest rate

1.3%

Balance sheet	2020 in CHF mn	2019 in CHF mn
Total assets	18,094	17,869
Active participants' liabilities	6,192	6,373
Pensioners' liabilities	8,032	8,173
Actuarial provisions	641	617
Reserve for fluctuations in asset value	2,380	2,430

Operative account	2020 in CHF mn	2019 in CHF mn
Employee contributions	143	205
Employer contributions	290	394
Purchase amounts	41	104
Net return on investments	901	1,792
Termination benefits on leaving the Pension Fund	572	446
Retirement pensions paid out	414	418
Surviving spouse's pensions paid out	64	63
Disability pensions paid out	23	23

The Pension Fund of Credit Suisse Group (Switzerland), with total assets of some CHF 18.1 billion, around 18,000 active participants, and more than 11,000 pensioners, is one of the largest pension funds in Switzerland.



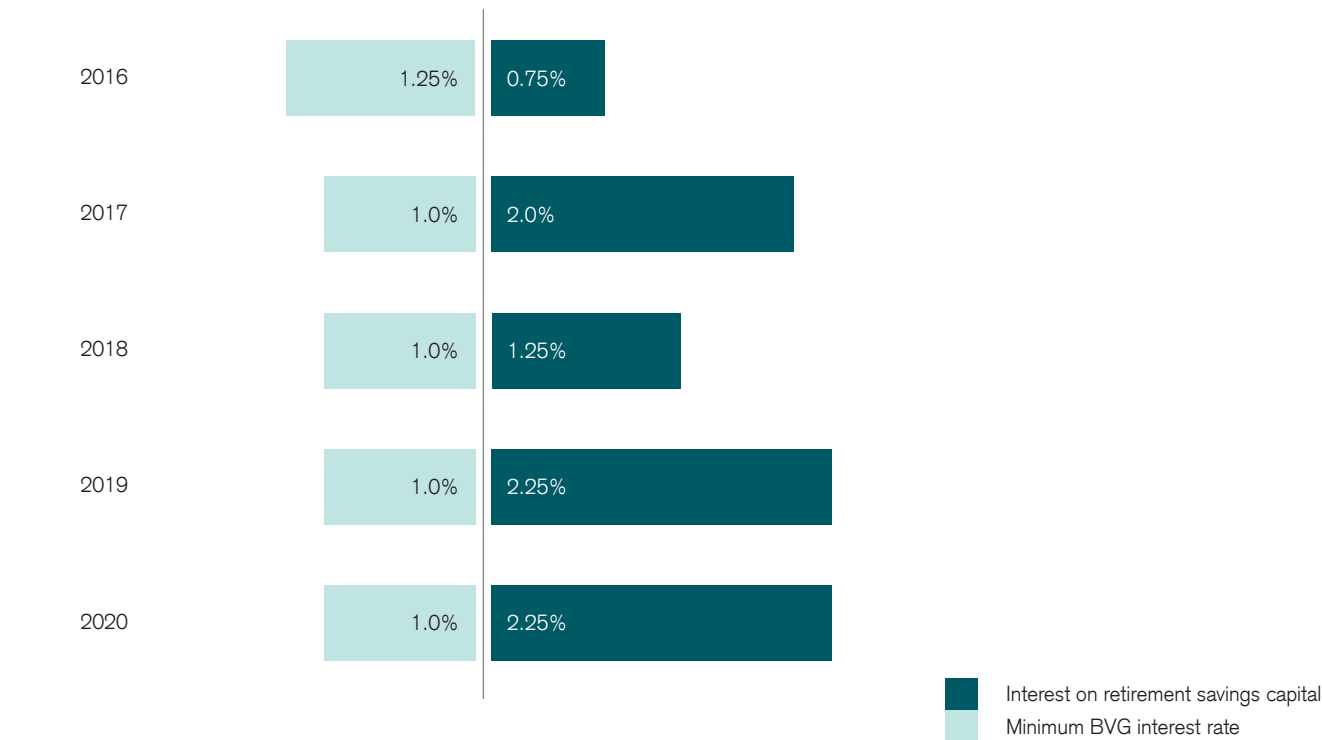


Interest rate remains unchanged

# Interest on retirement savings capital

The Board of Trustees of the Pension Fund set an interest rate of 2.25% on the retirement savings capital for the 2020 reporting year. The minimum BVG interest rate is 1.0%.

Comparison of interest on retirement savings capital and minimum BVG interest rate, 2016–2020



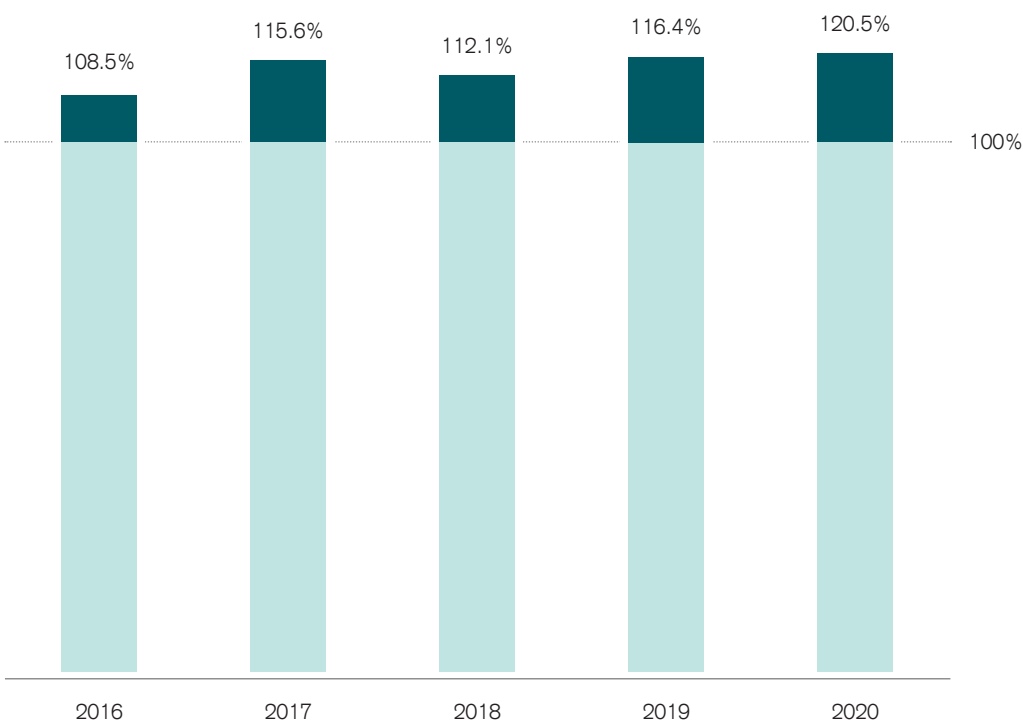
As an all-encompassing pension fund, the Pension Fund of Credit Suisse Group (Switzerland) pays interest on the entire retirement savings capital – including the extra-mandatory portion – at the interest rate set by the Board of Trustees. The Board of Trustees deliberately attaches greater weight to security through the formation of the reserves for fluctuations in asset value and the technical reserves than to the direct participation of the active participants in the performance. In view of the above, the Board of Trustees set an interest rate of 2.25% on the retirement savings capital for 2020.

Solid increase

# Coverage ratio

The coverage ratio is 120.5%.  
The Pension Fund has unlimited risk ability.

Coverage ratio, 2016–2020



The coverage ratio indicates the extent to which a pension fund's obligations are covered by its assets. The coverage ratio as of the end of 2020 stood at 120.5%; this represents a noticeable rise, since it stood at 116.4% as of the end of 2019. Ample reserves exist for fluctuations in asset value; the target value is 16.0%. The Pension Fund thus has non-committed funds and unlimited risk ability. The target value for the reserve for fluctuations in asset value is to be raised gradually from the current 16% to 20% by 2024.

### Cost-of-living allowance for pensioners

Each year, the Board of Trustees reviews whether to grant a cost-of-living allowance. In view of the prevailing and historically low inflation environment, the Board of Trustees decided not to grant any new increase in the cost-of-living allowance as of January 1, 2021.

Pensions were last adjusted on January 1, 2007. The cumulative increase in the cost of living since then amounts to 1.8%.

# Performance

The Pension Fund of Credit Suisse Group (Switzerland) achieved a performance of 6.2% in the 2020 reporting year (previous year: 11.3%).

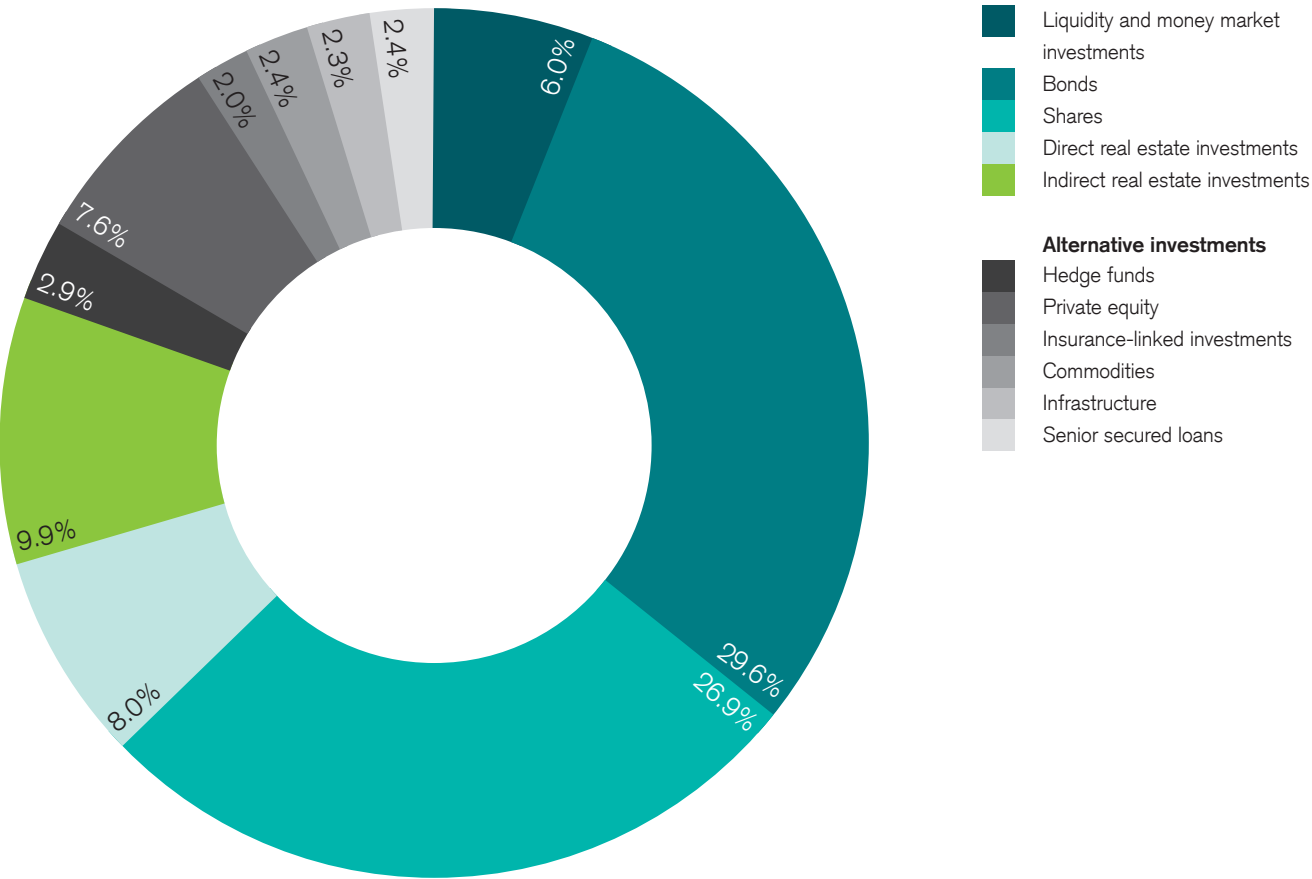


**Use of the performance**  
An investment performance of 6.2% was generated; of this figure, around 0.6% is required to lower the valuation rate for pension obligations and revalue retirement losses.

# Investments

The Pension Fund of Credit Suisse Group (Switzerland) has a broadly diversified portfolio.

Investment categories as of December 31, 2020



The Pension Fund of Credit Suisse Group (Switzerland) conducts an annual detailed asset and liability management study, in which it analyzes whether the assets and benefit obligations are aligned with one another in the medium and long term. This constitutes the basis for defining the Pension Fund's investment strategy, risk ability, risk tolerance, and performance objectives.

Slight increase in active participants

# Number of insured participants

The number of pensioners has continued to fall this year, while the number of active participants is steadily increasing.

Number of insured participants as of December 31, 2020

Active participants

17,893

Pensioners

11,030

	2020	2019
Active participants	17,893	17,736
Pensioners	11,030	11,227
Total number of insured participants	28,923	28,963

The total number of insured participants increased by 40 people and now totals 28,923 people. At the end of 2020, the Pension Fund had 17,893 active participants and 11,030 pensioners. As in previous years, the number of active participants has continued to increase and the number of pensioners has fallen. Active participants account for 62% of the total number, with pensioners accounting for 38%.

# Active participants

The total number of active participants has increased again, by 0.9% – from 17,736 to 17,893.

Age category as of December 31, 2020

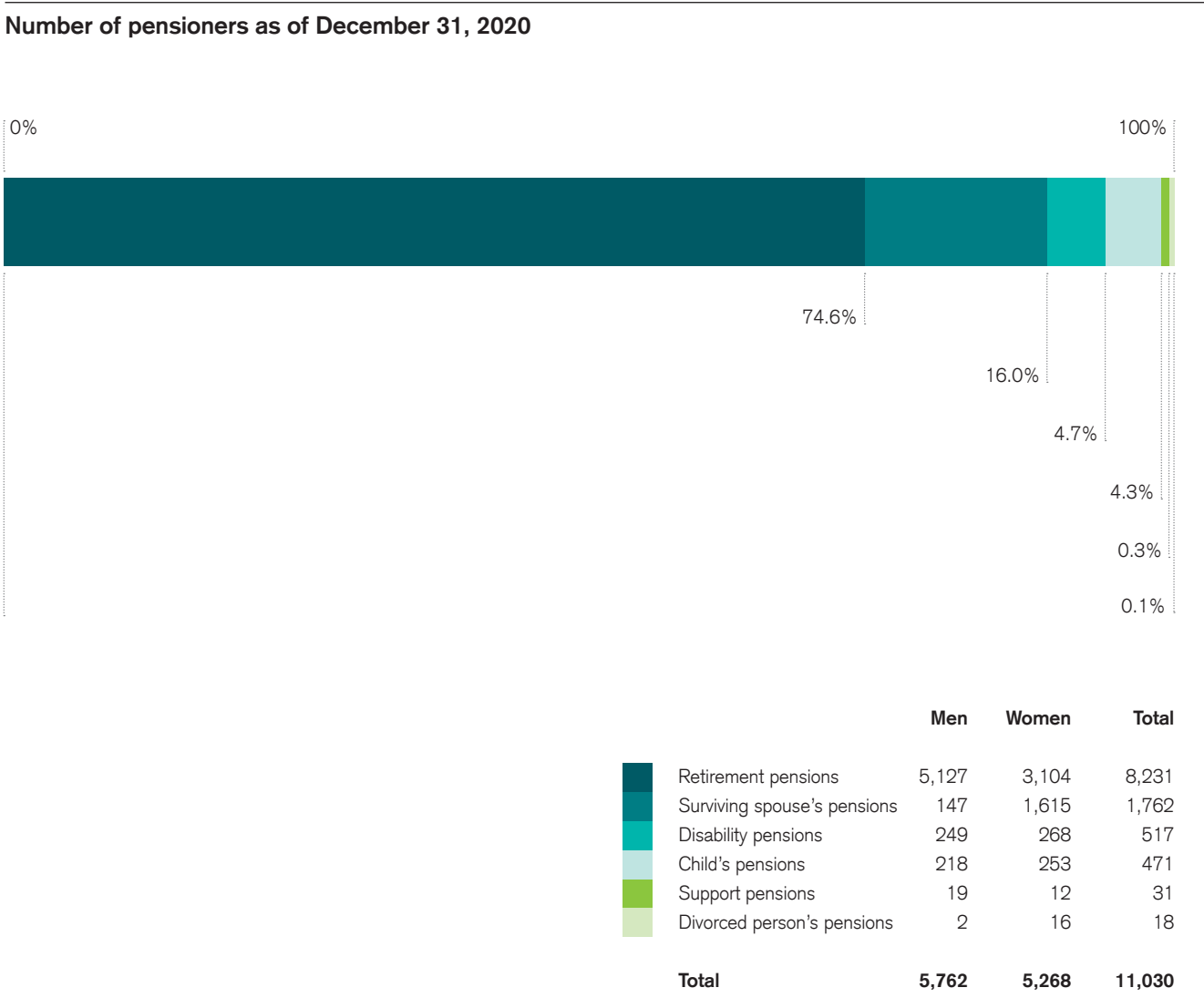


	2020	2019
Men	10,900	10,834
Women	6,993	6,902
Total number of active participants	17,893	17,736

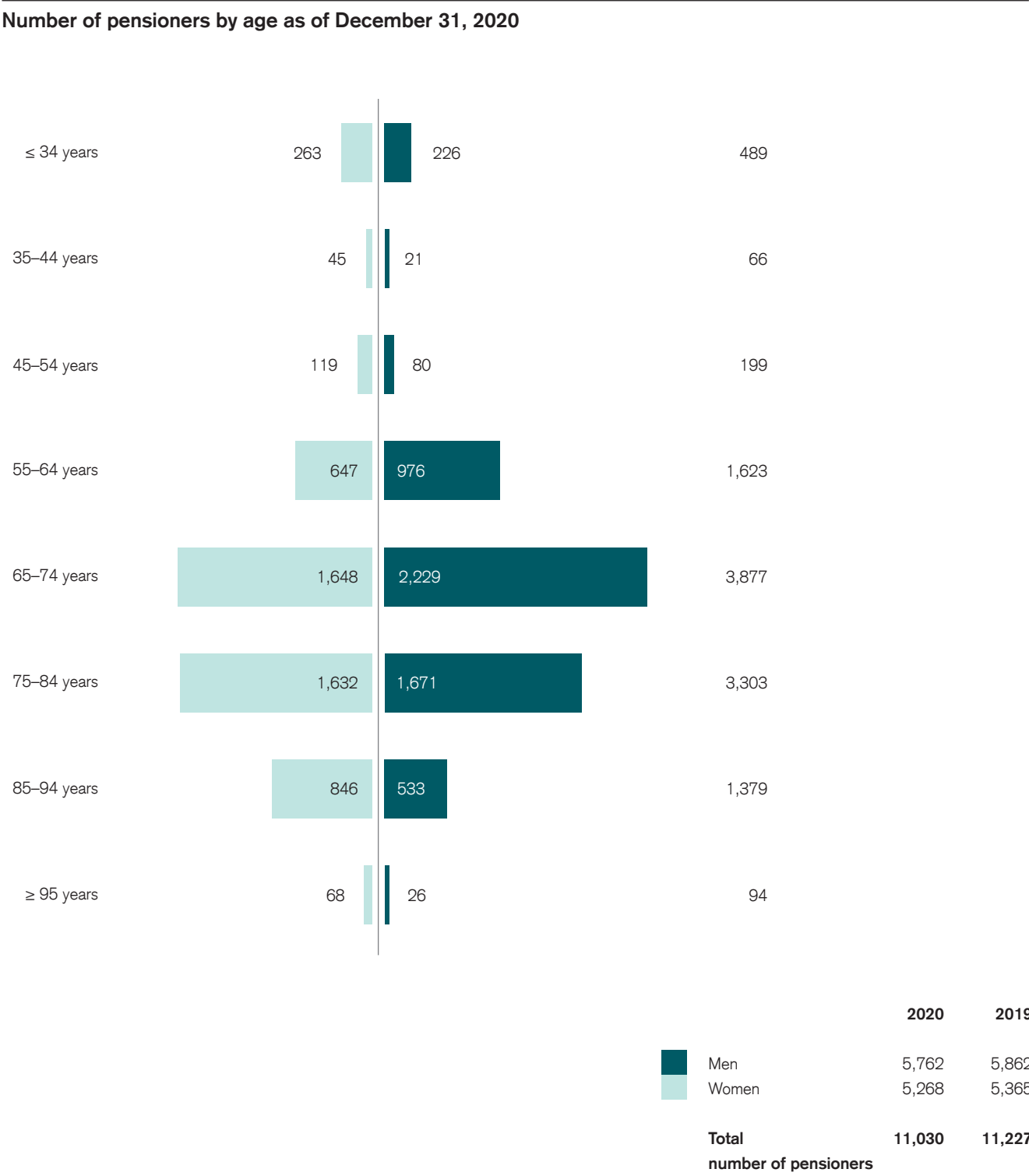
The largest age category, comprising 5,131 active participants, is participants between 35 and 44 years old. The average age of active participants is 42.7 years for men and 40.2 years for women.

# Pensioners

The total number of pensioners had decreased by 197 people to 11,030 as of the end of the year. This figure includes all recipients of a pension, including retirement pension recipients, disability pension recipients, surviving spouse’s pension recipients, child’s pension recipients, and support pension recipients.



The 8,231 retirement pension recipients account for the majority of pensioners, making up 75% of the total. The 1,762 recipients of a surviving spouse's pension constitute the second-largest group at 16%. The Pension Fund also paid 18 divorced person's pensions in the 2020 reporting year. Such divorced person's pensions only came into being in 2017, following an amendment to the divorce law.



The 65 to 74-year-olds comprise by far the largest group of pension recipients in numerical terms, with a total of 3,877 people. There are 94 insured participants in the 95-plus age group.

# Board of Trustees elections in 2020

Every four years, employees insured with the Pension Fund of Credit Suisse Group (Switzerland) elect their next employee representatives for the Board of Trustees.

In the fall of 2020, employees of Credit Suisse (Switzerland) Ltd., Credit Suisse AG, and affiliated companies had the opportunity to submit their candidacy for the Board of Trustees of the Pension Fund. Since the introduction of the 1e retirement capital savings plan in January 2020, the Pension Fund of Credit Suisse Group (Switzerland) has been made up of two foundations: Pension Fund and

Pension Fund 2. This means that two Boards of Trustees had to be appointed via the elections in 2020 for the first time – one for each pension fund. A total of 29 people stood for election as employee representatives. The following employee representatives were elected at the subsequent Board of Trustees election.

## Elected Boards of Trustees

**Constituency 1**  
Credit Suisse (Switzerland) Ltd. and Credit Suisse AG, German-speaking Switzerland



**Daniel Ammon**  
existing



**Daniel Egli**  
existing



**Moreno Ardia**



**Gaby Kuchta-Schmidt**

**Constituency 2**  
Credit Suisse (Switzerland) Ltd. and Credit Suisse AG, French-speaking and Italian-speaking Switzerland



**Timoteo Gandolfi**

**Constituency 3**  
Other affiliated companies



**Christian Braun**

The newly elected members of the Boards of Trustees will assume office after the 2020 Annual Report of the Pension Fund of Credit Suisse Group (Switzerland) has been approved. The report will be approved in April 2021. The first meeting with the newly elected members will be held on April 14, 2021.

Further information about the Board of Trustees can be found on the Pension Fund website:  
[www.credit-suisse.com/pensionfund](https://www.credit-suisse.com/pensionfund)

# Useful information

The Pension Fund of Credit Suisse Group (Switzerland) offers insured participants a high level of benefits in the event of retirement, disability, or death. Take the opportunity to optimize your pension fund benefits.



**Changes in your circumstances**  
Analyze your pension situation on a regular basis. Changes in your circumstances, such as salary adjustments or divorce, can have an impact on your pension benefits.



**Pension benefits**  
You can increase your pension benefits on retirement by changing the contribution option for your savings contributions, or by purchasing additional pension benefits.



**Individual purchases**  
The cut-off date for voluntary purchases in each calendar year is the last bank working day of the respective calendar year.



**Order of beneficiaries**  
The order of beneficiaries lets you specify which surviving dependants benefit in the event of your death. To do this, please send us the completed "General order of beneficiaries" form.



**Cohabiting partner**  
You can make your cohabiting partner your beneficiary in the event of your death by submitting the required documents to the Pension Fund ("Cohabiting partner contract" and/or "General order of beneficiaries" form).



**Advance withdrawal for residential property**  
An advance withdrawal from the Pension Fund could enable you to finance the purchase of your own home.

Find out more by visiting the Pension Fund website at [www.credit-suisse.com/pensionfund](https://www.credit-suisse.com/pensionfund), or contact your pensions advisor. Contact details can be found on the Pension Fund website.



# Board of Trustees

## Employer representatives



**Philip Hess**

Chair of the Board of Trustees



**Christian Stark**

Head of Regulatory Affairs Switzerland



**Christian G. Machate**

Global Head of Recruitment



**André Helfenstein**

Chief Executive Officer Swiss Universal Bank



**Michel Degen**

Head of Credit Suisse Asset Management Switzerland & EMEA

## Employee representatives



**Thomas Isenschmid**

Vice-Chair, employee representative for German-speaking Switzerland



**Daniel Ammon**

Employee representative for German-speaking Switzerland



**Daniel Egli**

Employee representative for German-speaking Switzerland



**Massimiliano Tagliabue**

Employee representative for Ticino



**Thomas Bärlocher**

Employee representative for companies affiliated with Credit Suisse

## Retiree representatives



**Markus A. Beeler**

Employer representative



**Martin Klaus**

Employee representative

### Board of Trustees, 2017–2020 term of office

The Board of Trustees is the supreme body of the Pension Fund of Credit Suisse Group (Switzerland), and manages and monitors the Pension Fund's activities. The Board of Trustees consists of an equal number of employee and employer representatives, 12 in all, whose term of office runs from 2017 to 2020. It determines the Pension Fund's overall strategy, oversees its full implementation, and ensures that the promised benefits are delivered.

# Management

## Chief Executive Officer



**Martin Wagner**

Manager Pension Fund of Credit Suisse Group (Switzerland)

## Members of the Pension Fund Management, effective date April 14, 2021



**Guido Bächli**

Chief Investment Officer, until February 2021



**Andreas Dänzer**

Chief Investment Officer, from March 2021



**Matthias Hochrein**

Chief Operating Officer, until October 2020



**Roger Nigg**

Chief Pension Services



**Sebastian Krejci**

Chief Risk Officer

The Manager is in charge of managing the Pension Fund. The Chief Investment Officer, Chief Operating Officer, Chief Pension Services, and Chief Risk Officer report to the Manager. Together they constitute the Pension Fund Management.

## Detailed information on the financial year

The full version of the Annual Report contains extensive information on the Pension Fund's performance in 2020, a detailed presentation of the financial statements, as well as explanatory notes. The 2020 Annual Report can be downloaded from the Pension Fund's website at

**[www.credit-suisse.com/pensionfund](http://www.credit-suisse.com/pensionfund)**.

## Questions and contact

If you have any questions regarding the benefits offered by the Pension Fund, please contact your pensions advisor at the Pension Fund. Contact details can be found at **[www.credit-suisse.com/pensionfund](http://www.credit-suisse.com/pensionfund)**.

Unless dictated otherwise by the context, the terms "Pension Fund," "foundation," and "pension plan" refer to the "Pension Fund of Credit Suisse Group (Switzerland)" when used in this Annual Report.

Only the German version of the full Annual Report is valid for legal purposes. Any gender-specific terms used refer to both men and women. The term spouse includes registered partners in accordance with the Federal Act on the Registration of Partnerships for Same-Sex Couples.



**PENSION FUND  
OF CREDIT SUISSE GROUP (SWITZERLAND)**

JPKS 4

P.O. Box

8070 Zurich

**[www.credit-suisse.com/pensionfund](http://www.credit-suisse.com/pensionfund)**

