

More

Solutions for personalized 1e plans:
UBS Optio 1e Collective Foundation



More at a glance

Affiliation with the UBS Optio 1e Collective Foundation enables personalized investment strategies for the extra-mandatory part of the second pillar. These are also called “1e plans,” because they are defined in Article 1e of the regulations on occupational pension schemes (BVV2). 1e plans open up interesting perspectives for occupational pensions – both for companies and for the plan participants.

Companies can offer their employees an attractive pension solution and, depending on their accounting system, also remove pension fund liabilities and risks from their balance sheet.

Plan participants (also called beneficiaries) can actively influence their investment strategy and there are no limits to the returns they can receive.

- Investment solutions: UBS Asset Management offers around 300 active and 100 passive funds that you can combine to create tailored investment solutions.
- Cost- and tax-efficient investment structure: UBS Asset Management uses cost- and tax-efficient collective investments for the operational implementation of the individual investment.
- User-friendly platform: A web-based platform allows the beneficiaries to check the current and past performance of their retirement assets. The same platform enables you to easily change the investment strategy.

Why 1e plans can offer you more

A 1e plan is generally a very interesting solution for extra-mandatory pension provision for both employers and employees. 1e plans can also benefit your company balance sheet.

Salary components above the amount of 1.5 times the upper BVG limit (CHF 129,060 in 2022) count as extra-mandatory. The law lets you decide whether to manage the mandatory and extra-mandatory pension contributions in one and the same pension fund – or whether you transfer the extra-mandatory pension assets into a 1e plan. Points in favor of the 1e solution are as follows:

- More personalization: The law allows you to offer up to ten different investment strategies within the pension plan and to leave the choice to the beneficiaries. (At least one strategy must meet the criteria of a “low-risk” strategy.)
- More responsibility: The beneficiaries are responsible for the success of their extra-mandatory pension assets – they determine the investment strategy and shoulder both the risks and rewards of their investments.
- More choice: An attractive, customizable extra-mandatory pension scheme strengthens your company’s position on the job market. It helps you attract and retain qualified professionals and managers.
- More liquidity: Under certain circumstances you can remove the liabilities of extra-mandatory pension provision from your company’s balance sheet without the need for reserves – if your company balance sheet is prepared according to IFRS, for example.

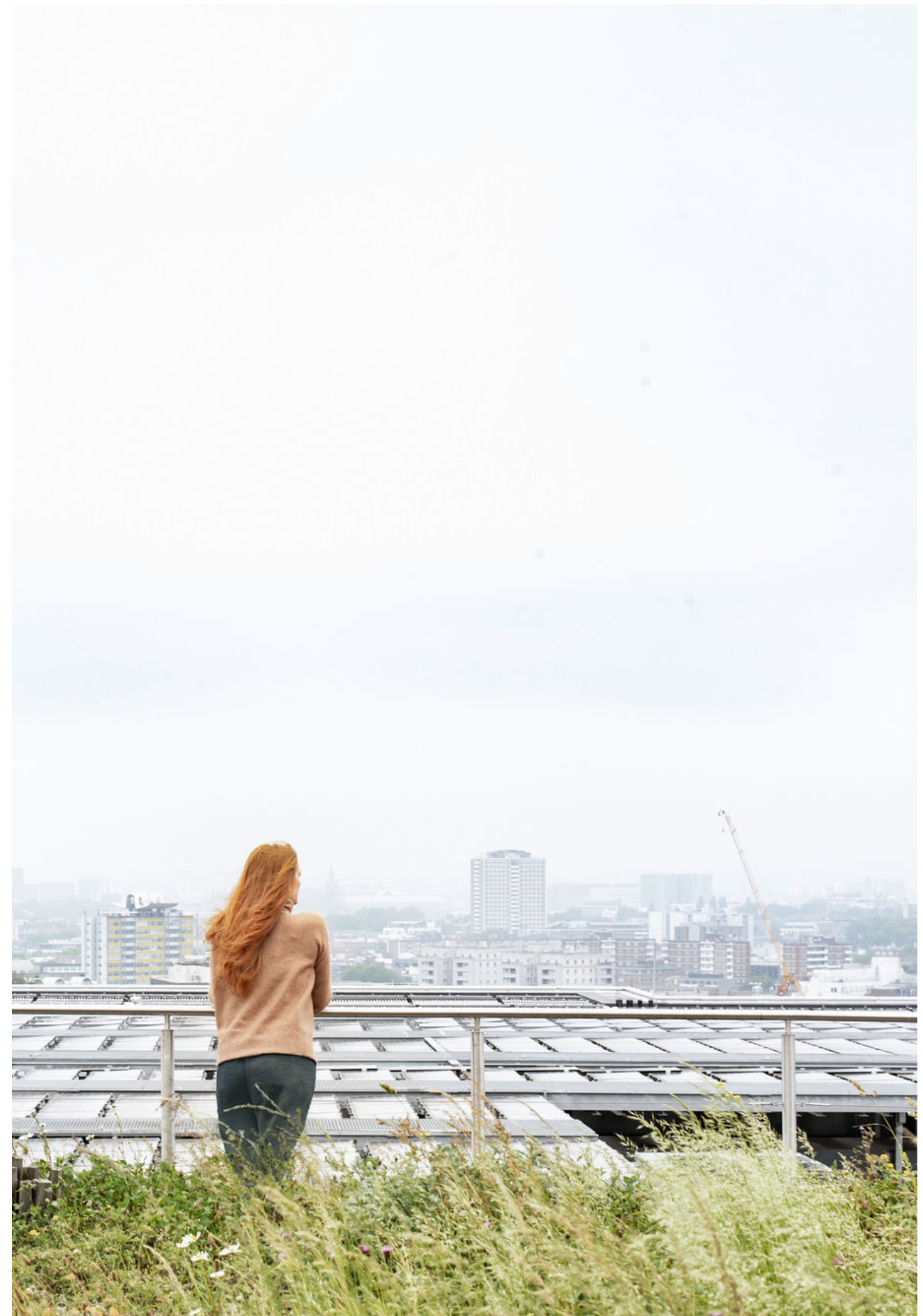


Ideal for the vast majority: affiliation with a collective foundation

If your company is above a certain size, you can also set up your own (in-house) pension scheme for your 1e plans. However, in practice, affiliation with a collective foundation is often the better solution.

By deciding to become affiliated with a collective foundation for the extra-mandatory provision, you are also opting for a number of advantages. The two key benefits:

- Less work. You do not have to deal with the founding, administration, investment of retirement funds, insurance policies, etc.
- Better conditions. The bundling of the extra-mandatory pension assets of multiple companies creates economies of scale. It also improves the foundation's negotiating position vis-à-vis funds or insurance companies in proportion to the volume of assets under management. All the affiliated companies benefit.



More than one option: the UBS Optio 1e Collective Foundation

Comprehensive options at our collective foundation allow you to design your 1e plans according to your wishes. You retain a great deal of decision-making authority as well as extensive design options. You also benefit from the enormous expertise of our partners and a structure designed for cost efficiency.

The offer of the Optio 1e Collective Foundation is modular in design; it consists of different models for contributions and ways of affiliation, modules for reinsurance and strategies for investment. You decide on the combinations of modules, models and strategies your beneficiaries can choose from.

Beneficiaries can select and modify their investment strategy via a web-based application. It also offers detailed, up-to-date information on the performance of their pension assets in real time at any hour of the day or night.

That's why the Optio 1e Collective Foundation is popular with both the affiliated companies and their beneficiaries.

Benefits for companies

- No reserves for longevity risks because retirement benefits are paid out exclusively as a lump sum
- Transfer of investment opportunities and risks to the beneficiaries
- No joint liability with other affiliated employers

Advantages for beneficiaries

- Free choice of investment strategy
- Full participation in investment success and full exposure to risk
- Protection against redistribution
- Possibly higher buy-in potential
- Transparency on the development of the status and development of the retirement assets
- Access at any time to the details of their investments and the opportunity to switch strategy once per month



More flexibility – with immediate effect

To meet the needs and potential of your company and your 1e employees, we offer both collective and individual affiliations with our collective foundation. Which is right for you?

UBS Optio 1e collective affiliation

The collective affiliation is designed for small and medium-sized companies. We offer companies that affiliate themselves collectively the choice of different investment strategies, insurance components, contribution plans and billing models.

UBS Optio 1e individual affiliation

An individual affiliation is suitable for large companies with generally 50 or more beneficiaries and/or the desire for personalized solutions. Every individually affiliated company defines its 1e plans itself, which can combine different investment strategies. The contribution plans and insurance components can also be individually tailored to your needs.

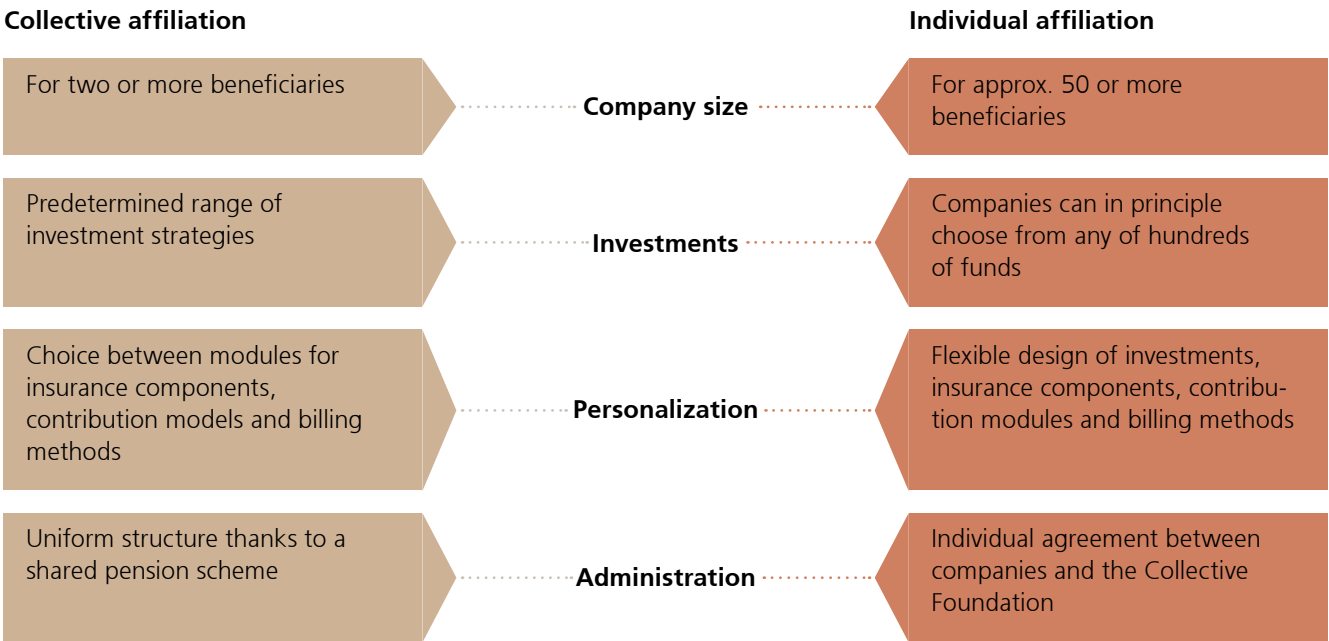
You'll find more about the two types of affiliation on the following pages.



Whether individual or collective affiliation: you are opting for more

Your needs, wishes and options determine whether you, your company and your 1e beneficiaries would be better off with an individual or a collective affiliation.

At a glance: individual or collective affiliation



UBS Optio 1e Collective Foundation

- For the personalized 1e pension scheme, we offer your beneficiaries a selection of tax-efficient investment strategies – low-risk with short-term money market investments as well as growth-oriented with equity shares between 15 and 80 percent. Every strategy meets the requirements of the regulator.
- The beneficiaries themselves decide which of the various investment strategies suits them best. Key criteria are the individual's risk capacity and risk tolerance and their age (anticipated investment horizon).
- Beneficiaries can respond to changed personal needs or events on the market and easily modify their investment strategy once a month online.

UBS Optio 1e individual affiliation

- Freely definable investment solutions: An individual affiliation gives you the privilege of implementing your personal investment approach and offering your 1e employees individual investment plans. You put together an investment solution for your company's 1e plan from over 300 funds. We then develop up to ten investment strategies for your beneficiaries, which comply with all BVV2 rules.
- LifeCycle solutions: On request, we can also develop investment strategies and investment strategies in stocks, bonds and the money markets as LifeCycle solutions. These take into account the beneficiaries' reduced appetite for risk by automatically and continuously reducing the investment risks in the last ten years prior to retirement. This makes LifeCycle solutions especially attractive for beneficiaries who do not want to have to keep a constant eye on how their extra-mandatory pension assets are being invested. We will be happy to implement this solution on request and assuming a sufficiently high number of beneficiaries.

Would you like to know more?

We cannot present you with a 1e solution tailored to your needs in a general brochure such as this – but we can do so in a face-to-face meeting. When would be convenient for you?

An extra-mandatory pension solution with the UBS Option 1e Collective Foundation offers you the following benefits:

Greater operational efficiency

- Beneficiaries can access their investment solutions online
- Strategy change possible once per month

More options and tax-efficient investments

- Attractive selection with different risk profiles and investment styles
- Collective, tax-efficient investment instruments (UBS Institutional Funds and/or UBS Investment Foundation) with attractive fees

More advisory expertise

- Affiliations benefit from the expertise of UBS Wealth Management for questions about investing, finance and retirement planning

More stability and know-how

- All of the partners in the UBS Optio 1e Collective Foundation are leading service providers on the BVG market. This gives you the peace of mind of best practice in all areas – business management, administration, reinsurance and asset management

Speak to us – for example, about cost efficiency through streamlined administration. About maximum transparency as the precondition for effective governance. Or about what we can otherwise do for you.

We look forward to hearing from you.

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A summary of investor rights in English can be found online at: ubs.com/funds.

More explanations of financial terms can be found at ubs.com/glossary

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