

Lonza Pension Fund

AHV21 Revision





Impact on insured employees

VERTRAULICH



- On September 25, 2022, the Swiss electorate approved the reform to stabilize the AHV (AHV21).
- The reform comes into force on January 01, 2024.
- The reform is intended to secure financing for the first pillar until the year 2030.
- A key element is the **gradual increase in the retirement age (new reference age) for women from the current age of 64 to 65.**
- There are also further adjustments that are relevant for PKL.
- The Board of Trustees of the Lonza Pension Fund has adapted its pension fund regulations to the new AHV regulations as of 01.01.2024.

Overview of adjustments to the Lonza Pension Fund

Topic	Description	Until now (until 31.12.2023)	New (from 01.01.2024)
	Reference age 65 for women: Increase from age 64 to 65	Regular retirement age for women: 64 years	Gradual increase from 2025 - 2027; reference age 65 from 2028
	Deferral: until age 70, even without levying contributions	up to 70 possible, but only <u>with</u> levying of contributions	up to 70 possible, even <u>without</u> levying contributions
	Partial retirement: offers at least 3 pension steps	3 steps possible, according to reduction in <u>degree of employment</u>	3 steps possible, new according to <u>salary</u> reduction
	Capital withdrawal: offers max. 3 steps	Max. 2 steps possible	3 steps possible

Reference age 65 for women

- The reference age for women is aligned with that of men (65 years).
- The increase will be phased in by 3 months per year over 4 years (2024 - 2027).
- The first increase will take place one year after the revision comes into force, i.e. in 2025.
- From 2028, a uniform reference age of 65 will apply for women and men.

Calendar year	Year of birth	Reference age
2024	1960 and older	64 years
2025	1961	64 years and 3 months
2026	1962	64 years and 6 months
2027	1963	64 years and 9 months
2028	1964 and younger	65 years

Example: Women born in November 1962 reach the reference age at 64 years and 6 months, i.e. in June 2027.

Until now

- The pension plan can be continued up to a maximum age of 70
- An employment relationship with the employer must continue to exist for this purpose
- Continued insurance is provided with contributions from the company and the insured person

New

- The pension plan can be continued up to a maximum age of 70 - **No change**
- An employment relationship with the employer must still exist for this - **No change**
- **There is no obligation to pay contributions during the deferral period, but the pension fund can (continue to) provide for a contribution payment**

Partial retirement - number of steps and options for lump-sum withdrawal

Until now

- Partial retirement currently corresponds to the reduction in the degree of employment
- Three steps are possible, of which a lump-sum withdrawal can be requested twice
- The following restrictions apply to the retirement steps:
 - Each step in partial retirement must amount to at least 20% of a full workload
 - The remaining workload must be at least 20% of a full workload

New

- The insured person can choose how high the retirement benefits drawn should be, but these may **not be higher than the salary reduction** before the reference age (**first step at least 20% of the individual retirement benefit**)
- Three steps are possible, **three** of which may require a lump-sum withdrawal

Questions? You are welcome to contact the PKL team!

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