

News / November 9, 2021

New women's finance platform elleXX partners with Vontobel to launch digital elleXX 3a pension solution

- **Objective: Close the gender pension gap**
- **Challenge: Women use Pillar 3a less than men**
- **Opportunity: Almost 20% of women want to use digital pension solutions in the future**

The digital platform elleXX, which focuses on financial topics for women, will offer a digital elleXX 3a pension solution in cooperation with Vontobel from November 9, 2021. The accumulation of wealth in Pillar 3a helps to reduce pension shortfalls. With the elleXX 3a investment solution, female investors will be able to benefit from Vontobel's investment expertise together with the long-term gender equality philosophy and vision of elleXX.

From November 9, 2021, elleXX 3a will be available on the elleXX digital platform. With the elleXX 3a solution, clients can profit from the vast international investment expertise of Vontobel's around 300 investment specialists and invest their money in periods when their bank accounts are barely generating any interest. Over the long term, they will benefit from potential return opportunities in financial markets in line with the motto "Investing is the new form of saving".

elleXX focuses on financial topics that are geared especially – but not exclusively – towards women and are designed to close the financial shortfalls they face. The gender pension gap demonstrates the fact that women in particular are dependent on the accumulation of wealth in Pillar 3. "We are pleased to work with elleXX. This enables us to offer a solution for women that will close financial gaps thanks to the investment opportunities offered by Pillar 3 and thus actively help to reduce the gender pension gap in Switzerland," says Christel Rendu de Lint, Vontobel Deputy Head Investments and a member of the Global Executive Board.

To close any pension gaps, individual savings via the tax-privileged Pillar 3a are especially important. Payments made into Pillar 3 can be deducted from taxable income. It is therefore worth paying in the annual maximum sum by December 31, 2021. The maximum amount for 2021 is CHF 6,883 (for employees with a pension fund). In view of low interest rates, it is also sensible to not leave money sitting in a Pillar 3a account and to invest it instead.

Women still make limited use of opportunities relating to individual pension provision, according to a study by the Institute of Financial Services Zug IFZ of the Lucerne University of Applied Sciences and Arts that was published last year. Vontobel and Raiffeisen commissioned a survey of more than 1,200 members of the Swiss public aged between 18 and 79 across all regions of Switzerland. The survey found that in 2020, around 72% of male respondents under the age of 65 have a Pillar 3a pension solution, compared to only 67% of female respondents. Only half of all respondents with a Pillar 3a account said that they pay in the maximum permissible amount each year. There were also differences in terms of investment style. On average, women have a slightly higher allocation to cash and thus appear to be slightly more risk averse than men. In total, 52% of female respondents who invest in Pillar 3a had an allocation to securities of only up to 10% despite this phase of continued low interest rates and good stock market conditions.

Viewed overall, the IFZ therefore believes that private pensions represent a growth market and that its development should gain further momentum with the help of digital solutions. In fact, 18% of the women surveyed who already have a Pillar 3a solution indicated that they could imagine wanting to invest part of their pension contributions digitally in the future. The digital offering on the elleXX platform addresses this need.

According to the responses provided by survey participants, the factors that make a digital pension solution attractive are primarily low costs, good performance, the ability to have a say on what they invest in, and the flexibility to switch between savings in the form of securities and the Pillar 3a savings account. "Vontobel is a family-owned company. And family-owned companies think longer term and operate more sustainably. Vontobel is also digitally fit and has world-leading products. This makes it a good match for elleXX," stated elleXX as it explained its reasons for choosing Vontobel. "We want to encourage women to close gaps in their assets. The gender pension gap still amounts to 37% in Switzerland. Poverty in old age is a female phenomenon and we need to change that. Pillar 3 is the best means of driving that change. People who invest have a long-term investment horizon and achieve tax savings," said elleXX.