

Vested benefits – 2nd pillar

Invest your vested benefits in the best way for you.

Useful facts about Vested benefits – 2nd pillar

If you leave your current pension fund but do not join a new one, pension coverage has to be maintained by transferring the pension fund assets to a vested benefits institution. This is because the law stipulates that employee benefits insurance has to be continued.

This may apply to you in the following situations:

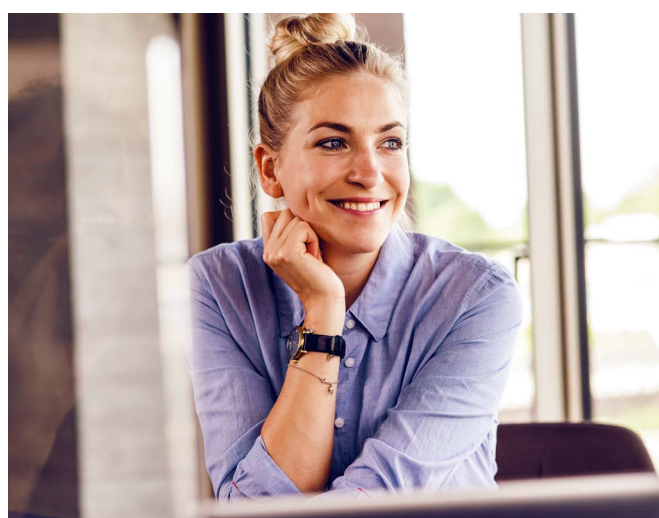
- You are changing jobs and do not have to transfer your vested benefits to your new employer's pension fund immediately – or you only have to transfer part of those benefits.
- You are becoming self-employed and don't want to have your retirement assets paid out in cash.
- You lose your job.
- You are giving up your job to take care of your family.
- You are starting full-time education or training.
- You are getting divorced.
- You are going abroad for an extended period.

Seize opportunities to earn good returns

- Interest rate on the Vested benefits account – 2nd pillar
- Higher potential returns from Saving with securities – 2nd pillar

Flexible withdrawals

- Normal payment of your vested benefits capital is possible no earlier than five years before you reach the AHV reference age and no later than five years after that date.
- Early payment is possible:
 - If you become self-employed and are no longer subject to mandatory employee benefits insurance.
 - If you are permanently leaving Switzerland, the Principality of Liechtenstein or the EU/EFTA.¹



- If your annual pension fund contribution is higher than your current vested benefits capital.
- If you receive a full disability pension from the Federal Disability Insurance (IV).
- In the event of death, the vested benefits go to the persons designated as beneficiaries.

Financing your own home

Vested benefits capital can also be paid out early or pledged in order to finance residential property for your own use.

Advance withdrawal	Pledging
Withdrawal possible every five years.	As a general rule, pledging is possible at any time.
Retirement assets can be used as a down payment for a home or for paying off an existing mortgage.	Retirement assets can be used as a guarantee for a higher mortgage.
On withdrawal, the retirement assets are taxed at a reduced rate, separately from your other income.	The retirement assets are not withdrawn, so no tax is payable, and the retirement assets remain invested so that they can continue to grow.

¹ As of June 1, 2007, cash payments can no longer be made in full to insured persons leaving Switzerland permanently if they are moving to an EU/EFTA country where they will be subject to mandatory insurance against old age, disability, or death. However, the portion of the vested benefits derived from extra-mandatory employee benefits insurance can still be paid out in cash.

Your needs

You would like to invest your vested benefits capital attractively, and you also want to:

- Take advantage of opportunities to earn good returns.
- Realize your dream of owning your own home.
- Save tax by selecting the best possible timing for the payment of your vested benefits capital.

Your benefits

- Higher long-term potential for returns with Saving with securities – 2nd pillar.
- Attractive selection of actively managed or indexed securities solutions with broad diversification.

- No wealth, income, or withholding tax is due until the vested benefits are paid out.
- Lower income tax rate when the vested benefits are paid out.
- High level of investor protection with Saving with securities – 2nd pillar (separate assets, regulation).
- Vested benefits can be used to finance your own home.
- Actively managed and indexed securities solutions have a focus on sustainability (with exception of the CSA Mixta-BVG Basic² investment group). When assessing the sustainability of an investment, we apply the ESG³ criteria widely used in the financial sector.

Vested benefits – 2nd pillar products

Vested benefits account – 2nd pillar

If you are very security-conscious and wish to avoid risk with respect to your retirement savings, the Vested benefits account – 2nd pillar is a suitable option for you. An account fee of CHF 9 per quarter will be charged for each Vested benefits account – 2nd pillar.

Saving with securities – 2nd pillar

Saving with securities – 2nd pillar offers you a long-term opportunity to generate returns that exceed the interest on a Vested benefits account – 2nd pillar. Depending on your investor profile and investment period, you select one of several investment groups that differ mainly in terms of equity exposure and the investment horizon. You can choose between actively managed and indexed investment groups.

You can switch within investment groups as well as between a Vested benefits account – 2nd pillar and Saving with securities – 2nd pillar at any time.

Actively managed investment groups

These investment groups feature active management by specialist portfolio managers. The objective is to maximize long-term performance.

Indexed investment groups

These groups invest in funds which precisely replicate the indices and hence the performance of various markets. Indexed investment groups are not actively managed and have low overheads, which has a positive impact on their long-term returns.

Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. This material does not contain tax advice of any kind. Any tax related general information provided with this material is not a substitute for comprehensive individual tax advice. You should consult with a professional tax advisor as you deem necessary.

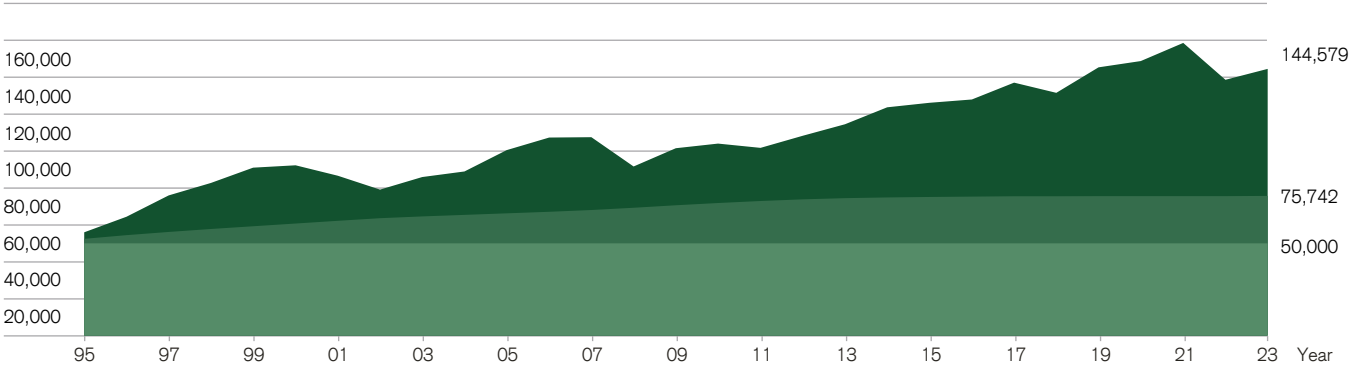
² Pursuant to BVV 2 – real estate component may be exceeded: This product aims to achieve an average real estate component of 27%. Depending on the market situation and the portfolio manager's assessment, the real estate component may fluctuate within a bandwidth of 20% to 34%. It is therefore possible that the defined category limit for real estate pursuant to Art. 55 BVV 2 will be temporarily exceeded.

³ The abbreviation ESG stands for Environmental (E), Social (S) and Governance (G).

Comparison between the CSA Mixta-BVG investment group and a Vested benefits account – 2nd pillar (net performance)

If you use securities to save for your retirement, your long-term potential for return is better than with a Vested benefits account – 2nd pillar, but you also have to accept greater fluctuations in value. Investment period: January 1, 1995, to December 31, 2023. With initial capital of CHF 50,000, the additional income from the CSA Mixta-BVG investment group was CHF 68,837 more than from the Vested benefits account – 2nd pillar.

Assets in CHF



	Initial investment	Total	CHF	50,000
	Vested benefits account – 2nd pillar	Average interest rate 1.44% p.a. Final net worth	CHF	75,742
	Saving with securities – 2nd pillar (CSA Mixta-BVG investment group)	Average return 3.73% p.a. Final net worth	CHF	144,579
Additional income from CSA Mixta-BVG compared with Vested benefits account – 2nd pillar			CHF	68,837

Source: Credit Suisse, unless otherwise specified, 31.12.2023

Historical performance indications and financial market scenarios are not reliable indicators of current or future performance.

Contact us

We will be happy to arrange a personal consultation.
Call us at 0844 200 114*
For more information, visit our website at:
credit-suisse.com/financialplanning

* Please note that telephone calls to these numbers may be recorded.
We assume that, by calling us, you accept this business practice.



Part of UBS Group

CREDIT SUISSE (Switzerland) Ltd.

P.O. Box

CH-8070 Zurich

credit-suisse.com

The information provided herein constitutes marketing material. It is not investment advice or otherwise based on a consideration of the personal circumstances of the addressee nor is it the result of objective or independent research. The information provided herein is not legally binding and it does not constitute an offer or invitation to enter into any type of financial transaction. Investment involves risks, namely fluctuations in value and yield as well as many others, including unforeseeable risks. The information provided herein was produced by Credit Suisse AG and/or its affiliates (hereafter "CS") with the greatest of care and to the best of its knowledge and belief. The information and views expressed herein are those of CS at the time of writing and are subject to change at any time without notice. They are derived from sources believed to be reliable. CS provides no guarantee with regard to the content and completeness of the information and where legally possible does not accept any liability for losses that might arise from making use of the information. If nothing is indicated to the contrary, all figures are unaudited. The information in this document is for the exclusive use of the recipient. Neither this information nor any copy thereof may be sent, taken into or distributed in the United States or to any U. S. person (within the meaning of Regulation S under the US Securities Act of 1933, as amended). It may not be reproduced, neither in part nor in full, without the written permission of CS. Credit Suisse Investment Foundation, Zurich, is the issuer and manager of CSA products. Credit Suisse (Switzerland) Ltd., Zurich, is the custodian bank. The articles of incorporation, regulations and investment guidelines, as well as the most up-to-date annual report and fact sheets, may be obtained free of charge from the Credit Suisse Investment Foundation. Only pension funds domiciled in Switzerland that are not subject to tax are permitted as direct investors. The TER KGAST ratio expresses the total of those commissions and costs that are charged on an ongoing basis to the assets of the investment group (operating expenses). It is presented as a percentage of the average net assets of the investment group. TER KGAST is calculated at the end of each financial year for the past twelve months (except for the first financial year, for which a projected TER (ex-ante TER) is quoted at the start). The composition of customized benchmarks, as well as additional explanations of linked benchmarks, can be obtained from management of the investment foundation or from the representative in Switzerland. The underlying indices are registered trademarks and have been licensed for use. The indices are compiled and calculated solely by licensors and the licensors shall have no liability for this. The products based on the indices are in no way sponsored, endorsed, sold, or promoted by the licensors. © 2024 MSCI ESG Research LLC. Reproduced by permission. Although Credit Suisse Asset Management information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. There is currently no universal definition or exhaustive list defining the issues or factors that are covered by the concept of "ESG" (Environmental, Social, Governance). If not indicated otherwise, 'ESG' is used interchangeably with the terms 'sustainable' and 'sustainability'. Unless indicated otherwise, the views expressed herein are based on CS' own assumptions and interpretation of ESG at the time of drafting. CS' views on ESG may evolve over time and are subject to change. The impacts of sustainability risks are likely to develop over time and new sustainability risks may be identified as further data and information regarding sustainability factors and impacts become available and the regulatory environment regarding sustainable finance evolves. These developments may entail the risk of reclassification under the CS Sustainable Investment Framework. An ESG assessment reflects the opinion of the assessing party (CS or external parties such as rating agencies or other financial institutions). In the absence of a standardized ESG assessment system, each assessing party has its own research and analysis framework/methodology. Therefore, ESG assessment or risk levels given by different assessing parties to the same [investment/company/product] can vary. Further, ESG assessment is limited to considering company performance against certain ESG criteria only and does not take into account the other factors needed to assess the value of a company. Unless this has been explicitly communicated in the product or service documentation, no representation is given as to whether the product or service meets any specific regulatory framework or CS' own criteria for internal sustainability frameworks. The non-financial / ESG-performance is independent of the financial performance of the portfolio or the product. The performances depend on various factors and may differ significantly. Inclusion of ESG factors in investment strategy does not guarantee a positive sustainability impact or does not necessarily result in successfully identifying and mitigating all material sustainability risks. The Product Sustainability classification of products and services in this document reflects the opinion of CS based on the CS Sustainable Investment Framework. In the absence of standardized, industry-wide ESG classification system, CS has developed its own ESG framework. Therefore, CS' Product Sustainability Classification can vary from classification made by third-parties. Given the nascent nature of ESG /sustainability regulation and guidelines, CS may need to review the representation that is made in this document regarding the Product Sustainability classifications/descriptions in response to evolving statutory, regulatory or internal guidance or changes in industry approach to classification. This is true for Product Sustainability classification/description made by CS and third-parties. As such, any Product Sustainability classification/description referenced in this document is therefore subject to change. The impacts of sustainability risks are likely to develop over time and new sustainability risks may be identified as further data and information regarding sustainability factors and impacts become available and the regulatory environment regarding sustainable finance evolves. These developments may result in a potential reclassification of products/services under the CS Sustainable Investment Framework. In addition, due to the evolving nature of regulations, references to relevant regulations [such as SFDR], may need to be reviewed in the future and are subject to change.

Copyright © 2024 CREDIT SUISSE. All rights reserved.