

Keeping you updated

Defined benefits (DB)

Summer 2020

What's inside?

Your new Fund website and online retirement modeller	Page 2
Protect yourself from scammers	Page 2
DB financials and membership	Page 3
DB funding	Page 3
DB investments	Page 4
Who's the Trustee?	Page 5
How do I...?	Page 6
Don't forget	Page 6

Welcome to your new-style Trustee update, which celebrates the launch of [My CS Pension Place](#) – a new information website for members of the Fund. Hopefully, you've already taken a look at [My CS Pension Place](#) to see what's there! If you haven't had an opportunity to do so yet, please make a note to visit sooner rather than later.

I also want to tell you about a new online retirement modeller that will help you decide how you want to receive your pension, if you're starting to think about that.

First, though, I want to give you an update in relation to COVID-19. For all of us, the last few months have been challenging. However, I want to reassure you that the Fund continues to operate as normal.

- Your defined benefit (DB) pension is not affected by market volatility, as it's based on pensionable service and salary while employed by a Credit Suisse company.
- The Trustee has been meeting regularly, albeit remotely, to assess

how the Fund is performing in all areas. This includes monitoring the funding level, the performance of investments and the service providers to the Fund.

- Despite significant market volatility, the funding level has been relatively robust.
- The Fund administrator, Fidelity, has effective business continuity arrangements in place, with the administration teams working mostly from home using secure online technology. Some enquiries that are not time-critical may take a bit longer than normal, as the teams prioritise work to ensure pensioners and members approaching retirement get their

benefits paid. **If possible, please email rather than phone Fidelity if your query is not urgent.**

I encourage you to take some time to read this update. We'd like to hear from you to help us shape the content of future updates. Contact details are shown on the back page.

Finally, I wish you all the best as we tentatively come out of lockdown and try to make the most of the rest of the summer.

Enjoy!

Glenn Wellman
Chair of Trustees

Help us save paper

In future, we'd like to send you updates like this and other information about the Fund by email.

The simplest way to provide (or update) your email address is to register for (or log on to) Fidelity's DB website at www.mydbpension.com. Alternatively, please contact Fidelity – see contact details on page 6. If you don't want to receive information by email, please let Fidelity know.

Your new Fund website and online retirement modeller

A key focus of the Trustees over the last 12 months has been to give better online access to information about your Credit Suisse pension and, if you haven't started taking it yet, the choices you have for taking your pension.

The new website – **My CS Pension Place** – is for all members and beneficiaries. It's a "first layer" of general information that answers frequently asked questions, and guides you to more detail and support elsewhere. The address is **www.mycspensionplace.co.uk**.

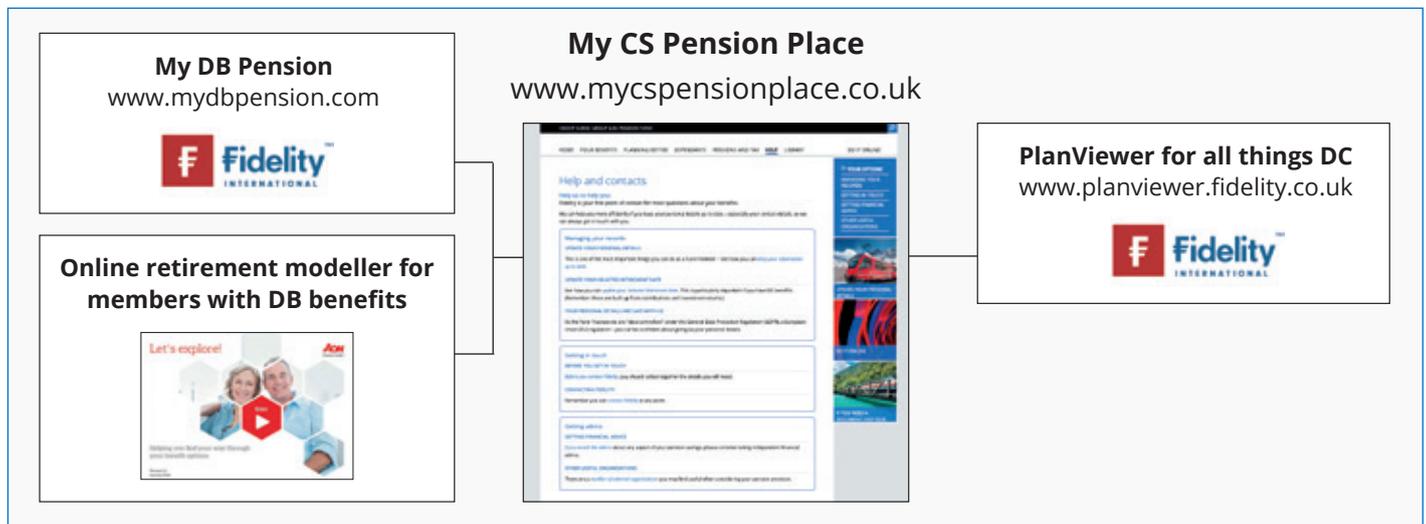
It's also there to help former

members who've lost touch with their pensions or bereaved relatives to track down the benefits that are due to them.

My CS Pension Place doesn't hold any personal details about you or your individual benefits, so you don't need to log on. If you want to see personal information about your membership, **My CS Pension Place** includes links to the administrator's websites:

- Fidelity's Mydbpension website holds details of your DB pension. The address is **www.mydbpension.com**.

- If you also have defined contribution (or DC) benefits in the Fund, you can see information about your individual DC pension account on Fidelity's PlanViewer website. The address is **www.planviewer.fidelity.co.uk**.
- If you're over 55 (50 for some members), we're introducing a new online retirement modeller you can use to compare your retirement options inside and outside the Fund. Starting later this year, you'll get access to the modeller if you receive a retirement or transfer value estimate.



Remember, if you transfer your pension benefits out of the Fund, this is an irreversible financial decision. If you are considering a transfer, you should consult an independent financial adviser before making any decisions. (This is a protection in law if your DB transfer value is more than £30,000.)

Further reading

My CS Pension Place includes links to guidance bodies and help with finding a financial adviser at **www.mycspensionplace.co.uk/help-and-contacts**

Protect yourself from scammers

Now more than ever, you should be aware of the increased risk of losing your pension benefits to scammers. It's a sad fact that scams become more prevalent at times of financial uncertainty, and we have seen a surge in scamming activity generally – and pension scams specifically – since COVID-19 impacted our lives.

If someone contacts you out of the blue about your pension, please be careful! Look out for the following tell-tale signs of a pension scam:

- You received a cold call or unsolicited text about reviewing or releasing your pension. (These became illegal in January 2019.)
- Promises of high investment returns, possibly guaranteed, that seem too good to be true.

- You're pressurised into signing quickly.
- The contact details for the organisations they claim to be are a mobile number.
- You've been approached by someone claiming to be from Pension Wise, the Money Advice Service or another legitimate sounding organisation. (These organisations do not cold-call people.)

If you've been tempted by an offer to transfer your pension, it's vital that you check it's genuine. You can check the Financial Conduct Authority's (FCA) website for the latest information on how to avoid pension scams at **fca.org.uk/scamsmart**

DB financials and membership

Each year, the Trustee prepares an Annual Report and Financial Statements which are then audited by an independent auditor. This section contains some key figures from the Annual Report and Financial Statements for the year ending 31 December 2019.

Financials

The table below summarises how the DB section finances developed over the year.

	£ Million
Value as at December 31, 2018:	2,075,772
Income – contributions	909
Income – other	6,606
Investment return	267,865
Expenditure (includes benefits paid, transfers out of the Fund and administrative expenses)	64,785
Value as at 31st December 2019:	2,286,367

Membership

Over the same period, the DB membership (including hybrid members with both DB and DC benefits) developed as follows:

	2019	2018
Active members	80	91
Deferred members	3,703	3,858
Pensioners and dependants	854	778

Further reading

The Annual Report and Financial Statements is on My CS Pension Place.
www.mycspensionplace.co.uk/document-library/



DB funding

In our June 2019 Trustee update, we reported the results of the latest actuarial valuation for the DB section. This was based on information as at December 31, 2017, and showed the Fund was in a strong financial position.

An actuarial valuation takes place every three years. It compares:

- how much money the Fund is likely to need to pay everyone their benefits (the “liabilities”); with
- the total amount of money it currently has (the “assets”).

The table below shows the results of the 2017 valuation and the funding update as at December 31, 2018.

	Actuarial valuation as at December 31, 2017	Funding update as at December 31, 2018
Assets	£2,258.4 million	£2,075.8 million
Liabilities	£1,928.8 million	£1,754.9 million
Surplus	£329.6 million	£320.9 million
Funding level (assets divided by liabilities)	117%	118%

What's changed?

The liabilities decreased over 2018, mainly due to the rise in long-term interest rate expectations and benefits paid out.

The value of the Fund's assets fell by a similar amount, with the fall in value of the hedging assets broadly matching the fall in liabilities.

The latest funding update (as at December 31, 2019) showed that the funding position has improved. We will share more details in next year's update.

Financial markets have been volatile so far in 2020, but the funding position has remained relatively stable due to the Fund's investment strategy.

The next actuarial valuation will take place as at December 31, 2020.

Contributions and security from the Bank

As the 2017 actuarial valuation revealed a surplus, no additional deficit reducing contributions are needed from Credit Suisse.

Credit Suisse maintains an escrow account to provide additional financial security for the Fund and, as part of the 2017 valuation, agreed to put in place a revised escrow arrangement. This arrangement aims to maintain sufficient funds to provide benefits in full if the Fund

had to be wound up and benefits secured through an insurance company – allowing for the assets in the Fund and the assets in the escrow. The funds in the escrow are subject to periodic rebalancing and a cap of £325 million.

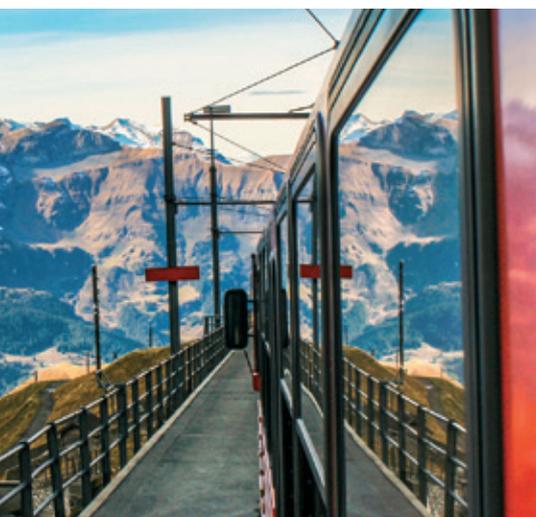
The Pensions Regulator and payments to Credit Suisse

We are required by law to tell you whether the Pensions Regulator has used any of its powers in relation to the Fund – either to change the rate of contributions or benefits, or the way in which liabilities are calculated. We also have to tell you if any payments of surplus have been made to Credit Suisse since our last funding update. The Trustee can confirm that we didn't pay any surplus assets to Credit Suisse and no such orders have been imposed by The Pensions Regulator.

If the Fund was wound up

Even though Credit Suisse has no current intention of winding up the Fund, we have to tell you the funding level (as at the last valuation) if the Fund was wound up.

The estimated amount needed, if the assets and the responsibility for paying your DB benefits were transferred to an insurance company on December 31, 2017 was £2,260.2 million, whereas the value of the assets at the same date was £2,258.4 million. This meant that the Fund could cover almost 100% of the estimated cost of securing benefits. This estimate does not allow for the escrow account.



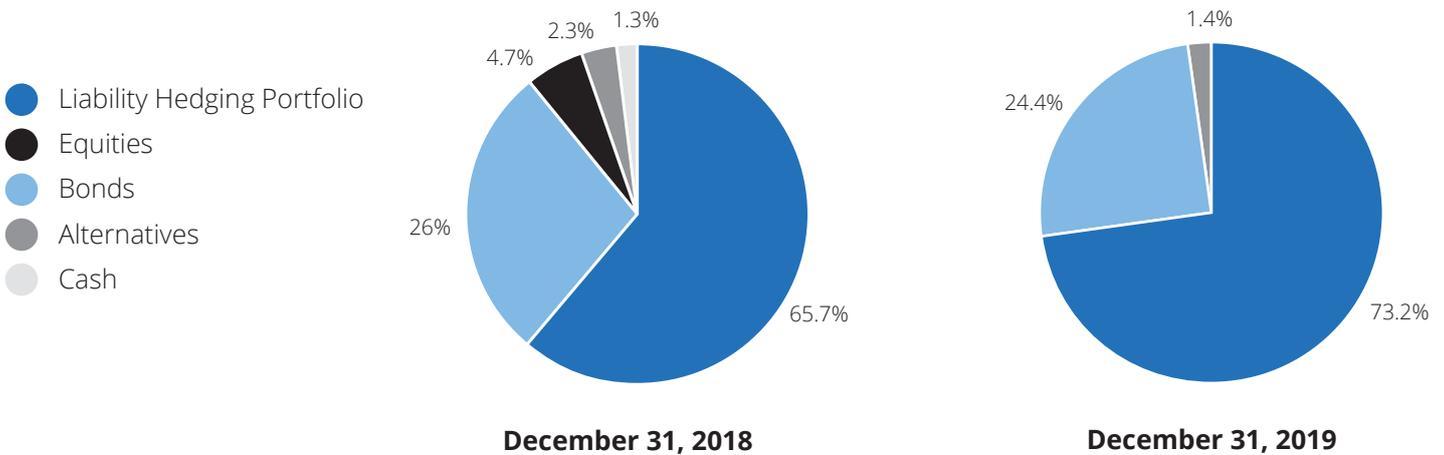
DB investments

During 2019, our investment committee worked with the Fund's investment advisers to ensure that the investments are managed in line with our Statement of Investment Principles, and to monitor the effectiveness of the strategic asset allocation relative to our investment objectives and funding assumptions.

Over the last few years, the Trustee has been moving to an investment strategy that carries a materially lower level of risk. As part of this process, the remaining equity assets were sold during 2019. We also reduced the amount the Fund invests in property still further. These property investments form part of our "Alternatives" portfolio. Our aim is to sell all the Fund's property investments this year.

Our “Liability Hedging Portfolio” continues to play an important role in our work to make sure the Fund has enough money to pay members’ benefits – pensions, lump sums and transfer values – as they fall due.

The charts below show the asset allocation of the Fund as at 31 December 2018 and 2019.



Performance

Over the year to December 31, 2019, the DB section’s assets achieved an overall return of 14.0%. The target benchmark was 12.3%.

Further reading

The Statement of Investment Principles is on My CS Pension Place. The address is: www.mycspensionplace.co.uk/document-library/

Who is the Trustee?

Trustee

- Credit Suisse First Boston Trustees Limited

Trustee Directors

- Glenn Wellman (Chairman)
- Adrian Cooper (Deputy Chairman)
- Paul Brine
- Stephen Foster – member nominated

Stephen agreed to stand again for a further 4-year term, and the Trustee was delighted to reappoint Stephen from 1 January 2020. This is excellent news for members as Stephen has been instrumental in overseeing the administration and communication work for the Fund.

- David Mayes
- Simon Meadows

- Patrick Flaherty – member nominated
- Alex Spain – member nominated
- The Law Debenture Pension Trust Corporation plc represented by Vicky Paramour – Independent Trustee

You can contact the Trustee via the Fund’s Chief Operating Officer:

- By email: cspensions@pegasusplc.com
- In writing:

Jayne Pocock – Chief Operating Officer to the Trustee

Credit Suisse Group (UK) Pension Fund
Pegasus Pensions Plc
Fifth Floor, 100 Wood Street
London EC2V 7EX



Don't forget

Please tell us when any of the following happens to you.

If any of your contact details change

We need to be able to stay in touch with you about the Fund and your benefits. To help us, please always let us know if any of your contact details change. Please also be sure to include an **email address**.

If you move house

In particular, if you move house, we need to know to make sure personal or sensitive information doesn't go to your old address.

If you're a pensioner and your bank details change

If you change the account we pay your pension into, please tell us by the 10th of the month to avoid delays to your pension. (Pensions are paid on 1st of each month.)

How do I...?

Contact the Fund administrator

For information about your benefits or the Fund in general, contact Fidelity:

- By telephone: **0800 3 68 68 70** (+44 1325 744755 if calling from outside the UK)
- In writing: **Fidelity**
PO Box 20
Brinkburn Road
Darlington DL1 9HD
- By email: **dbpensions.service@fil.com**
- Administrator DB website: **www.mydbpension.com**
- Administrator DC website: **www.planviewer.fidelity.co.uk**

Check how we use your personal details

Your personal details are safe with us. As the Fund Trustees, we are "data controllers" under the General Data Protection Regulation. Our Privacy Notice explains how we collect, store and use your personal details.

Update my beneficiary details

It's important to do this if your personal circumstances change. For benefits where the Trustee has discretion over who receives them, you need to fill in a nomination form to tell the Trustee who you'd like to receive them. You can do this by contacting the administrator (above) or by downloading a form from the Fund website:

www.mycspensionplace.co.uk/document-library/

Contact the HMRC tax office that deals with my pension

If you have a query about how your pension is taxed, phone 0300 200 3300 and quote your National Insurance number and the tax office reference 567/ZZ31839. Their address is Pay as You Earn, HMRC, BX9 1AS.

Further reading

Our Privacy Notice is on My CS Pension Place. The address is: **www.mycspensionplace.co.uk/document-library/**

Help us save paper

In future, we'd like to send you updates like this and other information about the Fund by email.

The simplest way to provide (or update) your email address is to register for (or log on to) Fidelity's DB website at **www.mydbpension.com**. Alternatively, please contact Fidelity – see contact details on page 6. If you don't want to receive information by email, please let Fidelity know.