Syngenta Pension Fund
Switzerland

Benefits and contributions

Overview of insurance plan

The role of the Syngenta Pension Fund is to insure the company's employees against the financial consequences of old age, disability and death in the context of the occupational benefits scheme. This brochure provides an overview of the insurance plan provided by the Syngenta Pension Fund and summarizes the benefits and contributions set out in its regulations.

The three-pillar concept

Old-age benefits in Switzerland

Pillar 1	Pillar 2		Pillar 3	
State benefits	**Occupational benefits**		**Private saving scheme**	
AHV/IV/EL	BVG/FZG/VO	ZGB/OR/FZG	BVV3/VVG	
compulsory	2a compulsory	2b non-compulsory	3a tied	3b free
Securing livelihood	**Securing accustomed living standards**		**Additional needs**	

In Switzerland, provisions for old age, disability and death are supported by various pillars. The state pension and social security system (AHV/IV) form the first pillar and the occupational benefits schemes (BVG) form the second. Private savings are encouraged through tax benefits provided for under the third pillar.

This brochure provides a short summary of the key aspects of the Syngenta Pension Fund. No legal entitlements can be derived upon. Legally binding are solely the applicable regulations and/or laws.

For further information or questions, please contact the Syngenta Pension Fund.

Contents

For the sake of simplicity, this brochure avoids wording such as “he/she”. Needless to say, where the male form is used for a person, women are also included.

Structure

The Syngenta Pension Fund (hereinafter the "Pension Fund") insures employees of Syngenta in Switzerland and their families and survivors against the financial consequences of old age, disability and death within the framework of the Federal Law on Occupational Old Age, Survivors' and Disability Benefit (BVG/LOB) and the Federal Law on Vesting in Occupational Old-age, Survivors' and Disability Benefit Plan (FZG/FLV).

Insurance Plan

Retirement account **Benefits after retirement**
Risk insurance **Benefits in the event of disability or death**

Who is insured in the Pension Fund?
All employees of Syngenta in Switzerland or of a company affiliated to the Pension Fund who have an employment contract for more than three months and whose income exceeds the minimum stipulated by law (BVG) are automatically insured in the Pension Fund as required by law.

Are part-time employees also insured?
Part-time employees are insured in the Pension Fund if the annual base salary extrapolated to an employment level of 100 % exceeds the minimum income for the compulsory insurance as laid down in the BVG.

Employees on hourly rates and temporary employees are also insured in the Pension Fund, provided their employment contract is not limited to a maximum of three months from the outset.

What components of pay are insured in the Pension Fund?
The annual base salary up to a maximum of CHF 220,000 is insured in the Pension Fund, as are the target STI (Short-Term Incentive) and any shift allowance.

What is the target STI?
The target STI corresponds to the variable remuneration defined in percent of the annual base salary depending on the work level. The cash incentive which is effectively paid is not relevant for the insurance in the Pension Fund.

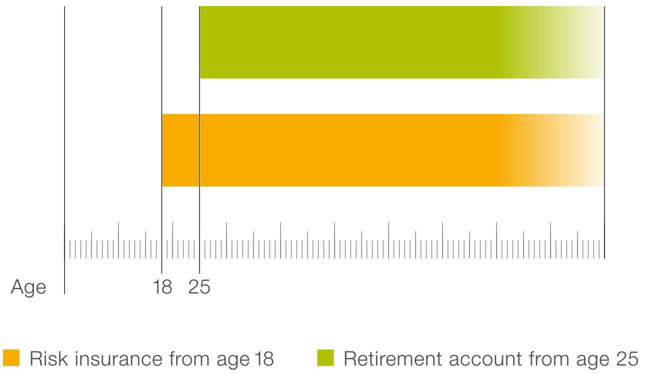
Retirement account
The retirement benefits are financed with the accumulated savings in the retirement account. The insured person has a choice between lifelong pension, a fixed-term bridging pension and a lump sum payment.

Risk insurance
The level of benefits in the event of disability or death is defined in percent of the insured remuneration.

Admission / Purchase

On admission to the Pension Fund, the portable sum from the previous pension scheme is credited to the retirement account. Additional voluntary extra contributions into the retirement account can be made at any time within the limits laid down in the regulations.

Beginning of insurance



When is an employee admitted to the Pension Fund?
An employee is admitted to the Pension Fund at the start of the employment contract, but not before the age of 18 (risk insurance). At age 25, the process begins for accumulating retirement savings.

Do savings from a previous benefits scheme have to be paid into the Pension Fund?
All vested benefits from previous benefits schemes in Switzerland must be paid into the Pension Fund.

How high is the maximum possible purchase sum?
The rates for voluntary extra contributions as shown in Appendix 3 of the regulations can be used to determine the maximum retirement savings. If the actual retirement savings are lower, the difference may be purchased in part or in whole in the form of voluntary extra contributions, subject to restrictions.

What restrictions have to be considered when paying in such extra contributions?
Insured members who move to Switzerland from abroad and have never belonged to a Swiss benefits scheme may not pay more than 20 % of their insured remuneration as voluntary purchase during the first 5 years.

If an insured member has taken an early withdrawal for home ownership purposes, a voluntary purchase is only possible after the withdrawn amount has been fully repaid.

Furthermore, nontransferable vested benefits and Pillar 3a savings that exceed the legally defined level are counted towards a possible purchase sum.

How are purchases handled by the tax authorities?
In principle payments into the Pension Fund can be deducted from the taxable income in Switzerland. Since the cantonal tax regulations differ, however, it is recommended that you obtain more detailed information from the relevant tax authorities.

Retirement savings
The retirement savings are made up of contributions (insured member and company), vested benefits paid in and voluntary extra contributions plus interest.

Risk insurance
Up to 31 December of the year in which the insured member reaches age 24, the insured member is solely covered for benefits in the event of disability or death. As of 1 January after the insured member reached age 24, the process of saving for retirement then also starts.

Financing / Contributions

The benefits paid by the Pension Fund are financed by contributions of the insured members and the company. The company pays about two-thirds of the total funding. The insured members can choose the level of their own savings contributions from three possible scales. This enables the retirement benefit to be adjusted to individual needs.

Contributions of insured members and the company

	Savings contributions				Risk contributions		Total			
Age	Company	Employee			Company	Employee	Company	Employee		
		Basic	Standard	Excellent				Basic	Standard	Excellent
up to 24	–	–	–	–	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %
25–34	12.0 %	6.5 %	7.5 %	9.5 %	1.0 %	1.0 %	13.0 %	7.5 %	8.5 %	10.5 %
35–44	14.0 %	7.5 %	8.5 %	10.5 %	1.0 %	1.0 %	15.0 %	8.5 %	9.5 %	11.5 %
45–54	18.0 %	8.5 %	9.5 %	11.5 %	1.0 %	1.0 %	19.0 %	9.5 %	10.5 %	12.5 %
55–65	20.0 %	9.5 %	10.5 %	12.5 %	1.0 %	1.0 %	21.0 %	10.5 %	11.5 %	13.5 %
65–70	18.0 %	7.5 %	8.5 %	10.5 %	0.0 %	0.0 %	18.0 %	7.5 %	8.5 %	10.5 %

Contribution in % of insured remuneration

How is the insured remuneration calculated?
The insured remuneration is calculated as follows: Annual base salary (incl. environmental allowance) up to CHF 220,000

- minus coordinating sum
- plus target STI
- plus shift allowance

How is the coordinating sum calculated?
The coordinating sum corresponds to 30 % of the annual base salary. It has an upper limit defined by the maximum AHV retirement pension (as of 2022: CHF 28,680).

How are the contributions used?
The savings contributions of the employee and the company are credited to each insured member individually. The risk benefits in the event of disability and death are collectively financed with the risk contributions.

How is the interest calculated on the retirement savings?
The level of interest on the retirement savings is defined annually by the Board of Trustees. The defining criteria for the interest are the retirement savings on 1 January of the current year. Purchases and deposits bear interest in line with the value date.

When can the contribution scale be selected?
The desired contribution scale can be selected when you join the Pension Fund. It is possible to change to a different scale of contributions on 1 July of each year.

Coordinating sum
Deduction from the base salary, which is intended for coordination of the benefits between the 1st pillar (AHV) and the 2nd pillar (Pension Fund).

Retirement

The statutory retirement age in the Pension Fund is 65 years for men and women. Early retirement is possible from the age of 60. The retirement benefits are open to individual arrangements (lifelong pension, bridging pension, lump sum payment).

Retirement benefits

Options:
- Lifelong pension or a lump sum payment up to 100 %
- Temporary bridging pension until AHV age

How is the level of the variable retirement pension calculated?
The retirement savings accumulated at the time of retirement are converted into a retirement pension using the conversion rate. The Syngenta pension consists of a **guaranteed basic retirement pension** and a **variable retirement pension**. The guaranteed basic pension is determined on the basis of the conversion rate determining the basic pension. In addition, the target pension is determined on the basis of the conversion rate for determining the target pension.

How is the variable pension determined?
The variable pension is determined annually according to the following scheme, depending on the funding ratio as well as the basic and target retirement pensions calculated at the time of retirement:

What conversion rates apply?
The conversion rate is based on the age at the time of retirement. The table on the right shows the conversion rates at age 65 from 2023 onwards.

Example: calculation of a retirement pension (in CHF)
Existing retirement savings: 600,000
Conversion rate (CR): 4.34 %
Annual retirement pension:
600,000 × 4.34 % = 26,040

Retirement child's pension
If the insured person has children aged under 20 years (or 25 years and still in education) an additional pension amounting to 20 % of the ongoing retirement pension is paid out for each child.

Funding ratio	Variable pension (top up pension)	Total retirement pension paid
Funding ratio < 106 %	0	**Basic pension (guaranteed amount)**
106 % ≤ funding ratio, but target fluctuation reserve not reached	**Target pension** *minus* **basic pension**	**Target pension**
Target fluctuation reserve reached when funding ratio ≈ 119 %	2 × (**target pension** *minus* **basic pension**)	**Target pension «plus»**

The variable pension will be determined annually in December for the coming year based on the funding ratio applicable at the end of the year.

Retirement

Conversion rates (CR) at age 65 from 2023 onwards*

Year of birth	Basic pension	Target pension	Year of birth	Basic pension	Target pension
1958	4.34 %	4.64 %	1975	4.11 %	4.41 %
1959	4.32 %	4.62 %	1976	4.10 %	4.39 %
1960	4.31 %	4.61 %	1977	4.09 %	4.38 %
1961	4.29 %	4.59 %	1978	4.08 %	4.37 %
1962	4.28 %	4.58 %	1979	4.06 %	4.36 %
1963	4.26 %	4.56 %	1980	4.05 %	4.35 %
1964	4.25 %	4.55 %	1981	4.04 %	4.34 %
1965	4.24 %	4.53 %	1982	4.03 %	4.33 %
1966	4.22 %	4.52 %	1983	4.02 %	4.32 %
1967	4.21 %	4.51 %	1984	4.01 %	4.31 %
1968	4.19 %	4.49 %	1985	4.00 %	4.30 %
1969	4.18 %	4.48 %	1986	3.99 %	4.29 %
1970	4.17 %	4.47 %	1987	3.98 %	4.28 %
1971	4.16 %	4.45 %	1988	3.97 %	4.27 %
1972	4.14 %	4.44 %	1989	3.97 %	4.26 %
1973	4.13 %	4.43 %	1990	3.96 %	4.25 %
1974	4.12 %	4.42 %	1991	3.95 %	4.24 %

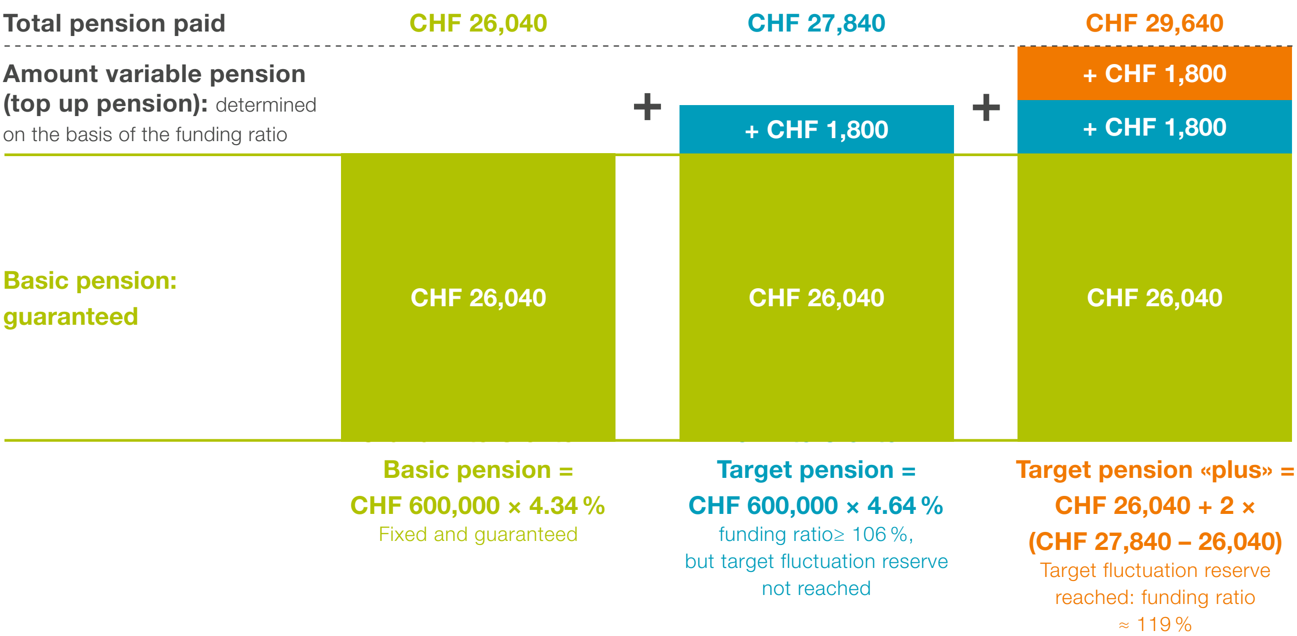
* The conversion rates will decrease slightly for each subsequent year of birth using the generation tables.

The year 2022 is a transition year with a conversion rate at age 65 of 4.82% for the basic pension and 4.97% for the target pension.

Variable pension example

Retirement at age 65 in 2023 = CR basic pension: 4.34 % / CR target pension: 4.64 %

Retirement savings: CHF 600,000



Retirement

How can a bridging pension be financed?
In the case of early retirement, a bridging pension can be financed out of the existing retirement savings. The insured member is free to choose the level and duration of bridging pension, but the sum must not exceed the current maximum state pension and cannot be paid out beyond the statutory (AHV) age of retirement.

Retirement lump sum
The possibility of taking retirement savings wholly or in part as a lump sum. The lifelong pension and co-insured benefits (e.g. spouse's pension) are reduced accordingly when a lump sum is taken.

What restrictions must be considered when taking a lump sum?
On retirement the insured member may take the retirement savings either in part or in whole as a lump sum. Voluntary extra contributions paid into the pension plan during the last three years before retirement may not be taken as a lump sum.

Why does a lump sum payment require the officially certified signature of the spouse?
A lump sum withdrawal reduces the retirement pension and also reduces the insured spouse's pension.

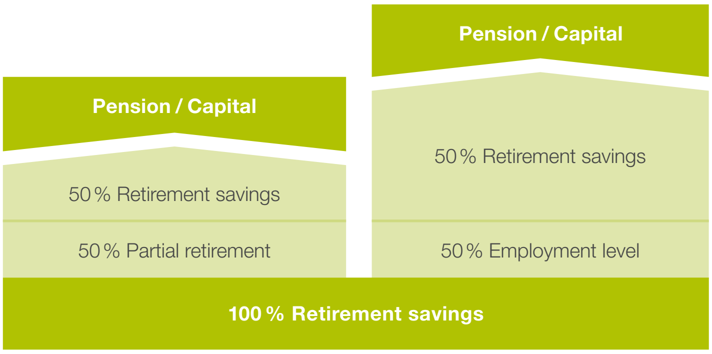
When must the Pension Fund be notified?
The Pension Fund must be notified of the intention to take a lump sum not later than three months before retirement.

How can you calculate different pension options?
Use the Syngenta Pensions calculator on our website to calculate pension options online:
www.pensionskasse-syngenta.ch/en/calculation-tool

Flexible retirement

With the agreement of the employer, retirement from age 60 onwards may also be taken in several steps (partial retirement). Insurance arrangements in the Pension Fund are continued on the basis of part-time employment.

Partial retirement



Example: 50 % partial retirement

What is partial retirement?
In partial retirement, the employment contract with the company is continued in a part-time arrangement. The insurance arrangements in the Pension Fund are continued in accordance with the level of employment defined in the contract. At the same time, the insured person receives a partial retirement pension.

What are the conditions for a partial retirement?
In the case of partial retirement, the level of employment must be reduced by at least 20 %. Retirement may take place in a maximum of three stages. Partial retirement is only possible with the consent of the employer.

What benefits do I receive with partial retirement?
Retirement savings are divided up according to the reduction in the employment level. The capital selected for partial retirement may be converted to a pension or withdrawn wholly or in part as a lump sum.

What restrictions must be considered when taking a lump sum?
In case of a reduction of employment of at least 20 % and less than 30 %, it is not possible to withdraw a partial retirement lump sum.

In case of a partial retirement in three or more steps, the withdrawal of the partial retirement lump sum may take place at most in two steps.

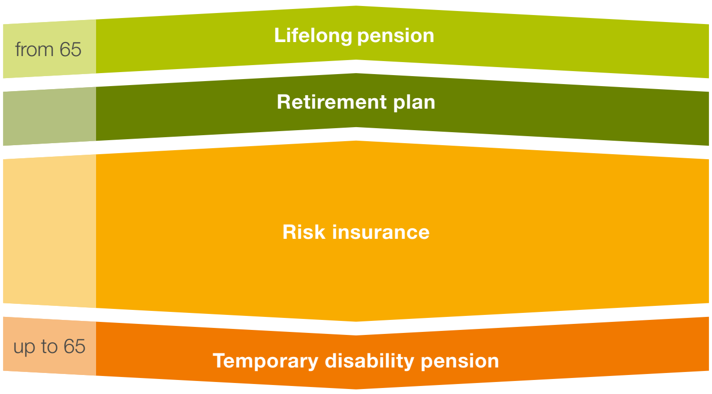
Good to know
If the salary is reduced after age 60 by a maximum of 50 % (e.g. reduction of level of employment), without retirement benefits being drawn, the reduction of the insured remuneration may be disregarded and insurance continued on the basis of the previous insured remuneration.

The contributions for the continuation of the higher insured remuneration will be at charge of the insured person.

Disability

Insured members who are at least 40 % unable to work are entitled to disability benefits. The degree of disability is defined in accordance with the decision of the federal disability insurance.

Disability benefits



What benefits are paid in the case of disability?
The disability pension in the case of full disability is 60 % of the insured remuneration. If the insured person has children under 20 years (or under 25 in education), an additional pension is paid per child amounting to 20 % of the disability pension received.

What happens with the retirement savings?
The retirement credits in the retirement account continue to be paid by the Pension Fund up to the age of 65. The employer and employee contributions are credited on the "standard" scale of contributions and the retirement savings continue to bear interest.

What benefit is paid out after the age of 65?
At the age of 65, the disability pension is recalculated. The continued retirement savings are converted on the basis of the conversion rates applicable at that time. From then on, the disability pension will consist of the basic disability pension and the variable disability pension.

What happens in the event of a partial disability?
Depending on the degree of disability, the Pension Fund pays a full pension or a partial pension as follows:

Degree of disability	Pension entitlement (in % of full pension)
40 % – 49 %	25 % + 2.5 % per percentage point in excess of a disability degree of 40 % (e.g. disability degree of 41 % = pension entitlement of 27,5 %)
50 %	50 %
51 % – 69 %	The pension entitlement expressed as a percentage corresponds to the degree of disability (e.g. disability degree of 53 % = pension entitlement of 53 %)
70 % – 100 %	100 %

Disability
A person is deemed to be disabled if he / she is considered likely to be permanently or for a lengthy period unable to earn his/her living, either fully or partly, as a result of physical or mental damage caused by an illness, affliction or accident.

Degree of disability
The degree of disability is determined according to the loss of earnings. The ruling of the federal disability insurance serves as the criterion for defining the degree of disability.

Death

In the event of death of an insured person who is married, the Pension Fund pays a lifelong spouse's pension. Domestic partners of unmarried insured members are entitled to a domestic partner's pension, provided a domestic partner's agreement was filed with the Pension Fund during the lifetime of the deceased partner.

Survivor's benefits

What is the spouse's pension level?

The spouse's pension amounts to 60 % of the insured disability pension of the insured person or 60 % of the current disability or retirement pension. If the deceased leaves behind children aged less than 20 years (or less than 25 years in education), an additional orphan's pension is paid per child amounting to 20 % of the insured or of the current disability or retirement pension.

When is a spouse's pension paid out?

If the surviving spouse

- has to provide for a child or
- is older than 35 and the marriage has lasted for at least 5 years,

the spouse is entitled to a spouse's pension. If these conditions are not met, a lump sum is paid which corresponds to 300 % of the annual basic spouse's pension.

How high is a domestic partner's pension?

The domestic partner's pension amounts to 60 % of the insured disability pension or 60 % of the current disability or retirement pension.

When is a lump sum paid out?

The lump sum is paid out in the event of death before the age of 65.

How high is the lump sum on death?

In the event of the death of an insured person the lump sum on death amounts to:

- 200 % of the insured disability pension,
- plus the savings of the incentive / bonus and shift insurance as of 31 March 2004,
- plus the additional voluntary extra contributions paid into the retirement account since 1 April 2004,
- plus the savings accumulated in the capital plan per 1 January 2018 transferred into the retirement account per that date.

In the event of death of a pension recipient before the age of 65, the lump sum on death amounts to 200 % of the current basic retirement pension or disability pension.

What happens in the event of death of an insured person who is not married?

On the death of an unmarried insured person the beneficiaries receive a lump sum.

Beneficiaries

The following persons are entitled to the lump sum on death regardless of inheritance law:

a) Spouse and children entitled to an orphan's pension
b) Supported persons incl. domestic partner
c) Other children, in their absence the parents, in their absence the siblings of the deceased
d) Other legal heirs

The beneficiaries may be modified to a limited extent by notifying the Pension Fund in writing.

Leaving

When a person leaves the Pension Fund, the portable sum is paid into the pension scheme of the new employer. In special cases, a cash payment is possible.

Portable sum

How is the portable sum made up?
The retirement savings at the time of leaving (including interest) form the portable sum.

How is the portable sum used?
When a person changes to a new employer within Switzerland, the portable sum is transferred directly to the pension scheme of the new employer. If a new employer is not known at the time of the exit, the capital may be transferred to a vested benefits fund or may be used to open a vested benefits policy with an insurance company.

Can the portable sum be taken in cash?
If an insured person leaves Switzerland or becomes self-employed, the portable sum may be paid out in cash if required evidence is provided. When leaving Switzerland towards an EU country, cash payments are restricted.

Can the retirement savings also be left in the Pension Fund?
Once the employment contract is terminated, the insured person has to leave the pension fund. If no instructions regarding the use of the portable sum are received from an insured person who is leaving the company, this sum will be paid into the Substitute Occupational Benefits Institution.

Vested benefits account
Account in a vested benefits fund which is used solely for preserving the providence insurance.

Vested benefits policy
Insurance policy which is used solely for preserving the providence insurance.

Substitute Occupational Benefits Institution
A pensions institution (foundation) used by the Swiss Federal Council amongst other things for managing vested benefits.

Leaving after age 55 – Is a voluntary continuation of the insurance cover possible?
If an insured person leaves the compulsory insurance after reaching the age of 55 because the employment contract was terminated by the employer a voluntary continuation of the insurance cover to the same extent as before can be applied for.

Further information

Early withdrawal/pledging of pension savings for home ownership
An active insured person can claim a sum up until the age of 62 for the purpose of buying his own home. However, he may also pledge a sum or his entitlement to pension benefits.

Divorce
Transfer of part of the retirement savings to the pension scheme of the divorced partner takes place only upon judgment of the court.

Insurance certificate
Insured persons receive an insurance certificate every year showing their current situation with regard to the pension fund.

Pension calculator
It is possible to calculate online the development of retirement benefits based on optional retirement dates and/or taking into account voluntary purchases or early withdrawal of pension savings for home ownership:
www.pensionskasse-syngenta.ch/en/pensions-calculator

Where will I find further information on the Pension Fund?
The detailed regulations and supplementary information are available on the Pension Fund website:
www.pensionskasse-syngenta.ch

Who do I turn to if I have questions on my personal insurance situation?
The employees of the Syngenta Pension Fund will be happy to answer your questions:
Infoline Syngenta Pension Fund
Tel. +41 61 323 5117
pensionskasse.info@syngenta.com

Infomovies
Watch our infomovies providing information about different pension fund topics:
www.pensionskasse-syngenta.ch/en

Glossary

Age
The level of employee's and employer's savings contributions depends on the age of the insured member. This corresponds to the difference between the calendar year and the year of the insured person's birth.

Bridging pension
Temporary pension that is paid out between retirement and the start of the statutory (OASI) pension (optional).

BVG / LOB
Federal Law of 25 June 1982 on Occupational Old Age, Survivors' and Disability Benefit Plan, in force since 1985. The LOB is a framework law stipulating minimum standards. It is supplemented by the Federal Law on Vesting in Occupational Benefit Plans (FLV).

Conversion rate
The rate used to convert the accumulated retirement savings into an annual retirement pension upon retirement.

Compulsory benefits
The LOB defines minimum compulsory benefits. Occupational benefits institutions are required to guarantee these minimum benefits in all cases. The Pension Fund pays higher benefits. The difference from the minimum benefits defined by the LOB is regarded as noncompulsory.

Defined contributions
Pension fund system in which the benefits are calculated on the basis of the contributions paid (incl. interest). While the level of the contributions is known, the level of benefits cannot be exactly predicted, e.g. as a result of future developments in terms of investments and inflation.

Domestic partner's pension
Survivor's benefits to an unmarried domestic partner that correspond to the level of the spouse's pension. The entitlement to a domestic partner's pension is tied to certain formal requirements (filing of a domestic partnership agreement).

FZG / FLV
Federal Law of 17 December 1993 on the Vesting of Occupational Old Age, Survivors' and Disability Benefit Plan, in force since 1995.

Level of employment
The contractual working time expressed in percent.

OEHO
Ordinance of 3 October 1994 on the Encouragement of Home Ownership through Occupational Old-age Benefit plans, in force since 1995.

Risk insurance
Risk insurance pays benefits in the event of disability and on the death of the insured person. The level of benefits is determined as a percentage of the insured remuneration or of a current pension.

Glossary

Substitute Occupational Benefits Institution
Occupational benefits institution of the social partners that serves the legal function of ensuring that employers join the Occupational benefits scheme. It not only provides continued voluntary insurance for people in self-employment and for employees who earn a level of income from several employers that necessitates assignment under the occupational pensions law (LOB), but also operates vested benefits accounts.

Tax at source
Lump sum benefits from the Pension Fund that are paid to an insured member who lives abroad are taxed directly at source, i.e. at the occupational benefits institution's place of business. The Pension Fund deducts the amount directly from the lump sum.

Vested benefits
Insured members who leave the Pension Fund before a claim (disability, retirement or death) are entitled to the vested benefits (also known as the portable sum).

Notes

Notes

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Publication date: January 2022

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