

Webcast 1e retirement capital savings



PENSION FUND OF CREDIT SUISSE GROUP (SWITZERLAND)
March 30, 2022

CREDIT SUISSE 

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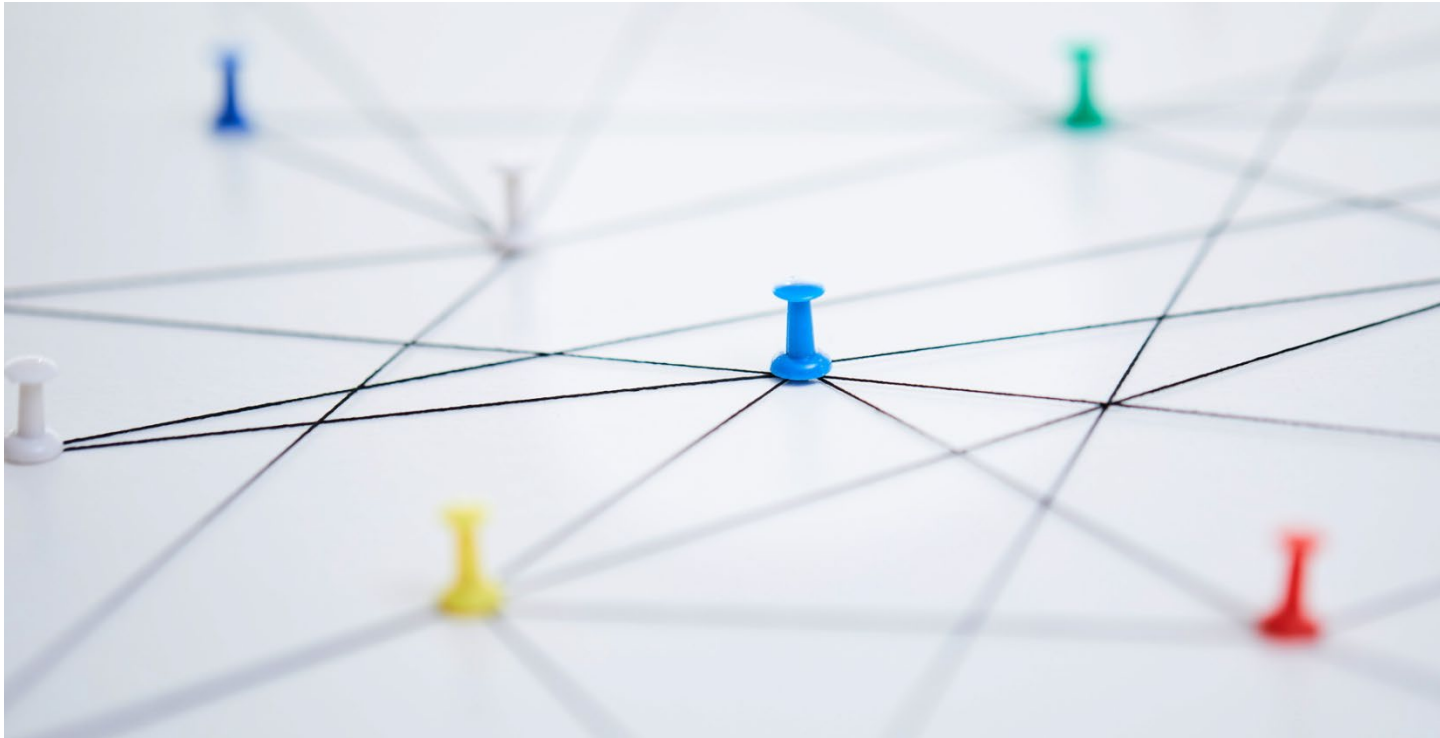
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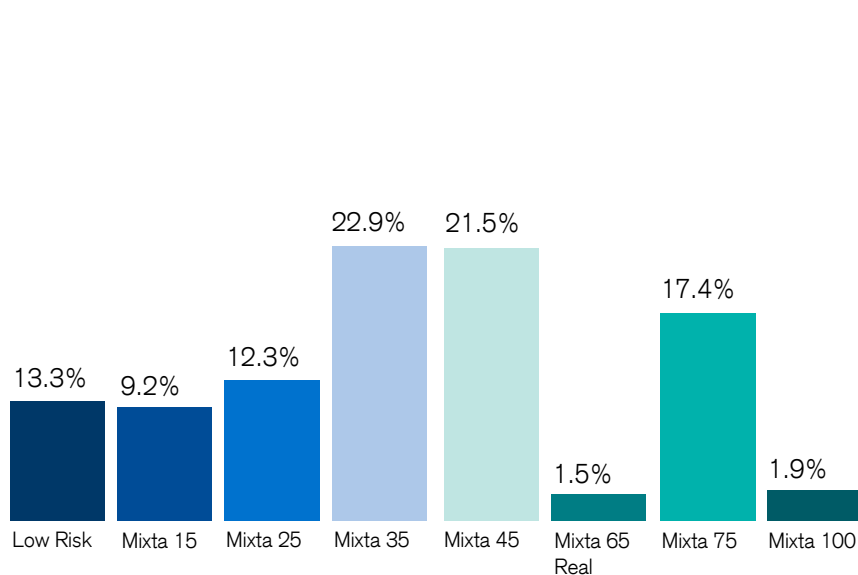
Update on 1e retirement capital savings



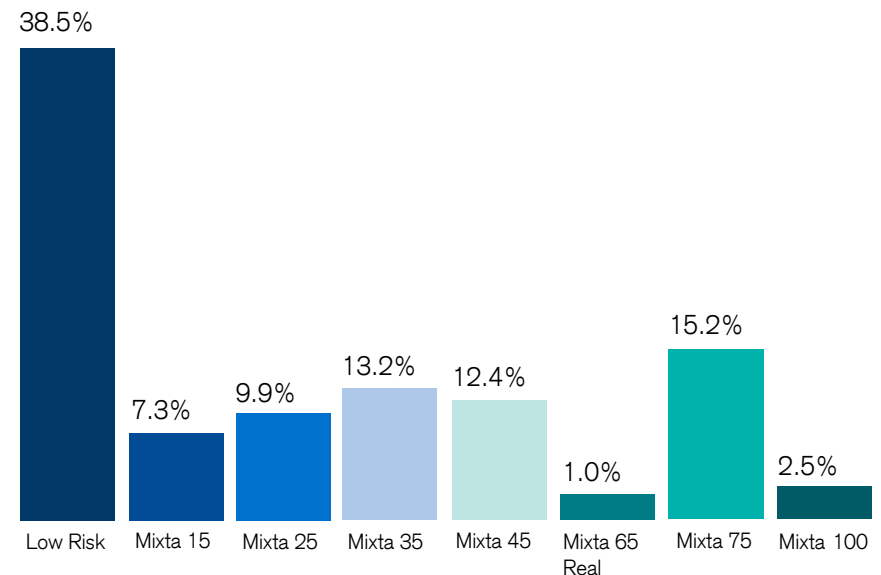
Introduction and review

Portfolio investments by CHF and insured

- Started January 2020 with approximately CHF 330 million and 9,000 insured
- As of February 28, 2022, holdings of CHF 715 million and 9,000 insured

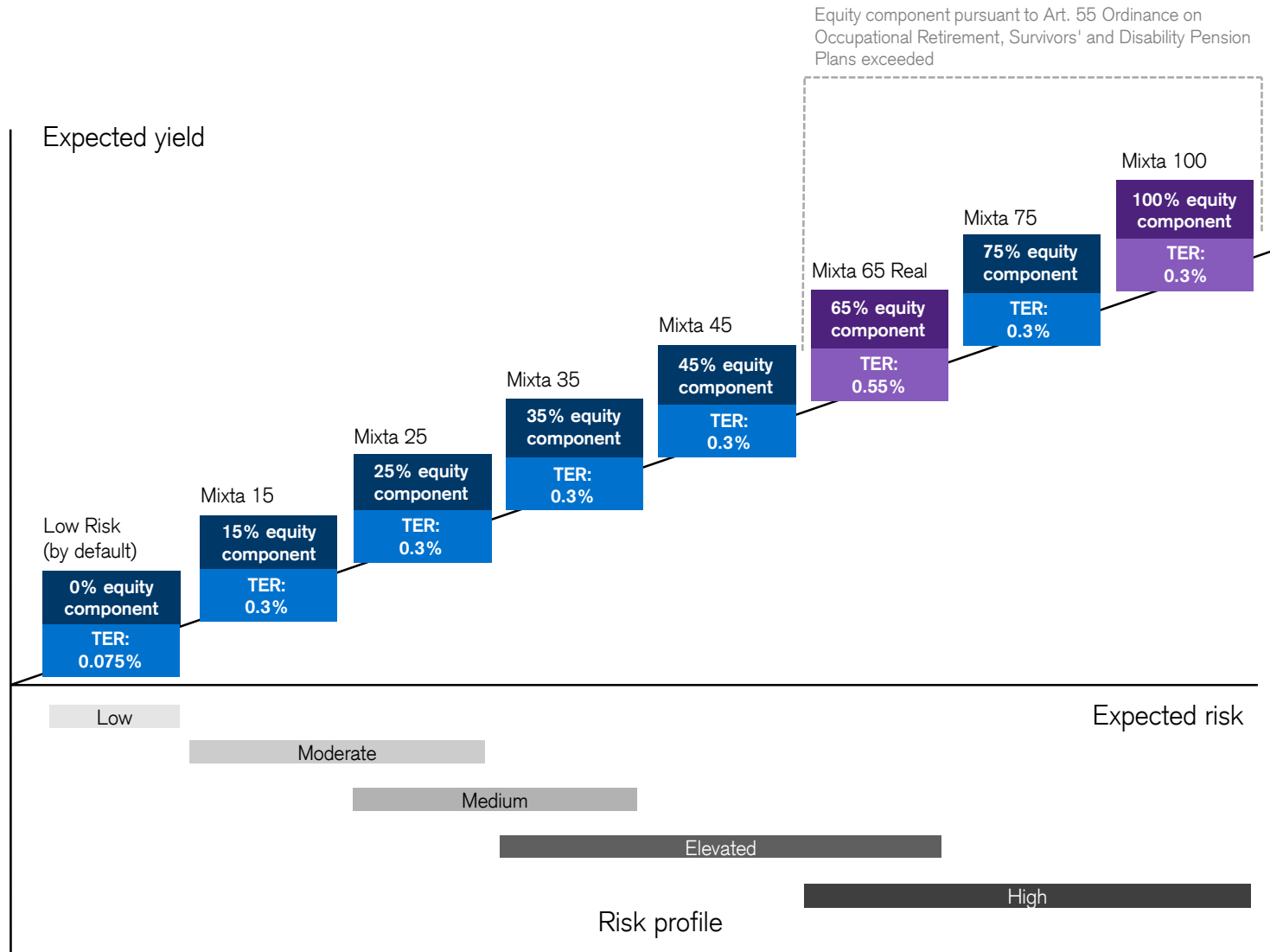


Portfolio investments – breakdown by CHF



Portfolio investments – breakdown by number of insured

Overview of the portfolio of funds



New funds since January 2022

Mixta 65 Real and Mixta 100

Investment strategy	Mixta 65 Real	Mixta 100
	<p>Global investment in real assets:</p> <ul style="list-style-type: none"> • 65% equities (incl. listed private market and infrastructure investments) • 25% indirect real estate investments in Switzerland and abroad • 10% gold 	<p>Global investment in equities:</p> <ul style="list-style-type: none"> • Target equity component of almost 100% • Unhedged foreign currency quota maximum 30%
Cost	Total expense ratio (TER): 0.55%	Total expense ratio (TER): 0.30%
Risk profile	Elevated to High	High
Why this fund?	The need for pure material value funds due to low interest rates. The Mixta 65 Real does not invest in nominal values (e.g. bonds).	The Mixta 100 rounds off the active and sustainable product range with equity components of between 0% and 100%.

Both funds exceed the category limit for equities prescribed by Art. 55 Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans.

Review of risk profile

Long-term investment strategy vs. investment time horizon

- Structure personal investment strategy for the long term

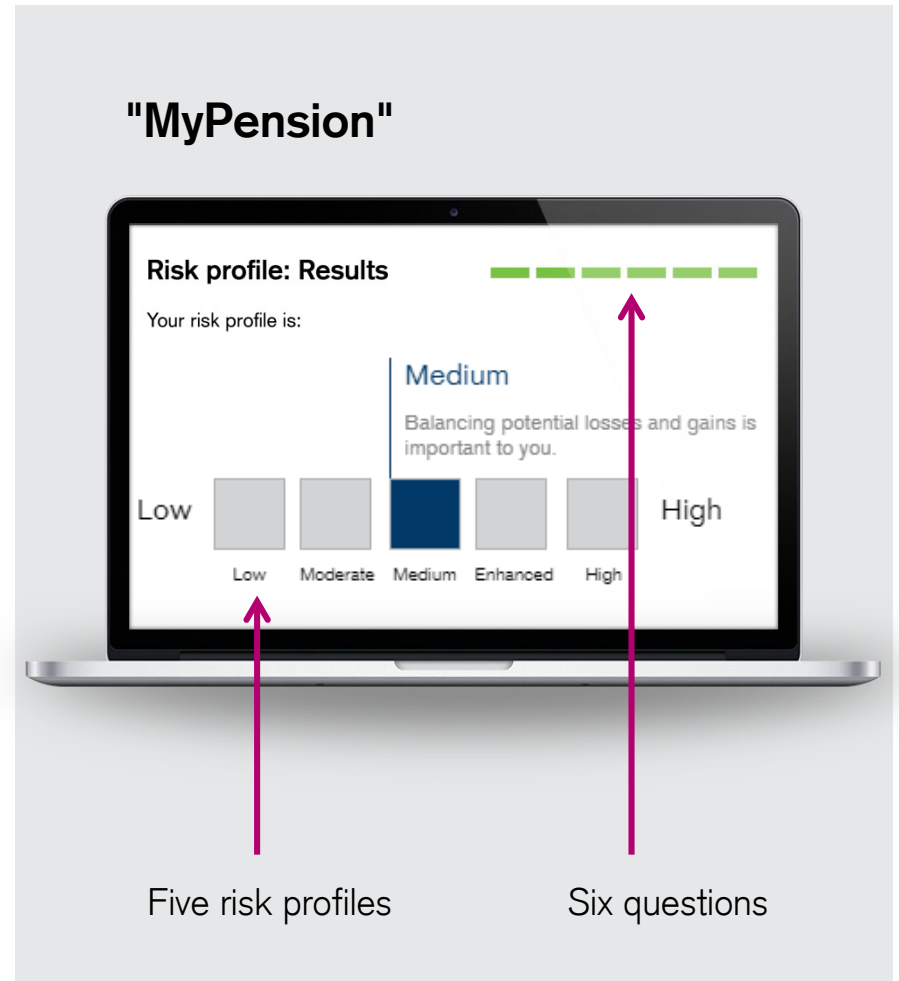
*Select a strategy that fits your personal risk profile.
Pension capital is not suitable for trading.*

- Review risk profile regularly

Consider changes in life such as marriage, children, divorce, death, etc.

- Long-term investment time horizon vs. notice period under labor law

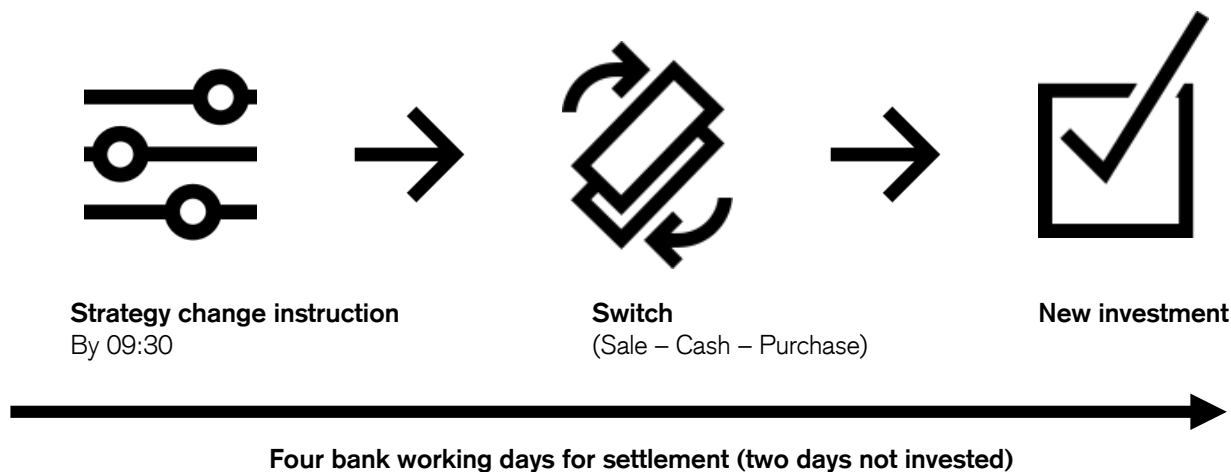
*Pension fund assets are transferred to a new pension fund if you change jobs.
In the event of notice of termination without a new job, it is possible to replicate the investment strategy in the vested benefits foundation.*



Investment strategy

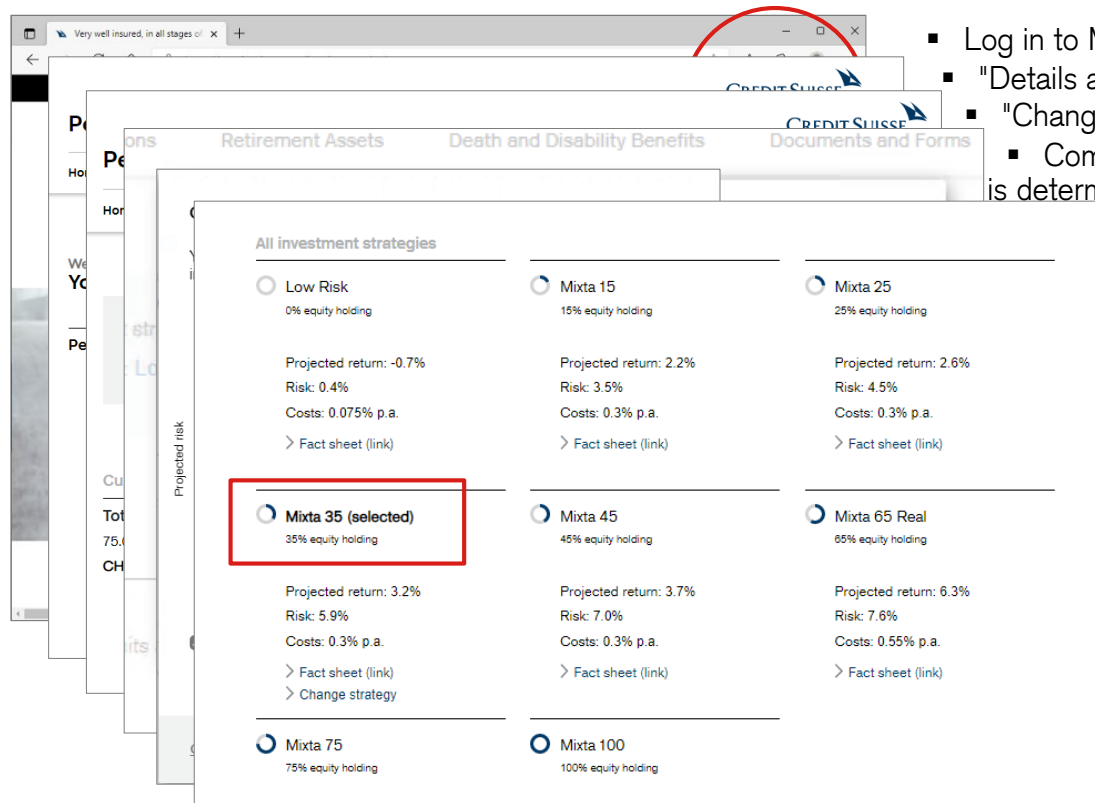
Trading

- Orders placed exclusively via "MyPension."
- By law, only one investment strategy is permitted.
- Default strategy with no explicit investment strategy selection:
"Low Risk" with 0% equity component.
- Strategy can be amended without charge at any time, every day
- Process:



MyPension portal for insured participants

Changing investment strategy

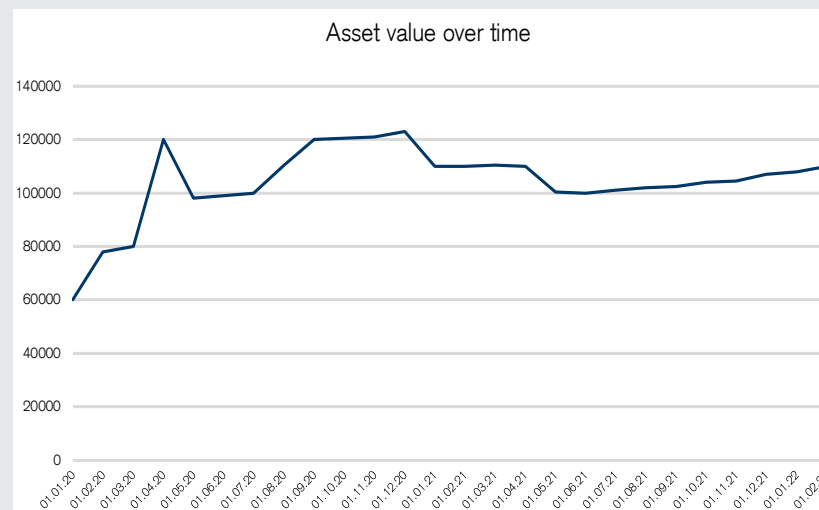


- Log in to MyPension
- "Details about 1e retirement capital savings"
- "Change investment strategy"
- Complete the questionnaire is determined
- New asset category is selected.

Outlook for Q2 2022

MyPension performance reporting

- Illustration of asset performance
 - Including purchases, savings contributions, payouts, and absolute profit or loss.
- Illustration of yield
 - Time-weighted rate of return
 - Capital-weighted rate of return
- Some information available for download
 - e.g. daily NAV



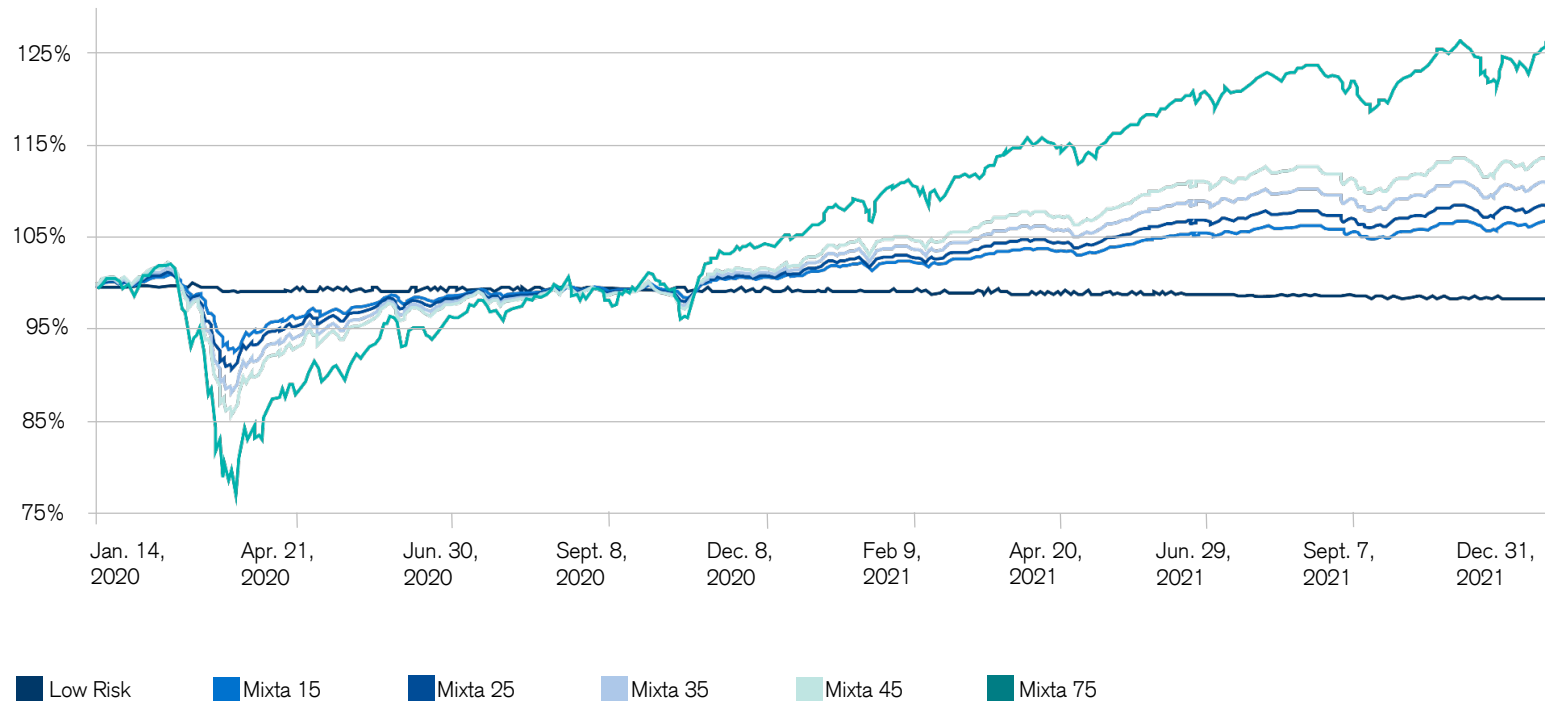
Asset performance	2019	2020	2021	Since start
Asset value (start of period)	0.00	0.00	120,000.00	0.00
Flow of funds	100,000.00	106,000.00	1,000.00	107,000.00
▪ Of which purchases	100,000.00	100,000.00	0.00	100,000.00
▪ Of which savings contributions	0.00	11,000.00	1,000.00	12,000.00
▪ Of which payouts	0.00	5,000.00	0.00	5,000.00
Asset value (end of period)	100,000.00	120,000.00	119,000.00	119,000.00

Portfolio management



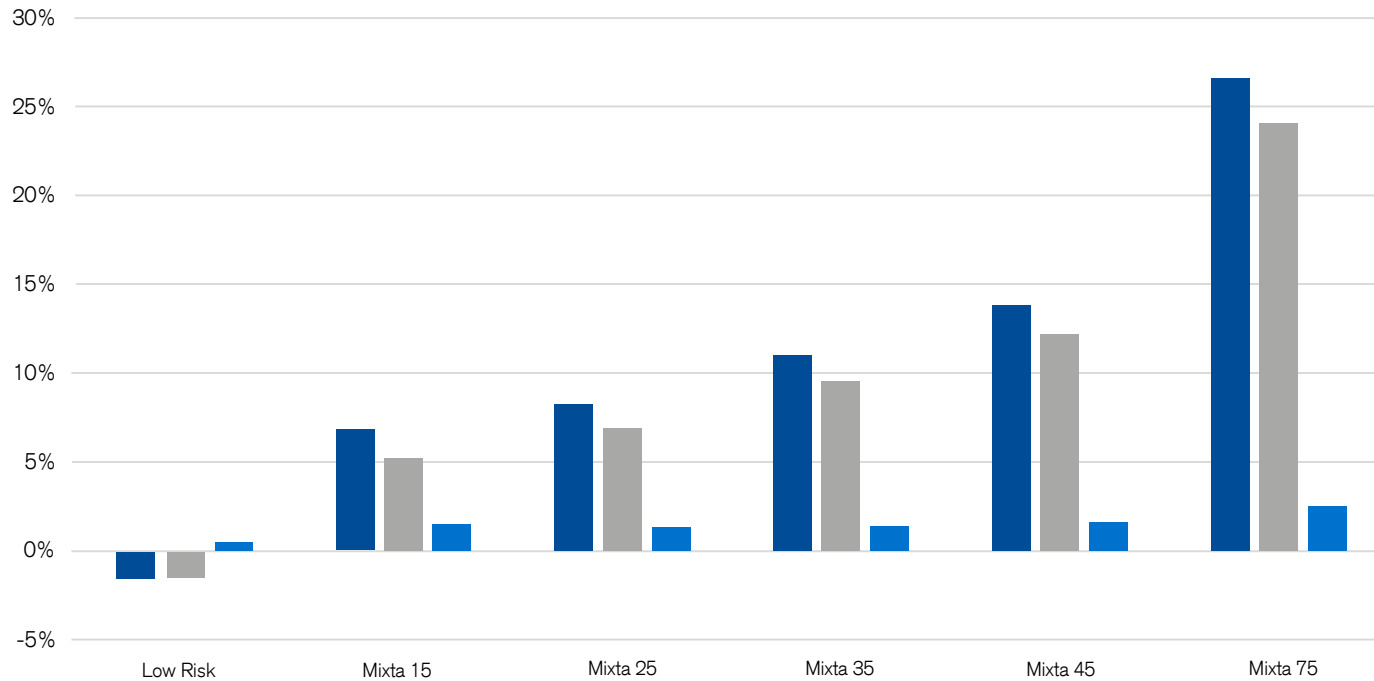
1e Mixta investment strategies

Performance January 14, 2020 to December 31, 2021



1e Mixta investment strategies

Performance January 14, 2020 to December 31, 2021



Investment strategy	- 1.52%	+ 6.87%	+ 8.29%	+ 11.07%	+ 13.87%	+ 26.67%
Benchmark	- 1.53%	+ 5.30%	+ 6.96%	+ 9.61%	+ 12.25%	+ 24.13%
Alpha	- 0.01%	+ 1.57%	+ 1.33%	+ 1.46%	+ 1.62%	+ 2.54%

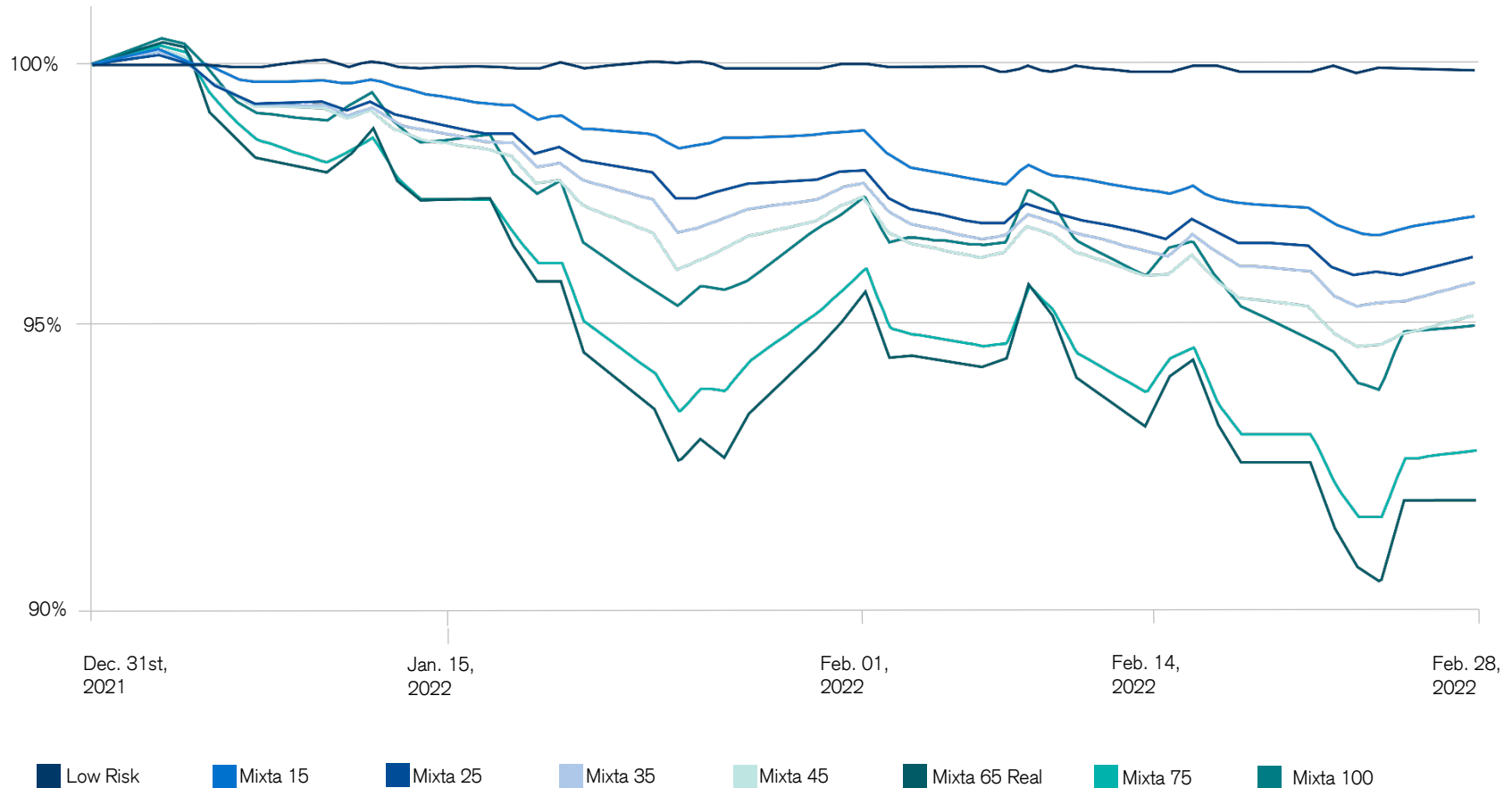
Long-term performance

Active management pays off

Product	Time span	Gross performance in %	Benchmark in %	Alpha in %
Mixta 15	One year	4.94	3.5	1.44
Mixta 25	One year	6.24	4.73	1.51
	Three years (p.a.)	6.35	5.6	0.75
	Five years (p.a.)	4.81	3.93	0.88
	Ten years (p.a.)	4.93	4.14	0.79
Mixta 35	One year	8.28	6.97	1.31
	Three years (p.a.)	7.94	7.16	0.78
	Five years (p.a.)	5.91	5.05	0.86
	Ten years (p.a.)	6.04	5.21	0.83
Mixta 45	One year	10.49	9.25	1.24
	Three years (p.a.)	9.48	8.74	0.74
	Five years (p.a.)	6.91	6.1	0.81
	Ten years (p.a.)	7	6.25	0.75
Mixta 75	One year	18.56	17.26	1.3

1e Mixta investment strategies incl. Mixta 65 Real and Mixta 100

Performance December 31, 2021 to February 28, 2022



Mixta 35

Fact sheet

December 31, 2021



CSA 2 Mixta-BVG 35 G

Investment policy

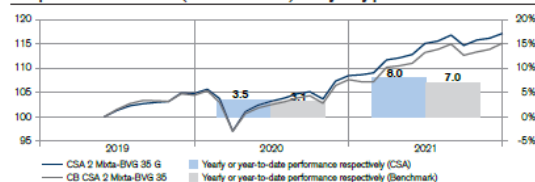
This investment group's objective is to generate an appropriate return in Swiss francs by taking advantage of the possibilities for international diversification. It invests worldwide in fixed and variable-rate securities, equities, and indirect real estate investments. Equity investments comprise between 25% and 45% of the net assets. The unhedged portion of investments with foreign currency exposure may not exceed 30% of the net assets.

The investment group meets the investment regulations under the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVG 2) and the Ordinance on Investment Foundations (OIF) insofar as these are applicable.

Key Figures

Investment manager	Christoph Christen, Roger Duggelin
Investment manager since	31.12.2007, 31.12.2011
Investment manager location	Zürich, Zürich
Currency	CHF
Close of financial year	30. June
Inception date	31.05.2019
Total expense ratio TER KGAST	0.30
(as of 30.06.2021) in % p.a.	

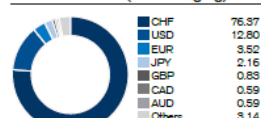
Net performance in CHF (rebased to 100) and yearly performance ¹⁾



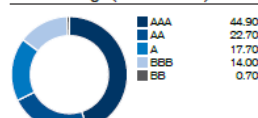
Net performance in % measured in CHF ¹⁾

	1 month	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
CSA	0.86	2.16	8.00	8.00	-	-	-	17.15
Benchmark	1.14	2.22	6.97	6.97	-	-	-	15.15

Currencies in % (after hedging)



Credit Ratings (fixed income) in % ⁴⁾



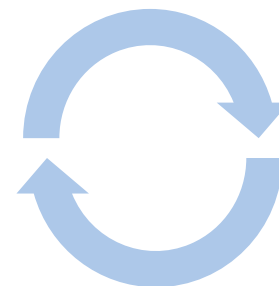
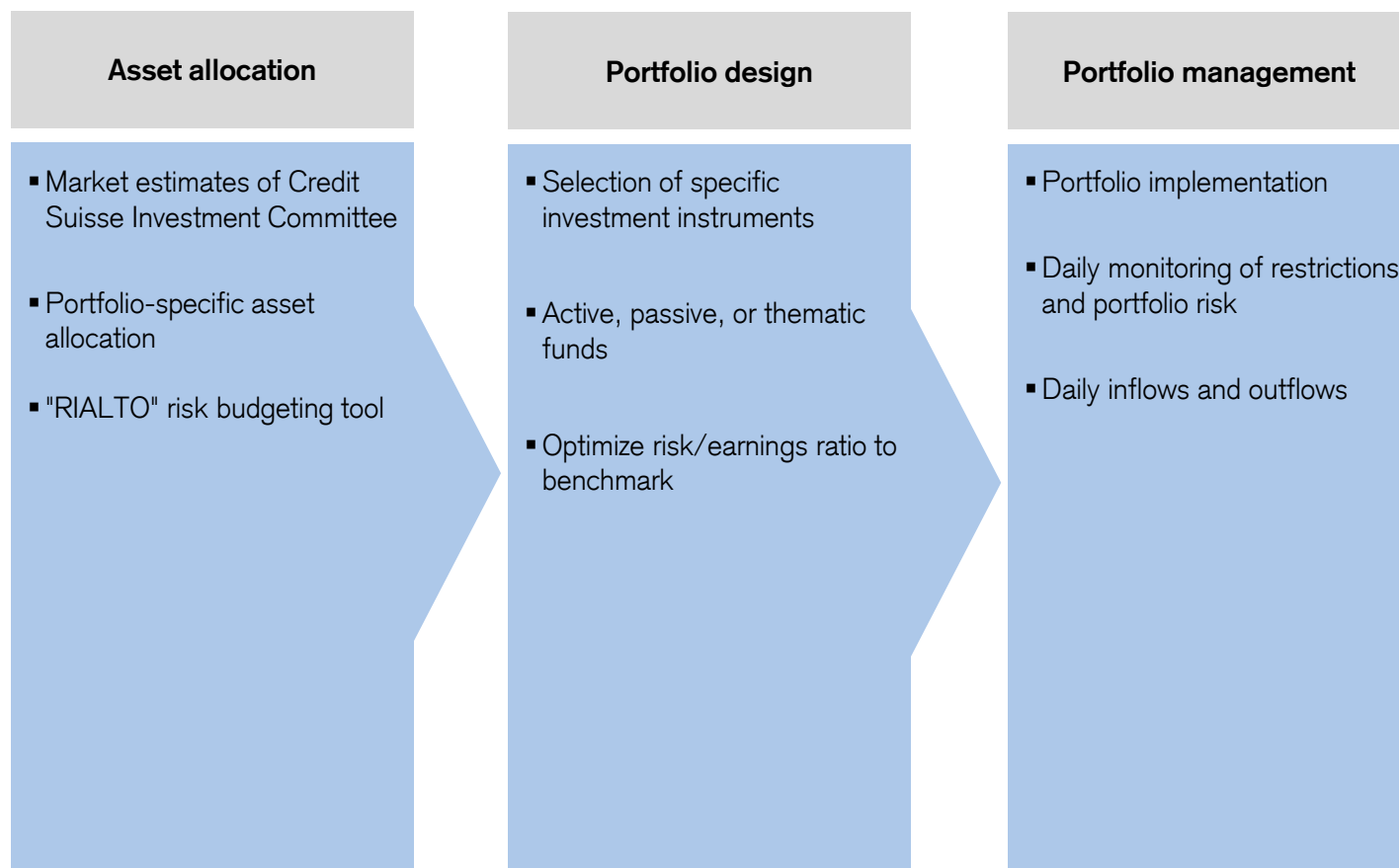
Nominal values

	CSA	Benchmark	Compared with benchmark
CSA Real Estate CH		5.10	

Bonds CHF	34.29	46.00	-11.71
Bonds foreign countries FX	7.60	5.00	2.60
Total nominal value	48.80	56.00	
Tangible assets	CSA	Benchmark	Compared with benchmark
Equities Switzerland	18.11	18.00	0.11
Equities Europe	3.24	2.42	0.82
Equities USA	10.19	10.58	-0.39
Real Estate Switzerland	9.80	6.00	3.80
Real Estate foreign countries	5.21	3.00	2.21
Total tangible assets	51.20	44.00	

Portfolio management

Overview



1e Mixta investment strategies

Features

Regulation and supervision

- Compliance with the **statutory investment regulations** of the Ordinance on Investment Foundations and the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans
- **Supervised** by the Occupation Pension Supervisory Commission (OPSC)
- **Audited annually** by audit firm PwC Switzerland
- Investment foundation is a member of the **industry organization Association of Employee Benefits Foundations**

Structured asset management

- Integrated into **the Credit Suisse investment process**
- Ongoing **monitoring of the investment guidelines**
- Managed in accordance with the provisions of the **Credit Suisse Sustainable Investment Framework**
- Long **track record** of the investment foundation

Tax efficiency

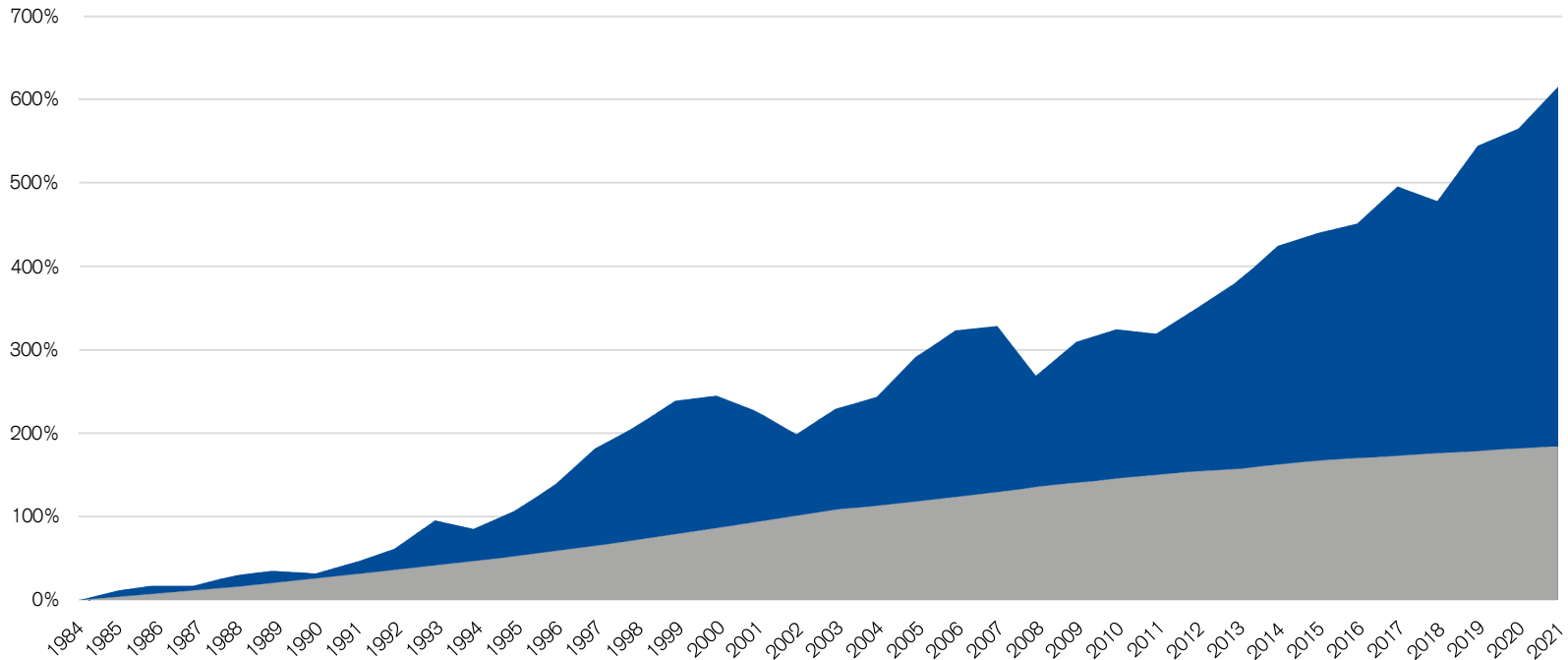
- **Tax optimized**; free from stamp duty and VAT where possible
- **Clawback of withholding tax**
- **Withholding tax relief** on dividends in the US and Japan

Type of implementation

- **Highly diversified fund of funds** with investments in target funds from the Credit Suisse Investment Foundation, Credit Suisse, and third parties
- **Active asset management** with the aim of generating an outperformance against a yield/risk-optimized benchmark
- **All-in fee concept**
- High liquidity due to **daily issuance and redemption of units**

Securities since statutory BVG insurance

Mixta 35 vs. BVG minimum interest in CHF



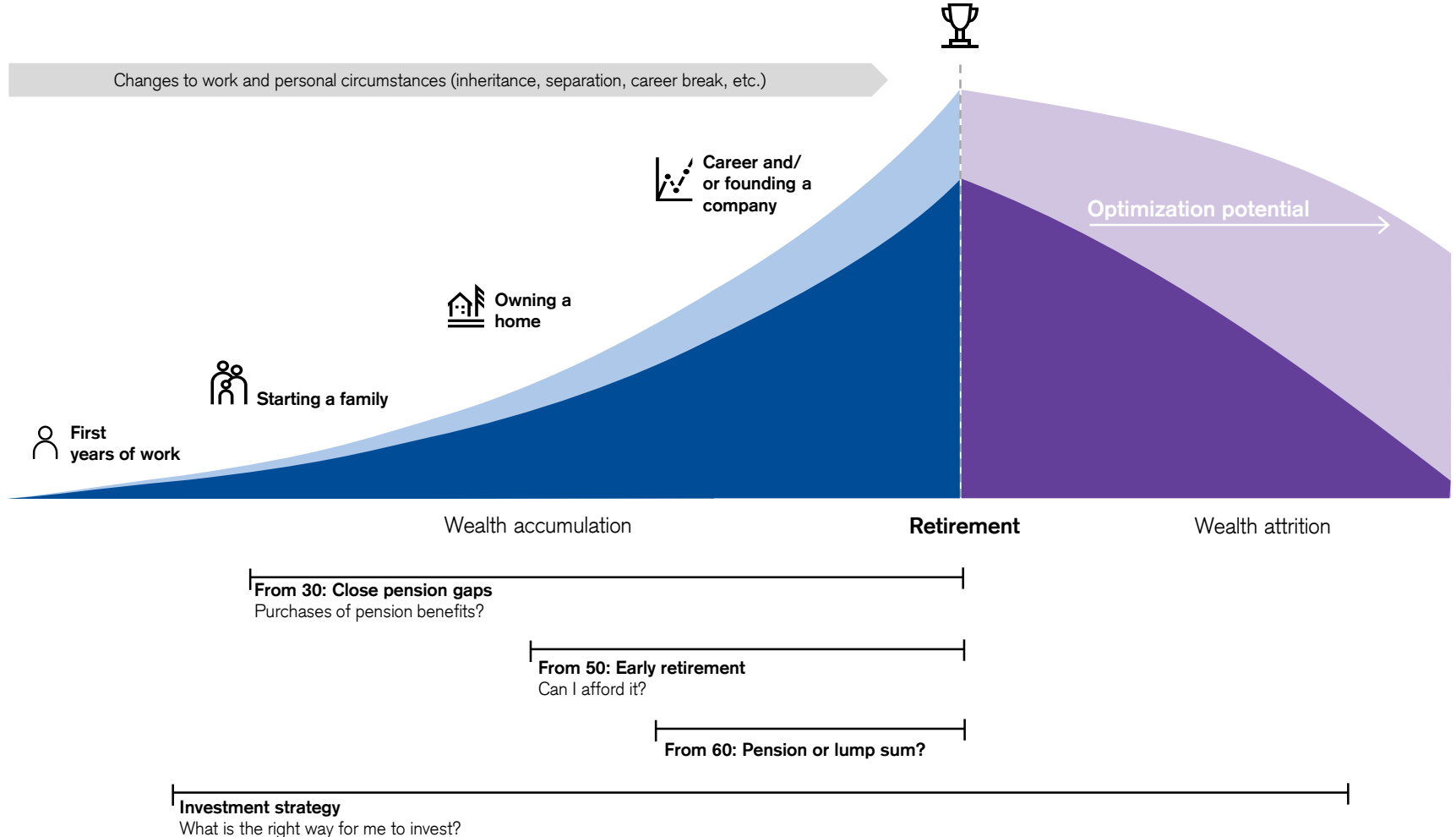
Mixta 35 yield	+ 5.64 % p.a.
BVG minimum interest yield	+ 2.95 % p.a.
Cumulative excess yield for Mixta 35 vs BVG minimum interest	+ 2.69 % p.a.

Wealth planning



Financial planning is life planning

Holistic approach to financial situation



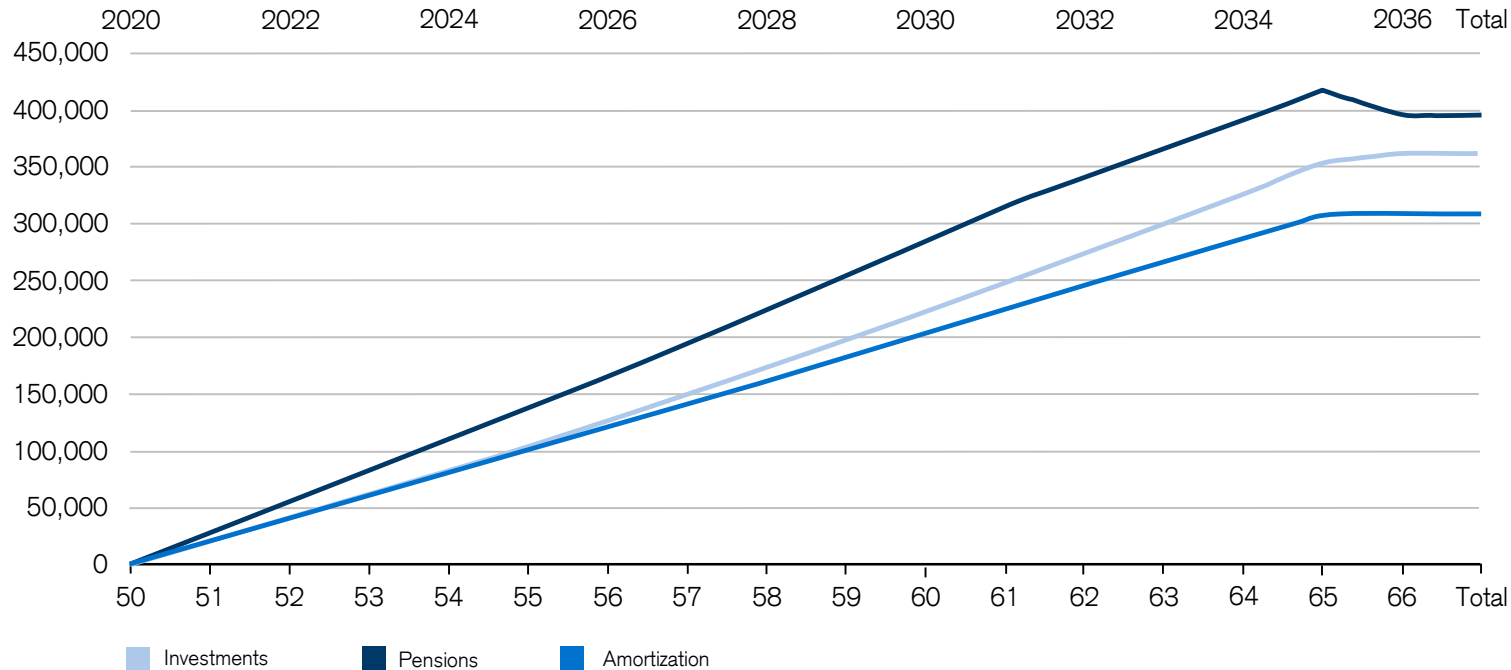
Asset structure

Daily liquidity requirements vs. fixed assets



Close any asset shortfall at an early stage

What is the right way for me to save?



Basic data

- Annual savings rate: CHF 20,000 for 15 years
- Income tax progression: 35% (taxable income CHF 150,000, City of Zurich, unmarried)
- Balanced investment strategy (equity component around 40%): 2.8% p.a.
- Pension fund 1e return: 1.0%
- Interest rate on mortgage: 0.5%

Benefits and pension gaps

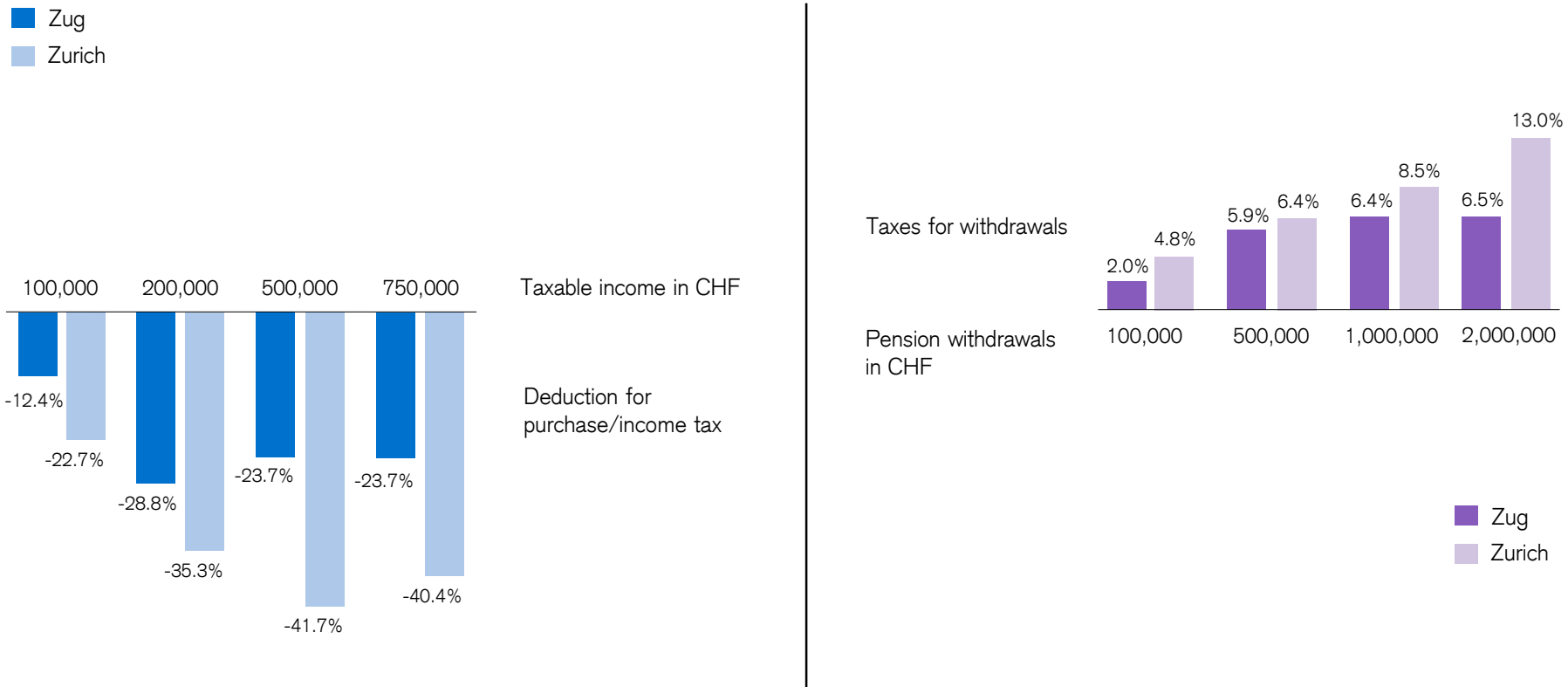
Tax considerations for the second pillar

- Purchase amounts are deductible from taxable income
- No wealth tax and investment income is tax free
- Optimized tax burden due to staggered purchases over several years
- Lump-sum payments are taxed at a reduced rate
- Pension benefits are taxed together with other income
- No lump-sum withdrawals for three years following purchases



Tax comparison

Tax situation varies from canton to canton



Important to know:

- Calculations are based on the tax rates for 2022; civil status: married; no church taxes
- Tax rates are indicative only and must be assessed on an individual basis
- Tax benefits of pension fund capital: no wealth taxes and no taxes on income

Purchases of pension benefits

Important considerations

Tax restrictions

- After purchase: three-year blocking period for lump-sum withdrawals
- Exception for divorce-related gaps
- Advance withdrawals in relation to promotion of home ownership must be settled first
- Obligation to bring in external vested benefits

Withdrawal options

- Self-employment
- Promotion of home ownership
- Moving abroad
- Retirement

Death and disability benefits

- Disability insurance (IV): temporary disability pension up to age 65
 - The savings process continues as before
 - Payout, incl. purchases at age 65
- Death: premium refund on 1e retirement capital savings purchases

Order of beneficiaries / Cohabiting partner contract

- Requirement: form completed during lifetime
- Married: beneficiary clause for lump-sum death benefit
- Cohabiting partners: beneficiary clause from pension benefits and lump-sum death benefit

Thank you for your time

