

INTO THE HR JARGON JUNGLE

COMPANY PENSION SCHEME

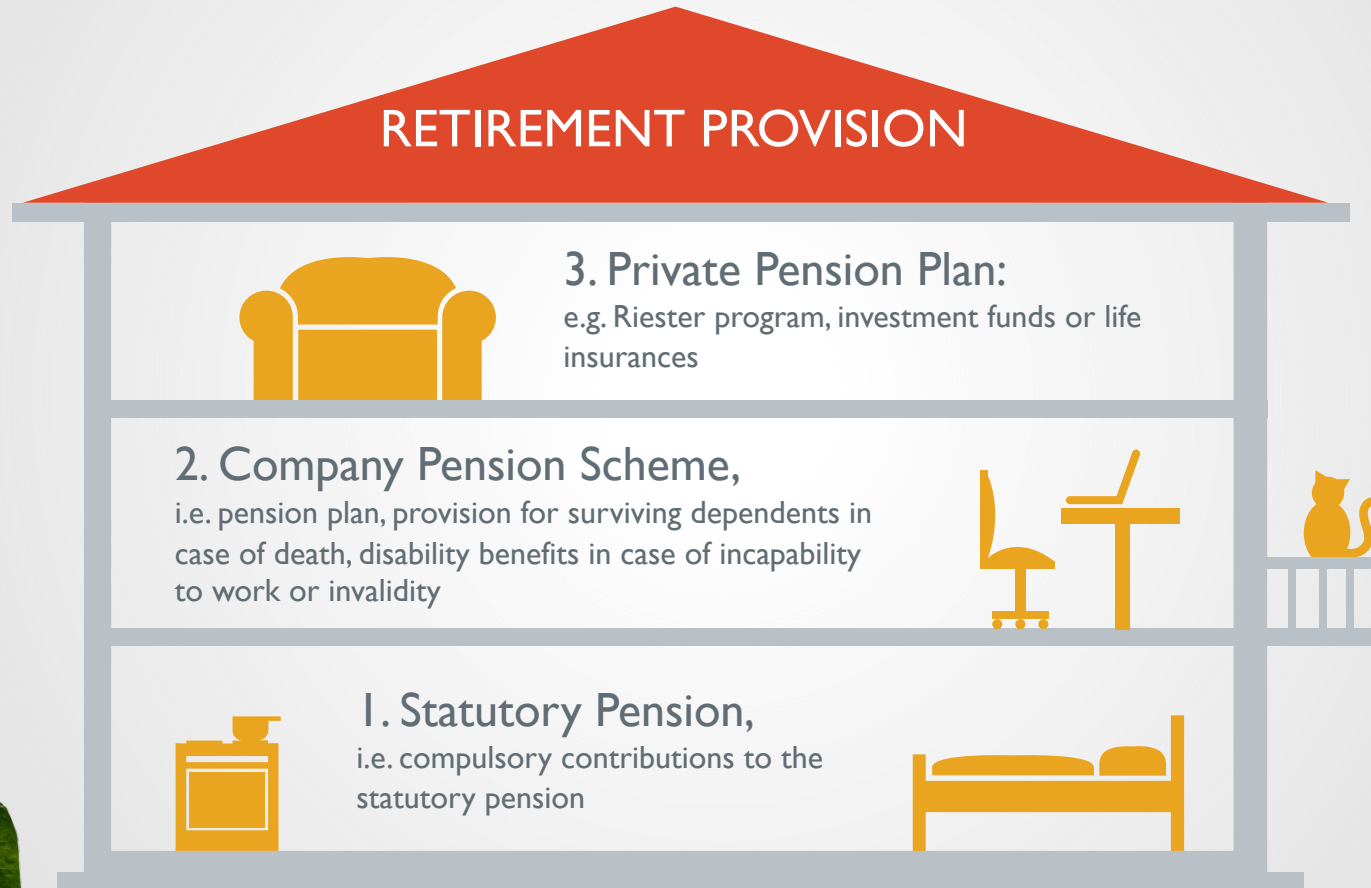


DEFINITION

- Company pension schemes are a voluntary supplementary benefit provided by employers. See *Benefits No. 2 of "Into the HR jungle"*
- In addition to statutory and private pension plans, a CPS can be an important component of retirement provisions for employees.
- An attractively designed company pension scheme, i.e. tax-optimized and supported by the employer, can be advantageous for both employers and employees.
- How beneficial a CPS for employees is, depends on whether it involves salary conversion, an employer-funded CPS, or a combination of both - and which implementation methods are chosen.

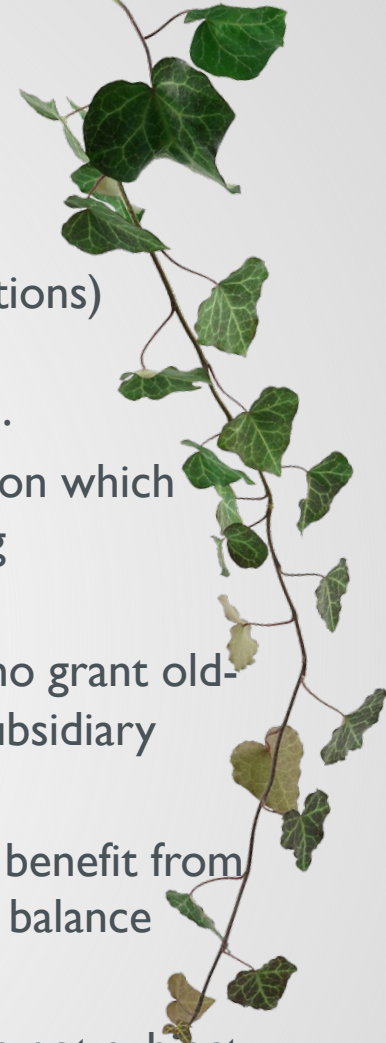


3-LAYER-MODEL



5 WAYS OF IMPLEMENTATION

1. **Direct Insurance:** employer (policyholder, holds rights and obligations) takes out a company pension insurance for the employee (insured person). Contributions paid by employer and/or employee.
2. **Pension Fund (Pensionskasse):** legally recognized pension institution which implements company pension schemes for employees and surviving dependents (direct legal entitlement).
3. **Pension Fund (Pensionsfonds):** independent pension providers who grant old-age, disability and/or survivor benefits. The employer is liable in a subsidiary capacity for fulfilling the pension entitlement (social partnership).
4. **Direct Commitment:** employer promises the employee a direct benefit from the company pension scheme and creates provisions for this in the balance sheet.
5. **Provident Fund:** a legally independent pension institution which is not subject to the Insurance Supervision Act and enjoys capital investment freedom.



BACKGROUND

- Retirement planning refers to the provision and securing of financial means for retirement, including coverage for disability and death benefits for surviving dependents.
- As the level of benefits in the statutory pension insurance continues to decline, the importance of private pension plans and company pension schemes is growing.
- Those who make smart provisions for themselves can maintain their accustomed standard of living later on, know that their family is well provided for in case of emergencies or can implement long-cherished, expensive plans after their active employment has finished.



OUR THEORY ON CPS

In Germany and similarly structured countries, company pension schemes can serve as a clear differentiating factor in the labor market, giving employers a competitive edge for recruiting top talent and also contributing to long-term employee retention.

For this to happen, company pension schemes must gain more recognition and importance in general. Regarding CPS as a benefit, an informative communications strategy aligned to the corporate culture, can mean a win-win for both employers and employees.

Please refer to "projects" on our Unequity website.



THE WAY OUT OF THE JUNGLE

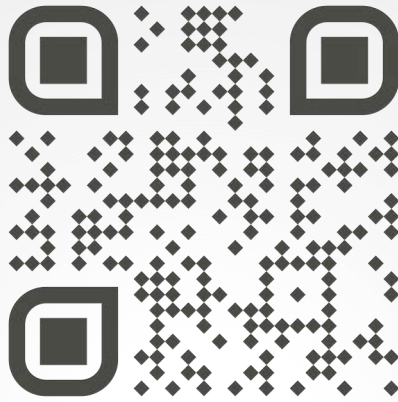


What you can do:

- Provide targeted information tailored to different needs
- Develop concrete examples for various scenarios
- Offer calculation models for individual customization

We communicate your company pension scheme offer and bring the opportunities and perspectives closer to your employees.

Get in touch!



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THROUGH COMMUNICATION

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