

Explanations of PF1 and PF2 insurance statement

Basis of calculations

Base salary, incentive/bonus and shift allowance are insured up to a threshold of CHF 150,000 in PF1. Components of pay that exceed this threshold are insured in PF2.

Insured remuneration

The insured remuneration in PF1 and PF 2 is calculated on the basis of the provisions set forth in the regulations.

Expected retirement benefits

The projected retirement benefits in PF1 are calculated on the basis of the existing vested benefits (transferabilities) with the future retirement credits and the anticipated rate of interest and converted to a pension using the conversion rate.

The savings are paid out at the time of retirement. Instead of the one-off payment, a fixed-term bridging pension may be paid out up to the statutory (AHV) retirement age.

The projected retirement lump sum in PF2 is calculated on the basis of the existing vested benefits (transferabilities) with the future retirement credits and the anticipated rate of interest.

Pension benefits PF1

- The disability pension (payable until statutory retirement age is reached) amounts to 60% of insured remuneration under the risk plan.
- The spouse's / lifetime partner's pension amounts to 60% of the insured disability pension.
- The child pensions (disability child and orphan's pension) amount to 20% of the insured disability pension per child. Child pensions are paid up to the age of 20, or 25 in the case of continuing education.
- The insured lump sum on death is additionally paid (as a single lump sum). Beneficiaries as defined in provisions set forth in the regulations.

Pension benefits PF2

In the event of death or disability, the relevant lump sum is paid out.

Transferabilities

Existing vested benefits (in PF1 and PF2 retirement plans and in PF1 savings plan) on date of calculation in CHF.

Contributions

The contributions cover the retirement and savings plans and the pension benefits in PF1 and the retirement plan and pension benefits in PF2

Basel, January 13, 2023

Insurance data on 01.01.2023

all amounts in CHF

Basis of calculation		Insured remuneration	PF1	PF2	MPF
Level of employment	100.00%	Retirement plan	124'275.00	35'000.00	0.00
Base salary (100%)	170'000.00	Risk plan	144'275.00	35'000.00	0.00
Incentive/Bonus	15'000.00	Savings plan	159'275.00		

Expected retirement benefits (assumed rate of interest PF1: 2.0%, PF2: 2.0%, MPF: 2.0%)

Age	Retirem. acc. PF1	CR	Pension PF1 ¹	Savings acc.	Lump sum PF2	Lump sum MPF
60	1'212'299.60	4.36%	52'860.00	140'295.35	211'330.30	0.00
61	1'274'263.40	4.48%	57'096.00	148'676.45	224'394.90	0.00
62	1'337'466.45	4.60%	61'524.00	157'225.20	237'720.75	0.00
63	1'401'933.60	4.72%	66'180.00	165'944.90	251'313.20	0.00
64	1'467'690.05	4.85%	71'184.00	174'839.00	265'177.45	0.00
65	1'534'761.65	5.00%	76'740.00	183'910.95	279'319.00	0.00

¹ Possible children's pension: 20% of the received retirement pension

Pension benefits	PF1	PF2	MPF
Disability pension	86'568.00		0.00
Disability pension per child	17'316.00		0.00
Lump sum on disability (once)	0.00	140'000.00	
Spouse's pension / lifetime partner's pension	51'948.00		0.00
Orphans' pension per child ²	17'316.00		0.00
Lump sum on death (once)	193'636.00	140'000.00	0.00

² Orphan's pension: 20% (in case of death of both parents: 40%)

Transferabilities	PF1	PF2	MPF
Retirement account (incl. BVG CHF 55'889.00)	208'148.00	2'185.40	0.00
Savings acc.	0.00		

Contributions per month	PF1	PF2	MPF			
Contribution scale	Plus	Plus	Standard			
Retirement plan	7.55%	781.90	6.50%	189.60	10.00%	0.00
Risk plan	0.60%	72.15	0.40%	11.65		
Savings plan	0.00%	0.00				
Short Term Incentive (once a year)					10.00%	0.00
Total contributions employee		854.05		201.25		0.00
Retirement plan	11.10%	1'149.55	9.00%	262.50	15.00%	0.00
Risk plan	1.20%	144.30	0.80%	23.35	5.00%	0.00
Savings plan	0.00%	0.00				
Short Term Incentive (once a year)					15.00%	0.00
Total contributions employer		1'293.85		285.85		0.00

Explanations of PF1 and PF2 insurance statements - continued

Purchase options

Amounts in CHF of the possible voluntary contributions that can be paid in as per the relevant date to finance missing contribution years in the PF1 and PF2 retirement plans and the savings plan (PF1) and to finance early retirement at 60 (PF1).

PF2 Selected investment strategy

Account of the investment strategy selected in EquatePlus for information

Further information

Information filed with Novartis Pension Funds – where applicable – are listed here, such as:

- Vested benefits on marriage
- Vested benefits at age 50
- Withdrawal option for home ownership purposes
- Pledging for home ownership
- Unpaid leave

and details on benefits for survivors

- Support agreement,
- Order of beneficiaries

Insurance data on 01.01.2023
Mustermann Hans, 2999998

Possible purchase	PF1	PF2	MPF
Retirement plan	89'117.80	60'464.60	0.00
Savings plan	0.00		
Early retirement	337'282.35		

Further information	PF1	PF2	MPF
Transferability at date of marriage	113'243.35	0.00	0.00
Maximum amount for home ownership purposes	197'156.80	0.00	0.00
Investment strategy chosen		Equities 40 ^{plus}	
Yearly compensation credit			
... Retirement plan PF1	610.10		
Support agreement deposited			Yes
Request for order of beneficiaries changes deposited			Yes
Pledge for home ownership purposes			No
Unpaid leave			No

This certificate replaces all previous ones. It is for information purposes only and does not constitute a legal claim to the benefits indicated therein. The benefits are calculated on a case-by-case basis based on the pertinent Regulations.