

# The Hewlett-Packard Plus Pension Plan and me – version May 2023

What I have always wanted to know about my pension fund - and an introduction for new hires



***For the whole document, the following is valid: The name “Hewlett-Packard” always means that the rules and regulations are valid for all affiliated companies, Hewlett-Packard Enterprise, Hemmersbach Onsite Switzerland AG and Microfocus/Entco in Switzerland.***

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Dear colleagues

Pension scheme, pension fund, drawing a pension, 3-pillar principle – are these familiar words for you? This brochure is intended to explain clearly and comprehensibly how the Pension Fund Hewlett-Packard Plus works and what benefits you will get for your money.

Of course, this is only an overview, and many aspects are presented in a simplified manner. We cannot deal with special cases in this brochure.

It is always the (French-language) Pension Fund Regulations that are legally decisive, specifying in detail your rights and benefits, how benefits are calculated, as well as addressing questions regarding the administration of your pension fund.

You can download the Regulations using this link:

[www.pensionplus.ch](http://www.pensionplus.ch)

Pension provision is important. With this brochure, we aim to raise awareness of this and give you a better understanding of this rather inaccessible subject matter – so that you know what it is all about.

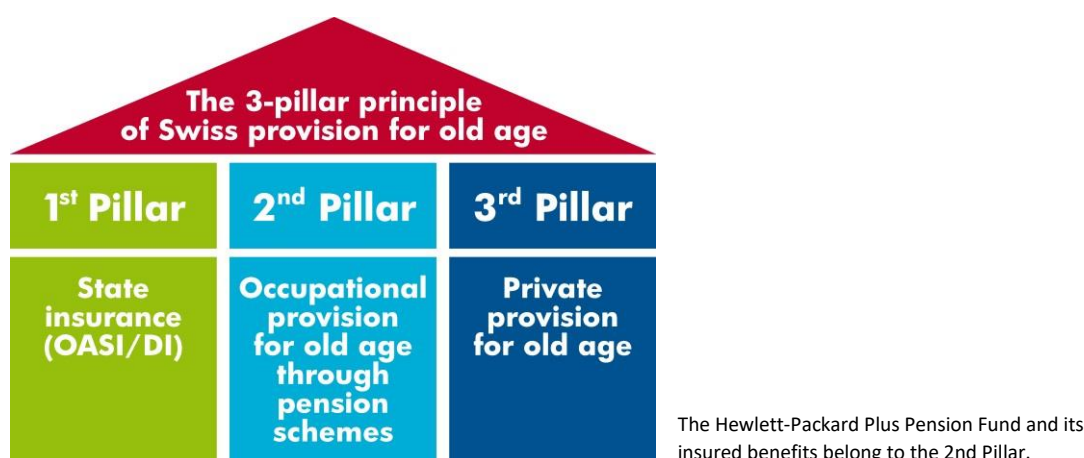
Are there any questions left unanswered after reading the brochure? See the section “If I have further questions”. There you will find contacts and additional information.

The Board of Trustees of the Pension Fund  
Hewlett-Packard Plus

Meyrin, May 2023

# The 3-pillar principle of Swiss provision for old age

Graphic 1. Swiss provision for old age



## 1st Pillar: State insurance (OASI/DI)

It is compulsory for all. It pays employees an old-age pension from the age of 64/65 amounting to a maximum of CHF 29'400 per year for a single person as of 1.1.2023. The 1st Pillar also includes a spouse's pension and a disability pension, as well as children's and orphans' pensions.

Half of it is financed by employees and half by employers. Your contribution is shown in every salary statement.

The amounts paid in by employees and employers are used directly to finance the benefits for disabled persons and for pensioners. This is known as the "contribution procedure".

## 2nd Pillar: Occupational provision for old age through pension schemes

It is compulsory for all employees. It consists of an obligatory share in accordance with the Swiss Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plans (LOB) as well as a share of variable size, depending on the company ("non-obligatory share").

On retirement, the amounts paid in by the employer and the employee, including interest accrued, are converted individually into a pension right or paid out as a lump sum. Your contributions are specified in every salary statement.

The pension schemes also include disability pensions, death benefit, spouse's and orphans' pensions.

For most employees, the 2nd Pillar, together with the OASI pension, forms the most important source of income after retirement.

The Pension Fund Hewlett-Packard Plus and its insured benefits belong to the 2nd Pillar.

## 3rd Pillar: Private provision for old age

It is voluntary. The contributions to private provision for old age are guided by individual requirements.

The 3rd Pillar consists, on the one hand of savings schemes promoted by the state (by granting tax allowances; Pillar 3a), and on the other hand, of purely private savings (Pillar 3b). Pillar 3b includes all savings outside of pension schemes enjoying tax relief, residential property or private life insurance policies.

These contributions are, of course, not specified in the salary statement.

# The Hewlett-Packard Plus Pension Fund presented in brief – Information about administration

While reading this brochure, you will certainly have asked yourself whom you are actually entrusting your money to.

The Hewlett-Packard Plus Pension Fund is a foundation based in Geneva and assists the employees of its affiliated companies in Switzerland, as well as their relatives, in making provision for old-age, disability and survivors' pensions. The Pension Fund is subject to the provisions of the Federal Law on Occupational Benefit Plans (LOB):

- It currently includes roughly 350 insured employees and approx. 860 pensioners.
- The Pension Fund's assets amount to approximately 1'200 million CHF. They are managed by asset managers specially engaged for this purpose.
- A managing director is responsible for running the Foundation.
- The administration is carried out by an external company (as from 1.1.2017: Avadis Vorsorge AG).
- The Foundation is supervised by a Board of Trustees:

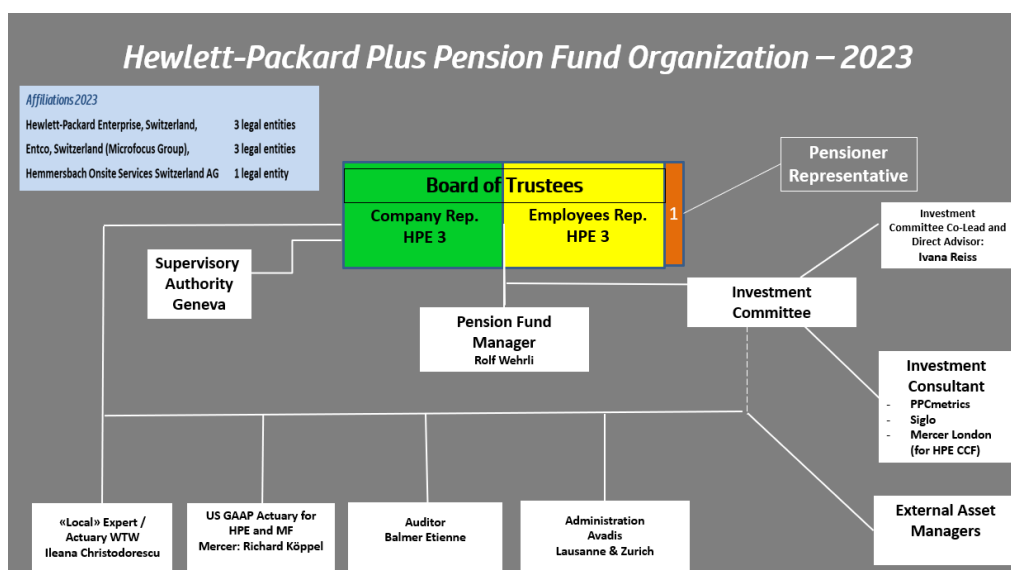
Half of the members of the Board of Trustees (2 x 3) are appointed by the main affiliated company management (for 2023 Hewlett Packard Enterprise), and the other half are elected by the insured employees.

A pensioners' representative also belongs to the Board of Trustees as an associate member. He or she participates in discussions and brings in proposals, but does not have any voting rights.

The Board of Trustees meets on a regular basis. It passes resolutions for the Foundation and ensures their implementation. It has the following duties, among others:

- Electing an acknowledged expert and auditors who periodically check whether the Foundation's financial situation is in line with its statutory obligations
- Approving the Foundation's financial statements
- Proposing and approving amendments to the Regulations
- Stipulating the investment policy and monitoring its implementation.
- An annual report by the Pension Fund, including key figures from the financial statements, is distributed to all members each year, and can also be viewed at [www.pensionplus.ch](http://www.pensionplus.ch)
- The insurance scheme is regularly checked by an expert for occupational pension provision designated by the Board of Trustees.
- The financial statements are audited each year by an acknowledged auditing agency for their correctness and completeness.

Graphic 2. Organisation of the Hewlett-Packard Plus Pension Fund



One half of the Board of Trustees is designated by the main affiliated company, the other by the insured members. Furthermore, a pensioners' representative is on the Board as an associate member without any right to vote.

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## My pension scheme: the most important points in brief

### The Pension Fund's objective

The Hewlett-Packard Plus Pension Fund assists its members in making provision for old age and insures them against the risks of disability and death.

### Pension Fund and taxes

The employer's and employees' contributions are exempt from income tax. The tax office only becomes involved when pension benefits are drawn. Insured members can enhance their pension benefits by making separate payments. Such contributions can be fiscally deducted (within certain limits).

### Defined contribution

Our Pension Fund applies a defined contribution plan. This may sound complicated but is basically quite simple: all savings contributions are paid into an individual old-age savings account bearing interest at a certain percentage rate. On retirement, you can have these savings either paid out in cash or converted into a pension (annuity).

### Financing

The Pension Fund's benefits are financed from three sources:

- Employees' contributions
- Employer's contributions
- Earnings from investing the Pension Fund's assets.

Your own savings contributions and the company's savings contributions are credited in full to your individual savings capital, which bears interest at a rate guaranteed by the company. The risk benefits in the case of death or disability are financed one third by the employees, two thirds by the Pension Fund. To fulfil its duties, the Pension Fund may, for instance, acquire real estate or trade on the stock exchange. In brief: it increases assets by earning additional income.

### Outline conditions

- You are insured with the Hewlett-Packard Plus Pension Fund once you have started working for one of its affiliated companies in Switzerland.
- For employees aged between 18 and 25, the cover is limited to the risks of death and disability. For employees aged 25 and older, old-age benefits are also insured.
- As an insured person, you have a right to benefits when you retire, become disabled or die. Normally, you will draw the benefits in the form of a monthly pension. In the case of death, they will pass on to your relatives.
- When you start working for one of the affiliated companies, your credit balance at your former employer's pension fund will be transferred to the Hewlett-Packard Plus Pension Fund. The two pension funds arrange this among themselves. In other words: you buy a stake in the Hewlett-Packard Plus Pension Fund with your credit balance.
- While you are a member of the Pension Fund as an insured employee, you can use a part or the whole of your savings capital to purchase residential property in which you live yourself. This is the only possibility of obtaining, before retirement, the capital you have saved up in a pension fund.
- On retirement, you can request that, instead of a monthly pension, a part or the whole of your savings capital be paid out to you in the form of a lump sum.
- If you leave the affiliated company (your employer) before reaching retirement age, your savings capital will usually be transferred to your new employer's pension fund.

## Summary of the Hewlett-Packard Plus Pension Fund benefits

	Benefit			
Age on retirement (man/woman) At the earliest from age (man/woman)	65 / 65 58 / 58 (by law)			
Insured salary	Annual salary minus coordination offset.  For disability and death, the insured salary is limited to 10 x the maximum OASI pension			
Employees' contributions, who joined since April 1, 2011, in percent of insured salary	<u>Age</u>	<u>Standard %</u>	<u>Standard Minus %</u>	
	25–34	8.0	4.4	
	35–44	8.5	6.0	
	45–54	9.0	8.0	
	55–65	9.0	8.0	
Annual credit to your old-age savings account in percent of insured salary (= contributions by employee + by employer/Pension Fund)	<u>Age</u>	<u>Standard %</u>	<u>Standard Minus %</u>	
	25–34	16.0	12.0	
	35–44	17.0	14.5	
	45–54	18.0	17.0	
	55–65	18.0	17.0	
Risk (death/disability) contributions for ages 18-65	By employees: 1.0%		By employer: 2.0%	
Interest paid	LOB interest rate (currently 1.75%) In good investment years with an appropriate coverage ratio, the Board of Trustees can grant higher interest rates			
Conversion rates (conversion factors which depend on retirement age and are used for calculating the pension based on the money saved)	65:	5.00%	61	4.55%
	64:	4.88%	60	4.45%
	63:	4.76%	59	4.36%
	62:	4.66%	58	4.26%
Capital sum option	100%			
Disability pension	65% of insured salary until age 65			
Benefits payable on death (man/woman)	Partner pension = 40% of insured salary – lifelong.  Children's pension = 15% of insured salary until theoretical age 65, after theoretical age 65: 20% of old age pension (CHF 7,200 at the maximum)  Capital sum payable on death = the greater of (two insured annual salaries or, savings capital minus present value of partner and children pensions)			
Possibilities to make additional contributions	Retro-financing of missing contribution years and pre-financing for early retirement from age 58  Pre-financing of an OASI pension in the case of early retirement from age 58			

## Some key terms

### Savings capital

The amount which is in your individual old-age savings account in the Pension Fund. It forms the basis for calculating your pension. If you leave HP, you take this savings capital with you. See also "Termination benefit" and "VB".

### Termination benefit

You take this amount with you if you leave HP. See also "VB".

### OASI

Swiss Old Age and Survivors Insurance, also known under its German (AHV) or French (AVS) abbreviations. Together with the Disability Insurance (DI) it forms the basis for the 1<sup>st</sup> Pillar.

### LOB

Swiss Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plans of 25 June 1982, including implementing provisions.

### LOB interest rate

The interest rate applicable to the LOB savings capital. The LOB interest rate is stipulated annually by Parliament. The LOB interest varied from 1985 to 2020 between 4% and 1%. For CY 2023 it is set at 1.00%.

### VB

Vested benefit. This is equivalent to your savings capital in the HP Pension Fund. If you leave HP, you take this sum with you and use it to make an initial payment into your new employer's pension fund. See also "Termination benefit".

### DI

Swiss Federal Disability Insurance.

### Annual salary

The annual salary corresponds to 12 or 13 times the monthly salary, depending on the affiliated company's practice. Salary elements that occur only occasionally, such as service anniversary gifts, share options and bonuses/profit shares, are not included.

For employees with variable remuneration (for example insured persons working in at points of sale), the annual salary corresponds to the target salary.

### Coordination offset

Amount which is deducted from the gross salary to obtain the insured salary. This offset is intended to prevent double insurance (OASI and pension); the benefits of occupational pension provision (2nd Pillar) are coordinated with OASI benefits (1st Pillar). The coordination offset corresponds to 20% of the annual salary, at most 7/8 of the maximum OASI old-age pension. At present, the maximum offset is CHF 25'725.

### Maximum OASI old-age pension

The maximum OASI old-age pension is the highest pension which a single person can receive from OASI on retirement at the age of 64 (women) or 65 (men) respectively. At present it is CHF 29'400 per year.

### Retirement age

Retirement age is reached on the first of the month following completion of the 65th year of age.

### Savings 3a

That part of the 3rd Pillar (private provision for old age) which is fiscally privileged.

### STANDARD, STANDARD MINUS

These are two different contribution schemes for HP employees. You can choose between the two schemes once a year. STANDARD MINUS entails lower monthly contributions from the employee than STANDARD. The contribution rate of the employer or the Pension Fund remains the same in both cases. STANDARD MINUS leads to lower pension benefits and lower tax deductions. Your risk contribution stays the same under both the STANDARD and the STANDARD MINUS schemes.

#### Conversion rate

The rate at which your savings capital is converted at the time of your retirement. It is used to calculate your pension. The conversion rate is all the lower the earlier you take retirement. That is only logical. After all, you will be drawing your pension over a longer period.

#### Insured salary

The insured salary corresponds to your annual salary less the coordination offset. This is the salary that matters from the Pension Fund's point of view. It determines your benefits and your contributions. For disability and death, the insured salary is limited to 10 x the maximum OASI pension.

#### Benefit statement

Your individual benefit statement shows your key figures as regards the Pension Fund. It specifies, among other things, your current savings capital, and your anticipated pension at the ages of 58, 62 or 65. It also states the pensions to which you and your relatives (spouse, possibly life partner and children under 25) are entitled if you become disabled or die. Moreover, it shows the maximum amount you can still pay into the Pension Fund if you want to retire at the age of 58 or 65. The benefit statement is sent to your home address once a year.

#### Interest rate

The rate at which interest is credited to your individual savings capital.

In our Pension Fund, the interest rate is defined as the LOB legal minimum interest rate, currently at 1.00%. If the investment return and the coverage ratio allow, the board of trustees can grant a higher interest rate (was the case in e.g., 2021 with 6.0% and 2022 with 2% interest)

## Joining the Hewlett-Packard Plus Pension Fund

You join the Pension Fund on the day on which you start working for one of the affiliated companies.

Your membership of the Pension Fund ends on termination of your employment relationship with the affiliated company – provided there is no disablement or retirement involved. In this case, you remain a member of the Hewlett-Packard Plus Pension Fund, even if you no longer work for an affiliated company.

If you were previously insured in another Swiss pension fund, you must transfer all your old pension fund's termination benefits to our Pension Fund. As a rule, this takes place automatically in the case of employees (see the box "What you have to do when starting work") and is stipulated by law.

If you have made any tax-privileged payments into a Savings 3a account as a self-employed person, you have to report this capital to the Pension Fund. This is because in this case the Pension Fund is obliged by law to reduce the maximum permissible sum that can be additionally paid into the Hewlett-Packard Plus Pension Fund.

On joining the Hewlett-Packard Plus Pension Fund, you have to complete a declaration of health. Depending on your answers, the Board of Trustees may request that you undergo a medical examination by a physician designated by the Pension Fund. The results may influence the insured benefits in the case of disablement or death during the first five insurance years.



### **What you have to do when starting work at one of the affiliated companies?**

Step 1: Notify your previous employer's pension fund of our Pension Fund's name, address and bank account. Ask it to transfer your vested benefit to us.at:

#### **Postfinance**

**IBAN : CH41 0900 0000 1444 7208 1**

**Caisse de Pension Hewlett-Packard Plus, 1217 Meyrin**

Step 2: Choose one of the two contribution schemes STANDARD or STANDARD MINUS (see the section "If I want to decrease my pension contributions"). If you decide in favour of STANDARD MINUS, you must notify us of this within 3 months by e-mail to [hp@avadis.ch](mailto:hp@avadis.ch). Without this notification, the STANDARD contribution scheme will automatically apply to you until the end of the year or a later change.

Step 3: Truthfully complete the declaration of health which you received on starting work. This is very important. If it turns out later that you did not complete the declaration correctly, Hewlett-Packard Plus Pension Fund may cut your pension benefits later.

Your contributions will change on January 1 of the year in which you reach the respective age category.

# The financing of the Hewlett-Packard Plus Pension Fund

The Pension Fund's benefits are financed from three sources:

- Employees' contributions
- Employer's contributions
- Earnings from investing the Pension Fund's assets.

The employer's contributions must never be less than the employees' contributions. The employer's and employees' contributions in % of the insured annual salary depend on your age. Assuming the contribution schema STANDARD they amount to:

Age Categories	SAVINGS CONTRIBUTION in % of the insured annual salary "Age-Savings"						Additional Contribution for "Risk" in % of the insured annual salary "risk"	
	Savings Contribution "Standard"			Savings Contribution "Minus"			Employee	Employer
	Employee	Employer	Total	Employee	Employer	Total		
18-24	-	-	-	-	-	-	1.0%	2.0%
25-34	8.0%	8.0%	16.0%	4.0%	8.0%	12.0%	1.0%	2.0%
35-44	8.5%	8.5%	17.0%	6.0%	8.5%	14.5%	1.0%	2.0%
45-54	9.0%	9.0%	18.0%	8.0%	9.0%	17.0%	1.0%	2.0%
55-65	9.0%	9.0%	18.0%	8.0%	9.0%	17.0%	1.0%	2.0%

Now you know who pays which contribution. The insured salary does not, however, simply correspond to the sum of all monthly salaries. It is calculated from the annual salary less the OASI coordination offset. The latter amounts to 20% of your annual salary, but at most 7/8 of the maximum OASI old-age pension applicable at the time. That is to say: In 2023, the coordination offset amounts to a maximum of CHF 25'725.

Your savings contributions and the savings contributions made by HP/Pension Fund will be credited in full to your individual savings capital.

There is a possibility of paying lower monthly contributions or to make voluntary additional contributions; see the sections "If I want to decrease my pension contributions" and "If I want to increase my future benefits".

The risk contributions of you and HP are used to cover the risks of death and disability. They do not affect your savings account.

## If I want to retire

### Old-age pension

You can take (early) retirement at any time between the age of 58 and the age of 65. From that time, you have a right to a life-long old-age pension.

This is calculated by multiplying your savings capital with the so-called conversion rate. Your conversion rate is dependent on your retirement age. It amounts to

Retirement age	58	59	60	61	62	63	64	65
Conversion rate (in %)	4.26	4.36	4.45	4.55	4.66	4.76	4.88	5.00

As of January 1, 2016, there is a maximum you can draw as a pension (the amount remaining in your savings account to be taken as cash): the maximum pension you can draw is 4 x the maximum yearly OASI pension (which, in 2023, amounts to 4 x 29'400 = 117'600 Swiss francs).

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#### Examples:

Peter, who was born on 5 January 1963, retires on February 1, 2028 at the age of 65. He has a savings capital of CHF 1 million. His old-age pension thus amounts to  $1,000,000 \times 5.08\% = \text{CHF } 50,000$  per year.

Heidi, who was born on 24 December 1968, retires on 1 January 2027 at the age of 58. She has a savings capital of CHF 3,000,000. Her annual old-age pension thus would amount to  $3,000,000 \times 4.26\% = \text{CHF } 127,800$ . However, since the maximum pension is restricted, she can only draw 117'600 CHF as a yearly pension, the remainder of CHF 239'437 she must take as a onetime cash payment.

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## Comments

- You will find your present savings capital specified in your benefit statement, which is sent to your home address in spring of each year.
- Provided the Pension Fund's financial situation allows this, your pension will be adjusted to the development of the rise in prices, up to a certain degree.

## Payment in cash

Instead of a pension, you can also have the whole of your savings capital (or parts thereof) paid out in cash.

- Advantages:

You are free to decide what to do with the money.

(In most cases) lower tax burden.

If you die shortly after your retirement, your heirs will receive the capital.

- Disadvantages:

Investing money oneself is not everyone's cup of tea and involves certain risks.

You have no guaranteed income. A payment in cash is not advantageous if you live to be very old. That is because the Pension Fund guarantees your old-age pension until the end of your life.

## Spouse's/life partner's pension

If you die after your retirement, your surviving spouse or life partner (man or woman) is generally entitled to a pension which amounts to 60% of your old-age pension.

## Children's pensions

Pensioners' children receive a pensioner's children's pension until they reach the age of 20 (or 25 if they are in training or further education): it amounts to 20% of your old-age pension, up to a limit of 7,200 Swiss francs per year.

## OASI bridging pension

If you take early retirement, you can have an OASI bridging pension paid to you. This has nothing to do with OASI: it is only termed as such because it is a substitute for the missing OASI pension until you reach the age of 64/65. It has to be completely financed in advance by you yourself. See the section "If I want to increase my future benefits".

## If I want to purchase residential property

You can use your savings capital, in whole or in part, in order to

- purchase or build an apartment or a house, or to
- re-pay a mortgage.

This is called advance withdrawal.

There are certain conditions attached to it. You have to live in the property which you purchased with this money. Thus, you cannot use the money to purchase a holiday home or a house for your children.

Instead of drawing the money, you can also offer your savings capital to your bank as security for a mortgage granted (pledging). You should examine this option in any case. Because if you make an advance withdrawal, your old-age and death benefits are reduced in accordance with the amount withdrawn. This is not the case with a pledge, as long as the pledge is not realized.

### Please note:

The advance withdrawal

- must be paid back to the Pension Fund if you sell the residential property.
- must be paid back to the Pension Fund before you can make any further voluntary additional payments into the Pension Fund.
- can be paid back to the Pension Fund in order to increase your future benefits. The repayment must amount to at least CHF 20,000 and must take place before you reach the age of 62.

You can employ the following amounts to purchase residential property:

Time	Amount (min. CHF 20,000)
Until the age of 50	Your entire capital savings at the time of withdrawal
After the age of 50, but before your 62nd birthday	The higher of the following amounts: The savings capital to which you would have been entitled at the age of 50, Or half of the capital savings at the time of withdrawal
After your 62nd birthday	An advance withdrawal is no longer possible

## An advance withdrawal has to be carefully considered

An early withdrawal of your savings capital or of a part thereof can drastically reduce your pension.

For example, if you take CHF 100,000 out of the Pension Fund at the age of 45, this will reduce your pension at the age of 65 by at least CHF 8,200 per year (under current interest conditions)!

## If I want to decrease my pension contributions

You can lower your pension contributions up to age 45 by choosing the pension contribution scheme STANDARD MINUS.

SAVINGS CONTRIBUTION in % of the insured annual salary "Age-Savings"							Additional Contribution for "Risk" in % of the insured annual salary "risk"	
Savings Contribution "Standard"			Savings Contribution "Minus"					
Age Categories	Employee	Employer	Total	Employee	Employer	Total	Employee	Employer
18-24	-	-	-	-	-	-	1.0%	2.0%
25-34	8.0%	8.0%	16.0%	4.0%	8.0%	12.0%	1.0%	2.0%
35-44	8.5%	8.5%	17.0%	6.0%	8.5%	14.5%	1.0%	2.0%
45-54	9.0%	9.0%	18.0%	8.0%	9.0%	17.0%	1.0%	2.0%
55-65	9.0%	9.0%	18.0%	8.0%	9.0%	17.0%	1.0%	2.0%

In other words:

By choosing STANDARD MINUS you can lower your savings contributions in e.g., the age category 25 to 34 from 8% to 4%. You can choose your contribution scheme (STANDARD or STANDARD MINUS) afresh every November/December; your decision will then apply to the whole next calendar year. The form for a switch is published on the Intranet every November.

Choosing STANDARD MINUS has no effect on the HP savings contribution; it will also not change your 1% risk contribution.

## If I want to increase my future benefits

You can increase your future benefits by making voluntary additional payments into the Pension Fund. The amount and the timing can be decided by you (within certain limits).

Voluntary additional payments to the Pension Fund are made to fill any gaps in pension provision or to finance early retirement.

### Filling gaps in pension provision

A gap in pension provision is not necessarily a shortcoming; it does not have to be filled by all means. It designates the difference between your anticipated savings capital at the age of 65 (assuming a constant salary) and the maximum savings capital allowed by the Regulations (in accordance with Table 1 of the Hewlett-Packard Plus Pension Fund Regulations). In other words: The gap in pension provision is the difference from an optimal pension provision to what you have.

Gaps in pension provision can arise due to

- an insufficient savings capital. This may have resulted from missing contribution years or poorer benefits of a previous pension fund in comparison with the Hewlett-Packard Plus Pension Fund benefits.
- salary fluctuations. On retirement, the pension that can be subsequently financed from own funds is based on your salary at that time. If your salary was increased in the past, there is now a gap against the maximum benefit.

You will find your present gap in pension provision in your benefit statement, in the line "Zusätzliche Informationen".

"Maximum additional payment, subject to the reservation of fiscal provisions applying to the ordinary retirement age of 65".

A negative amount in this line means that you have already begun to finance early retirement. In this case, you should not make any further additional payments, unless you are expecting major changes in your personal environment (for example because of salary increases) or are planning to take early retirement.

### Financing early retirement

Anyone planning to take early retirement with a full old-age pension has to accumulate a higher savings capital since, in this case, the pension must be paid out over a longer period of time (or, in other words: because the conversion rate is lower).

In addition, consideration may be given to financing an OASI bridging pension since normal OASI pension payments do not begin until the age of 64 (women) or 65 (men) respectively.

Our Pension Fund allows you to accumulate a correspondingly higher savings capital (see Table 2 of the Pension Scheme Regulations); furthermore, it allows you to pre-finance an OASI bridging pension (Table 3).

The line in your benefit statement with the heading

“Maximum additional payment, subject to the reservation of fiscal provisions applying to the retirement age of 58, including 7 years’ OASI bridging pension “.

shows you the gap in pension provision which opens if you want to retire at the age of 58 with a full pension and an OASI bridging pension.

The tables in the annex to the insurance regulations are in accordance with the statutory provisions. Your current insured salary is applicable for Tables 1 and 2; Table 3 is based on the current maximum OASI pension.

### Legal restrictions for voluntary additional payments

Voluntary additional payments are subject to certain statutory restrictions. The most important ones are as follows:

- Your pension at the age of 65, including all additional payments, may not exceed 105% of the pension which you would receive at the age of 65 with a full contribution period. In plain English: If you make additional payments to provide for early retirement and then nevertheless work longer, you will possibly have to accept a loss of capital.
- Advance withdrawals to purchase residential property must be paid back. Only then can you make further voluntary payments.
- Any separate pension capital sums will be added to your existing savings capital. That means in concrete terms: They reduce the maximum possible additional payments.
- Persons who move to Switzerland from abroad and have never been covered by a Swiss social insurance scheme before, may make additional payments of a maximum of 20% of the insured salary in each of the first five years.
- If you withdraw any capital from the pension fund (either at retirement or to finance residential property) after having made an additional voluntary payment in the last three years, the tax authorities most likely will interpret all payments in the last three years as an attempt at tax evasion. The consequence of this could be that the authorities will disallow any tax deductions made on these contributions. Additional payments and the purchase of residential property should therefore form part of long-term planning.

### How do I make voluntary payments?

You will find your scope for voluntary payments specified in your benefit statement. Please note the relevant lines “Maximum payment ...”

Should you require detailed calculations (for example in the case of early retirement to be taken in the next few months), our Pension Fund’s administrator, Avadis ([hp@avadis.ch](mailto:hp@avadis.ch)), will calculate the exact data for you.

Up to 12 voluntary payments per calendar year are possible, but, due to administrative reasons, we prefer it if you bundle the payments plan to a maximum of two or three cash payments.

### Step 1: Complete form

Before making the first payment, you must complete a form in which you have to declare any possible additional savings capital sums.

The form can be obtained from Avadis or downloaded from the Intranet:

[www.pensionplus.ch](http://www.pensionplus.ch) Key term “Forms”.

## Step 2: Paying in

Additional voluntary payments can be made by bank transfer to the Pension Fund's account with Postfinance. Your bank money order should include your name, your OASI number as well as the note "Additional voluntary payment".

## If I leave the affiliated employer

You have a right to a termination benefit if you leave the affiliated company. In the case of retirement or disability, on the other hand, your legal status as a member of the Pension Fund remains unchanged.

The amount of your termination benefit (vested benefit) corresponds to your savings capital on the date of termination.

### Payment of the termination benefit

In general, your termination benefit will be remitted directly to your new employer's pension fund.

Provided you (still) do not have a new employer, your termination benefit can be remitted to a vested benefit account of your choice or used for taking out a vested benefit policy with an insurance company.

On request, your termination benefit can be paid out in cash, if

- you leave Switzerland for good \*) or
- you become self-employed.

\*) without moving to Liechtenstein or remaining compulsorily insured in the EU, Iceland or Norway for old age, disability or death.

In the case of your termination, you should notify us of the name and address of your new employer's pension fund to which your termination benefit is to be remitted. We will then calculate the amount of your termination benefit, send you a statement and remit the money.

If you do not tell us where your termination benefit is to be remitted to, it will be remitted, after a six-month waiting period, to the Swiss Confederation's collective scheme. The collective scheme will manage your termination benefit on an interim basis and even pay interest on it.

## If I get divorced

In the case of divorces, the practice has become established that the courts award either spouse half of the savings capital accumulated by the other spouse during the marriage.

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### Example:

Heidi and Peter have been married for 10 years. During this time, Heidi has accumulated CHF 220,000 in her pension fund account. Peter's savings capital amounts to CHF 100,000. So, Heidi receives CHF 50,000 from Peter, and Peter CHF 110,000 from Heidi.

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If, in the case of a divorce – and based on a court decree – a part of your savings capital is transferred to your partner's pension fund account, your savings capital is reduced accordingly.

You can make additional payments again up to the amount of the savings capital that was paid out and deduct this from your taxable income, even if you have made an advance withdrawal to finance residential property and have not yet paid this back.

If – again on the basis of a court decree – a part of your spouse's savings capital is awarded to you, this amount will be treated as a termination benefit that has been paid in.

## If I become disabled

You have a right to a disability pension from the Hewlett-Packard Plus Pension Fund if you

- are declared at least 40% disabled by the Swiss Federal Disability Insurance (DI) and
- were insured with the Hewlett-Packard Plus Pension Fund when the inability to work occurred which led to disability.

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Your (full) disability  
pension 65% of your  
insured salary.

Since your insured salary for death and disability is limited to 10 x the maximum OASI pension, your disability pension in 2023 cannot exceed  $10 \times 29'400 @ 65\% = \text{CHF } 191'100$ .

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### Examples:

Peter becomes totally disabled on May 1, 2015. He had an insured salary of CHF 110,000. His annual disability pension thus amounts to 65% of CHF 110'000 = CHF 71'500.

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## Important information on the disability pension

- You will receive a disability pension as long as you are disabled in the meaning of the DI, at the latest until the age of 65. Then your old-age pension will take the place of the disability pension. Your disability pension will be postponed as long as there is a right to a salary or to benefits in lieu of income.
- As long as you draw a disability pension, you do not have to pay any pension fund contributions.
- In the case of partial disability, various gradations apply. You have a right to the full disability pension if you are at least 70% disabled in the meaning of the DI, three quarters of the pension if you are at least 60% disabled, half of the pension if you are at least 50% disabled, one quarter of the pension if you are at least 40% disabled.

## Disabled persons' children's pension

The annual disabled persons' children's pension amounts to 13% of your insured salary per child until you reach age 65. After age 65, the children's pension is 20% of your old age pension, but no more than CHF 7,200 per year. It expires on reaching the age of 20 (or the age of 25 if in training or further education).

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## Total amount of the insured benefits max. 90% of your salary

In the case of disability, you may possibly also be entitled to benefits from DI, accident insurance or daily sickness benefit insurance. If the total benefits exceed 90% of your annual salary, the Pension Fund's benefits will be cut accordingly.



## If I die

If you die, your surviving spouse/life partner (man or woman) and/or your children will generally receive the following benefits from the Pension Fund:

	If you were insured as an employee or disabled at the time of your death	If you were retired at the time of your death
Your surviving spouse/life partner *) will receive	A capital sum payable on death PLUS a pension amounting to 40% of your insured salary – lifelong	A life-long pension amounting to 60% of the pension which you drew before your death
Your children (up to the age of 20 or 25 respectively) will receive	A pension each amounting to 15% of your insured salary until you would have reached age 65; after that each child gets 20% of your (theoretical) old age pension, but not more than CHF 7,200 per year	A pension each amounting to 20% of the pension which you drew before your death, but not more than CHF 7,200 per year

\*) If he/she meets certain conditions.

If both parents are dead, the children's pensions are doubled.

## Capital sum payable on death

For close relatives, the capital sum payable on death is the greater of:

- two times your insured salary or
- your savings capital minus the present value of your partner's and children's pensions.

### Total amount of the insured benefits max. 90% of your salary

In the case of death, you will possibly also be entitled to benefits from OASI/DI, accident insurance or some other insurance. If the total benefits exceed 90% of your annual salary, the Pension Fund's benefits will be cut accordingly.

## If I have a frequently asked question

you will probably find the answer here.

What do I have to do if

- I am looking for important addresses/telephone numbers/banking particulars?

See the section "If I have further questions".

- I am new at one of the affiliated companies?

See the section "Joining the Hewlett-Packard Plus Pension Fund".

- I want to lower my pension contributions?

See the section "If I want to lower my pension contributions".

- I want to increase the Pension Fund's benefits?

See the section "If I want to increase my future benefits".

- I want to know how much additional money I can pay into the Pension Fund?

This is specified in your benefit statement, which you receive once a year.

- I want to pay additional money into my Pension Fund account?

If you have done so before, you can pay the money directly into our bank or postal cheque account. In addition to

your name, your bank money order/paying-in slip should include your OASI number as well as the note "Additional voluntary payment". Please note that you may not pay in as much as you like – there is a maximum for each insured person.

- I want to improve my provision for old age outside of the Hewlett-Packard Plus Pension Fund?

You can use the 3rd Pillar to increase your savings capital, saving taxes at the same time.

HP does not make any contributions in this respect. You can obtain detailed information on this matter from external financial advisers, from banks and insurance companies.

- I want to buy an apartment or a house.

The best thing is to contact Avadis. The necessary forms will be sent to you.

Please contact them at least 13 weeks before you need the money; the administrative effort required for this takes some time.

- I am in divorce proceedings.

Contact Avadis: they will be pleased to help you.

- I am about to retire.

Contact HR: they will be pleased to help you.

- I have become disabled.

Contact HR: they will be pleased to help you obtain and complete the requisite forms.

- I do not like the Hewlett-Packard Plus Pension Fund?

By law you are subject to your employer's pension scheme and cannot choose your pension fund freely. However, you can contact an employee representative on the Pension Fund's Board of Trustees and voice your concerns or suggestions through that channel. In addition, all employees are eligible to be considered for election as an Employee Representative, whereupon you can take an active part in shaping the HP Pension Fund.

- I want to know how large our Pension Fund is.

Currently, our Pension Fund comprises roughly 350 insured employees and around 860 pensioners. Our assets total approximately 1,200 million CHF. Each year, members receive a full statement of the annual financial status and performance of the Pension Fund.

- I want to understand how my individual savings capital is developing?

This is relatively complicated, but here is a description:

In our Pension Fund, each member has his/her individual savings account. This is built up with your own monthly savings contribution as well as the corresponding employer's savings contribution. In addition, an interest payment is credited to your account annually by the Pension Fund.

On retirement, your individual savings capital is converted into a pension by means of a conversion rate (or paid out as a lump sum).

The monthly employees' and employer's contributions are calculated according to age and the insured salary.

As an example, let us look at a 35-year-old HP employee with an annual salary of CHF 80,000. The insured salary then amounts to CHF 64,000 (CHF 80,000 less the coordination offset of CHF 16,000). This is what the annual Pension Fund contribution is based on. For the sake of simplicity, we are assuming an annual interest rate of 2.0% and no salary increases.

The contribution rate for the employee is 8%, i.e. CHF 5,120 per year (8% of CHF 64,000). The total savings rate per year is 16% of the insured salary, which corresponds to a total contribution of CHF 10,240 per year.

The individual savings capital thus holds the following sums:

After 1 year:	16% of the insured salary	=	10,240 francs
After 2 years:	year 1 x interest + year 2 (10'240 x 1.02 + 10,240)	=	20'685
After 3 years:	year 2 x interest + year 3 (20'685 x 1.02 + 10,240)	=	31'338
After 4 years:	year 3 x interest + year 4 (31'338 x 1.02 + 10,240)	=	42'205
After 5 years:	year 4 x interest + year 5 (42'205 x 1.02 + 10,240)	=	53'289
.....			
After 10 years:		=	112'125 francs

Please note: No interest is paid on the contributions in the current year.

## If I have further questions

If there are questions still unanswered after reading this brochure, the following additional aids are at your

disposal: Your personal benefit statement

Your personal benefit statement, which is sent once a year to your home address, contains very many data about your personal situation as at the end of the past calendar year.

Administrative

questions For

information

concerning

- individual data regarding your benefits
- possible additional payments
- advance withdrawals/pledging within the framework of the Law on the Promotion of Residential Property Ownership

you can turn to our administration:

**Avadis Vorsorge AG**

Caisse de pension Hewlett Packard Plus

Zollstrasse 42

Postfach

8031 Zürich

Tel. +41 (0)58 585 33 99 (English and German)

Tel. +41 (0) 58 585 34 40 (Français)

[hp@avadis.ch](mailto:hp@avadis.ch)

More general questions

For questions concerning regulations, the Board of Trustees, investments and general matters, you can turn to the manager of our pension fund:

**Caisse de pension des sociétés HP en Suisse**

Rolf Wehrli

c/o ASSEPRO Vorsorge AG

Hardturmstrasse 126

8005 Zürich

[rolf.wehrli@pensionplus.ch](mailto:rolf.wehrli@pensionplus.ch)

or to one of the employees' representatives on the Board of Trustees:

- Philippe Gerber (HPE)
- Gianluca Gigante (HPE)
- Nabil Babaci (HPE)

Peter Rychener (Our Pension Fund's banking particulars)

Postfinance

IBAN : CH41 0900 0000 1444 7208 1

Caisse de Pension Hewlett-Packard Plus, 1217 Meyrin

Websites of interest

You can find other interesting websites (sorry, in German and/or French only) concerning old-age pensions in general, among others, through our external website: [www.pensionplus.ch](http://www.pensionplus.ch)