

## Occupational retirement provision for employees

Time is running out!  
One in five pensioners is threatened by poverty in old age.\*

You want to be **financially independent** in retirement and not being forced to work beyond the age of 70? Don't rely on the government to solve the problem. **Become active now and use the possibilities occupational retirement provision offers!**

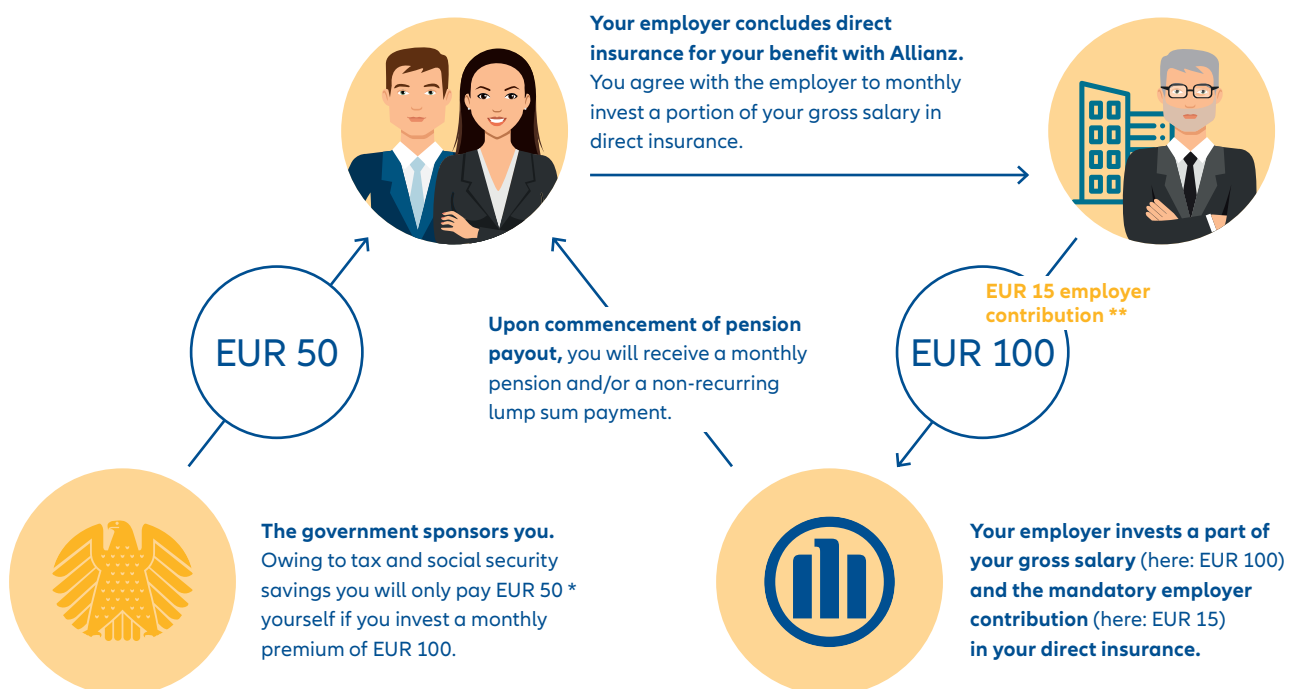


„ ... the pension is safe, but not its amount ... “

**Reiner Holznagel**  
President of the Taxpayers' Associations

\*Source: Statista 04/2018. According to a study of the Center of Economic and Social Research (DIW) and Leibniz Centre for European Economic Research (ZEW) carried out on behalf of the Bertelsmann foundation, every fifth new pensioner in 2036 will be threatened by poverty.

The Government pays **up to 50 %** of your occupational pension plan.



\* Assumptions regarding the model calculation: 30 % tax charge, without church tax and solidarity surcharge, 20 % in social security contributions. Your insurance coverage is subject to the terms and conditions of insurance. Please consult your insurance intermediary to find the best possible solution for your need.

\*\* Under a salary conversion scheme where premiums into either a direct insurance plan, a Pensionskasse or a pension fund are exempt from social security contributions, the employer is required to contribute 15 % of the salary converted up to 4 % of the contribution assessment ceiling stipulated for West German statutory pension insurance (CAC West).

## That's **how** an occupational pension plan implemented via direct insurance works.

### What is direct insurance?

Direct insurance is an annuity insurance the employer concludes for your benefit. It is called direct insurance because the premiums are directly paid from your pay.

### How do I conclude the insurance?

Your employer is required to conclude direct insurance at your request. Contact your employer to find out more. The capital accumulated through your direct insurance belongs to you – even if you change the employer later on.

### What benefits will I receive later?

As of commencement of pension payout you will receive a lifetime guaranteed retirement pension. Every month – regardless of how long you will live. You can also opt for a non-recurring lump sum payment or a combination of pension and lump sum payment.

### How secure and flexible is this model?

In case of insolvency of your employer your vested rights are protected. As of completion of age 62 you can determine the commencement date of pension payout yourself.

## In 2023 you can save up to **EUR 584** monthly tax-free for your retirement.

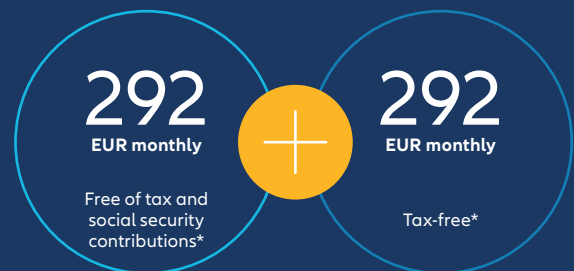
You can monthly invest **up to 8 %** of the contribution assessment ceiling (**EUR 584**) tax-free in your occupational pension.

### Important to know:

**EUR 292, that is half of EUR 584, is also exempt from social security contributions!**

### Alternative incentive:

Besides the described “conversion of gross salary”, you can alternatively make use of subsidies and special expenses deduction, if applicable (so-called Riester incentive). In this case, premium payment will be made from net salary.



\* Up to 4 % of the contribution assessment ceiling (CAC West 2023 – EUR 87,600 p. a.).

Note: Salary conversion can result in lower social security benefits and, if applicable, to mandatory membership of statutory health and long-term care insurance. Benefits are individually taxed and subject to health and long-term care insurance contributions.

## Direct insurance **Perspektive** – Security for your pension.

### Your premiums are well invested

Upon commencement of pension payout a guaranteed minimum pension will be paid. Thus, you already know at conclusion of contract what amount of pension will be paid upon retirement – no matter how the capital market performs.

### Capital gains as additional opportunity

Attained gains will be credited to your contract and are protected against loss.

### The Allianz experts invest above all in these asset classes:

#### Fixed-income securities

(e. g. mortgage bonds/corporate bonds)

#### Perspektive investment concept

Yield-oriented investments  
(e. g. shares/real estate)

Long-term, capital market-independent investments  
(e. g. infrastructure projects)