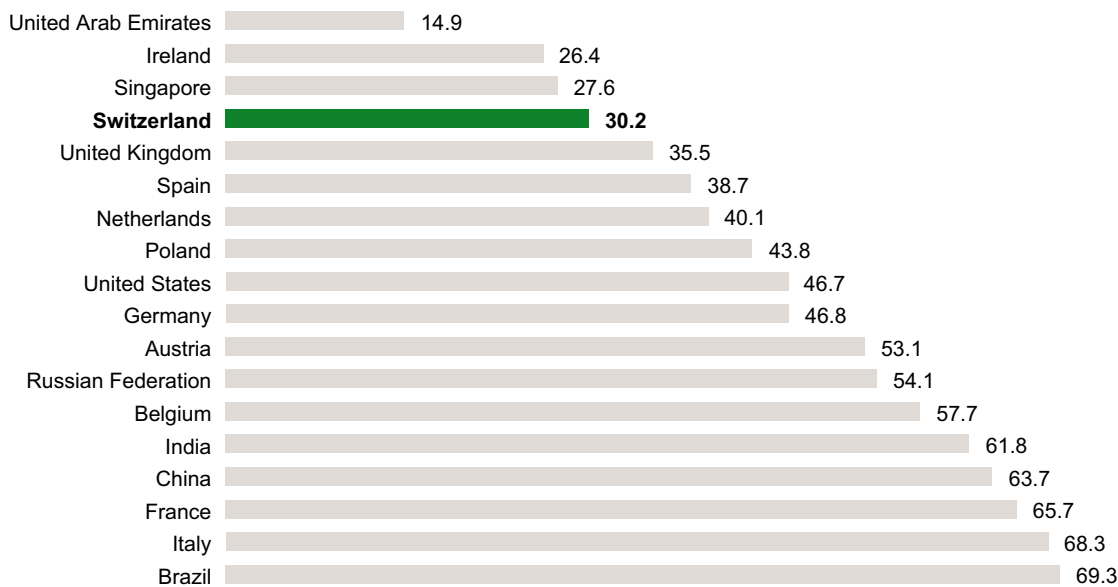

Taxes and social contributions

- 6.1 Taxes
- 6.2 Compulsory social contributions
- 6.3 Cost of capital



6.1.1 General index

6.1.1.1 Total tax rate (in %)

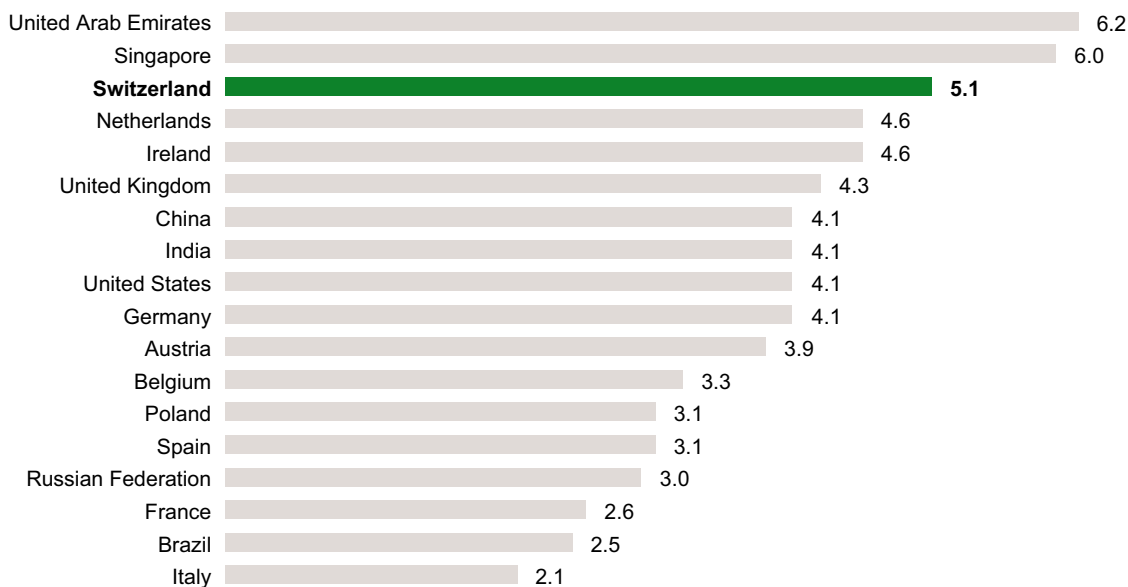


Source: World Economic Forum • The Global Competitiveness Report • 2013 - 2014

Note: The rates listed represent a combination of profit tax (% of profits), labor tax and contributions (% of profits), and other taxes (% of profits).

6.1.1.2 Tax impact on investment

Taxation level is perceived as adequate to encourage investments.
(on a scale from 1 to 7, the higher the better)



Source: World Economic Forum • The Global Competitiveness Report • 2013 - 2014

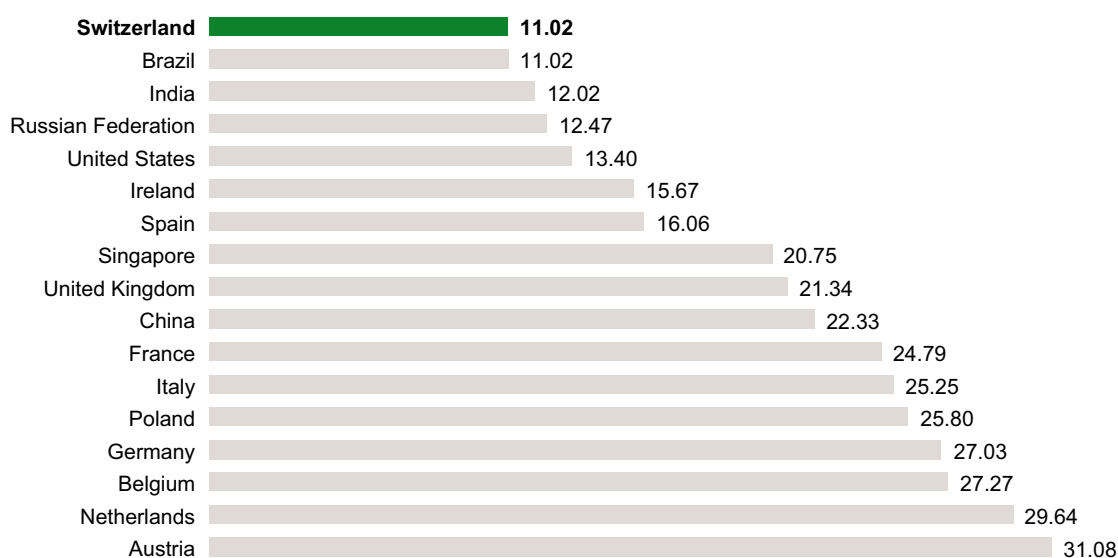
6.1.2 Personal income taxes

6.1.2.1 Personal income tax in Geneva

Net income (US\$)	Tax rate		
	Single	Married without children	Married with 2 children
27,125	4.9%	0.1%	0.1%
54,250	14.9%	4.9%	0.1%
81,375	19.8%	11.2%	4.3%
108,500	23.3%	15.8%	9.6%
135,625	25.9%	19.2%	13.8%
162,750	27.9%	22.0%	17.2%
189,875	29.6%	24.6%	20.2%
217,000	31.3%	26.6%	22.7%
271,250	33.6%	29.3%	26.3%
325,500	35.4%	31.3%	28.7%
434,000	37.8%	34.0%	32.0%
542,500	39.4%	35.8%	34.2%
1,085,000	42.5%	40.2%	39.4%

Source: Ernst & Young • Geneva Taxes • 2012

6.1.2.2 Effective personal income tax rates in 2012



Source: IMD • World Competitiveness Yearbook Online • 2013

Note: Rates are calculated as a percentage of an income equal to GDP per capita. No personal income tax rate in the United Arab Emirates.

6.1.2.3 Effective income tax rates on a gross annual salary of 100,000 US\$ and 300,000 US\$

	Effective income tax on gross income (in %)	
	100,000 US\$	300,000 US\$
United Arab Emirates	5.0	5.0
Singapore	6.7	14.1
Switzerland	11.4	25.6
Russian Federation	13.0	13.0
United States	18.7	26.8
France	20.0	34.0
China	22.0	35.0
United Kingdom	24.1	38.5
Austria	24.4	37.1
India	27.3	29.7
Brazil	27.5	27.5
Poland	27.9	30.6
Germany	28.3	37.0
Netherlands	28.5	44.2
Spain	32.0	43.0
Ireland	32.0	43.0
Belgium	33.9	40.3
Italy	35.6	41.8

Source: KPMG • Individual income tax and social security rate survey • 2012
 Note: Data for the Russian Federation and United Arab Emirates are from 2011.

6.1.3 Corporate taxes

6.1.3.1 Average tax rates applied to corporate income

	Tax rate
Switzerland	11.32 to 24.43
Ireland	12.50 to 25.00
Singapore	17.00
Poland	19.00
Russian Federation	20.00
United Kingdom	24.00
Austria	25.00
China	25.00
Netherlands	25.00
Germany	29.48
Spain	30.00
Italy	31.40
India	32.45
France	33.33
Belgium	33.99
Brazil	34.00
United States	40.00
United Arab Emirates	55.00

Source: KPMG • Corporate and Indirect Tax Survey • 2012

Notes: *Ireland*: The corporate income tax rate is 12.5 percent for active income of new operations. A corporate income tax rate of 25 percent applies to passive income and income from certain land dealing activities, mining and petroleum activities. Capital gains are taxed at 30 percent with a participation exemption for gains on disposals of certain shareholdings of 5 percent or more of companies resident in EU or income tax treaty sales. *Switzerland*: The maximum effective corporate tax rate ranges from 11.32 percent to 24.43 percent depending on the canton and the commune. The rate comprises federal, cantonal and communal taxes. All 26 cantons apply different tax rates.

6.1.3.2 Treaty withholding rates

Payments from a Swiss company to	Minimum rate on dividend ordinary rule ¹	Minimum rate on dividend subsidiary	Royalties on licences ²
Austria	15%	0%	0%
Belgium	15%	10%	0%
Brazil (no treaty)	35%	35%	0%
China	10%	10%	0%
France	15%	0%	0%
Germany	15%	0%	0%
India	10%	10%	0%
Ireland	15%	10%	0%
Italy	15%	15%	0%
Netherlands	15%	0%	0%
Poland	15%	0%	0%
Russian Federation	15%	5%	0%
Singapore	15%	5%	0%
Spain	15%	0%	0%
United Arab Emirates	15%	5%	0%
United Kingdom	15%	0%	0%
United States	15%	5%	0%

Source: Kendris • 2012

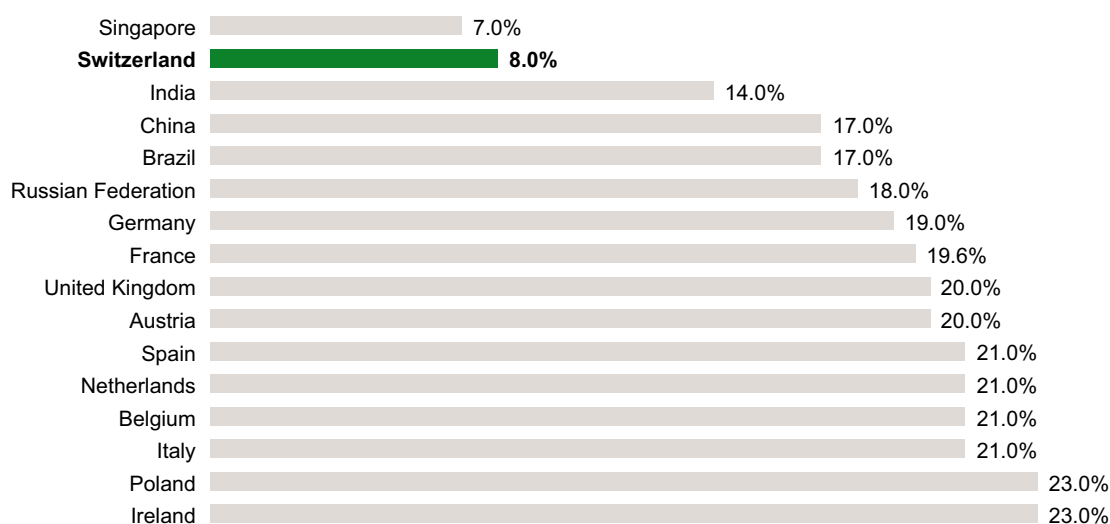
Notes: Rates from treaty applied as of the 31st of August 2012.

1. Dividend paid by a Swiss company is subject to a 35% Swiss withholding tax and can be reduced according to the above-mentioned tax treaty rates.

2. There is no Swiss withholding tax on payment of royalties.

Data for Poland are not available.

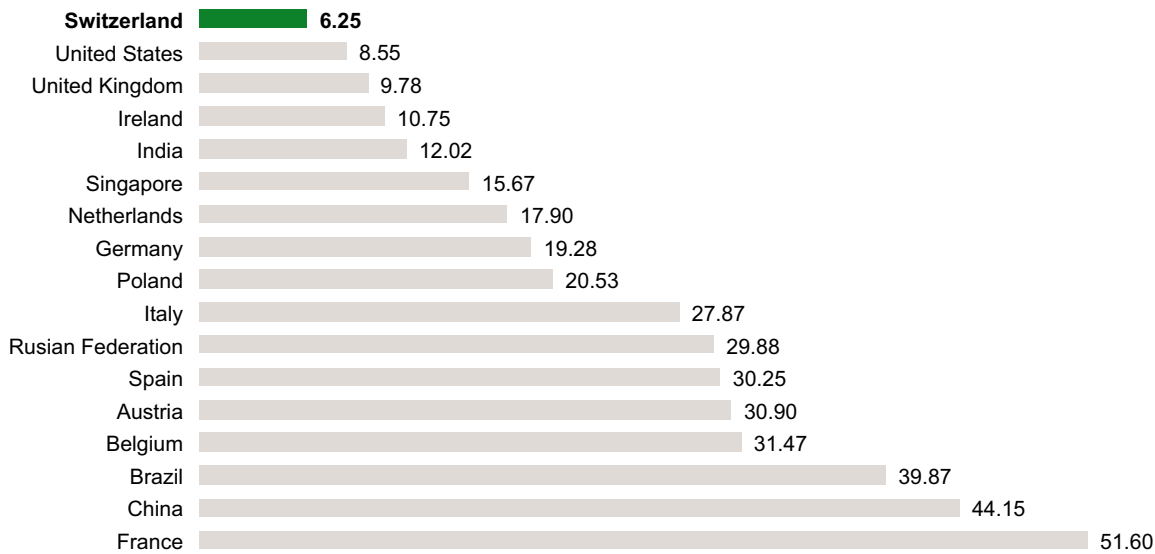
6.1.3.3 Value added tax



Source: Ernst & Young • Worldwide VAT, GST and Sales Tax Guide • 2013

Notes: Data for the United States are not homogeneous: the tax rate (state or local) may range from 2.9% to 7.5%. No value added tax in the United Arab Emirates.

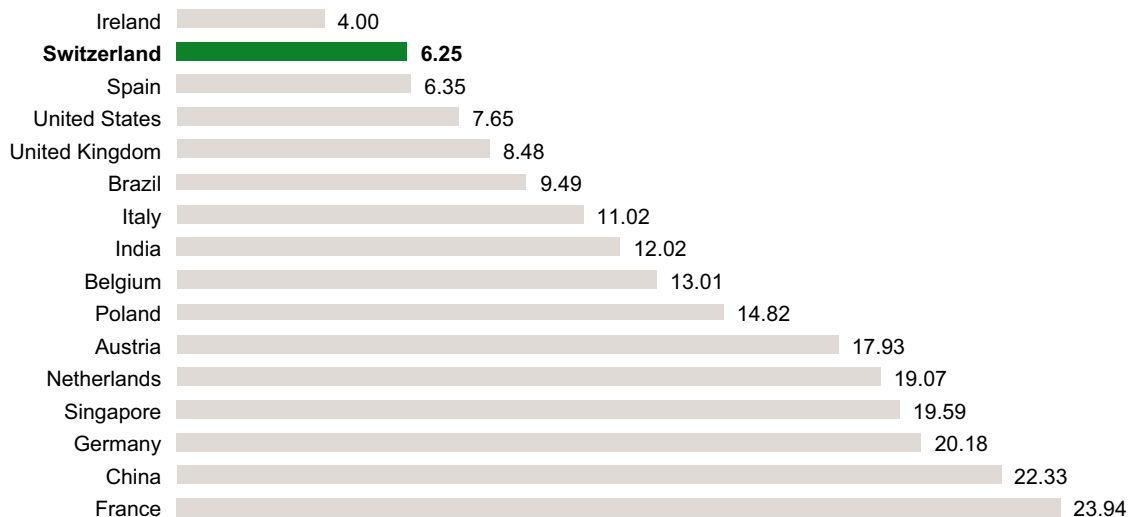
6.2.1 Compulsory contributions for employers (in %)



Source: IMD • World Competitiveness Yearbook Online • 2013

Notes: Rates are calculated as a percentage of an income equal to GDP per capita. No compulsory contributions for employers in the United Arab Emirates.

6.2.2 Compulsory contributions for employees (in %)



Source: IMD • World Competitiveness Yearbook Online • 2013

Notes: Rates are calculated as a percentage of an income equal to GDP per capita. No compulsory contributions for employees in the Russian Federation and in the United Arab Emirates.

6.2.3 Social security and other payroll withholdings as a percentage of the gross salary (Geneva)

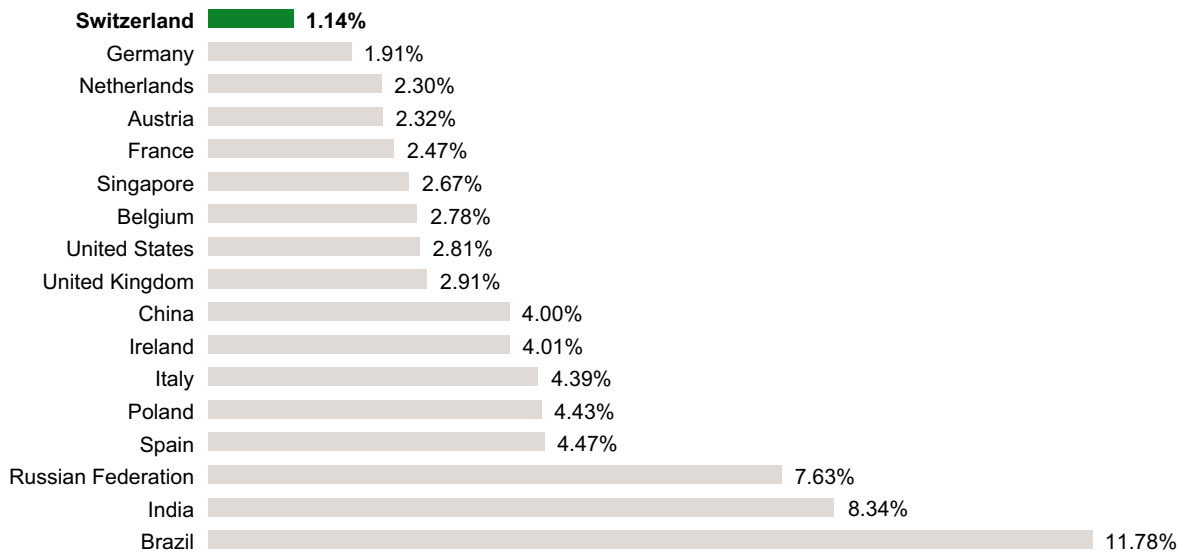
Fixed rates (in %)	Employer	Employee	Total
Old age / survivors (AVS) ¹ , Army (APG) ² and Disability insurance (AI) ³	5.15	5.15	10.3
Unemployment payroll tax (AC) ⁴	1.1	1.1	2.2
Family allowances (Geneva) ⁵	1.9	/	1.9
Maternity insurance (Geneva) ⁶	0.042	0.042	0.084
Sub-total	8.192	6.292	14.484
Variable rates (in %)			
Pension fund (LPP) ⁷	6.25	6.25	12.5
Compulsory deferral accident insurance (LAA): ⁸			
Professional accidents (AP)	0.8	/	0.8
Non-professional accidents (ANP)	/	1.3	1.3
Sub-total	7.05	7.55	14.6
TOTAL	15.242	13.842	29.084

Source: Fédération des Entreprises Romandes • 2013

Notes:

1. AVS: compulsory federal old age / widowhood insurance.
2. APG: loss of salary compensation insurance and allowances for persons performing army and civil duty.
3. AI: compulsory federal disability insurance.
4. AC: compulsory federal unemployment insurance. Salary until CHF 126,000: 1.1 percent of the annual salary. Salary from CHF 126,001: 2.1 percent (1.1 percent + 1 percent, as a solidarity contribution), as per January 1st 2014.
5. Family allowances: employer's contribution only. It is established by cantonal law; the above rate applies in the Canton of Geneva.
6. Maternity insurance: the above rate applies in the Canton of Geneva.
7. Retirement pension fund: according to the law, the total amount of contributions by the employers must be at least equal to the total amount paid by all employees. The legal total contribution rate is 12.5 percent. In practice, employers tend to contribute to 58% to the fund and the total contribution rate is 15 percent.
8. LAA: compulsory federal accident insurance; the amount depends on the risk of injury by profession. The annual salary subject to this withholding is limited to maximum CHF 126,000 (US\$ 136,710).

6.3.1 Ten-year government bond yield

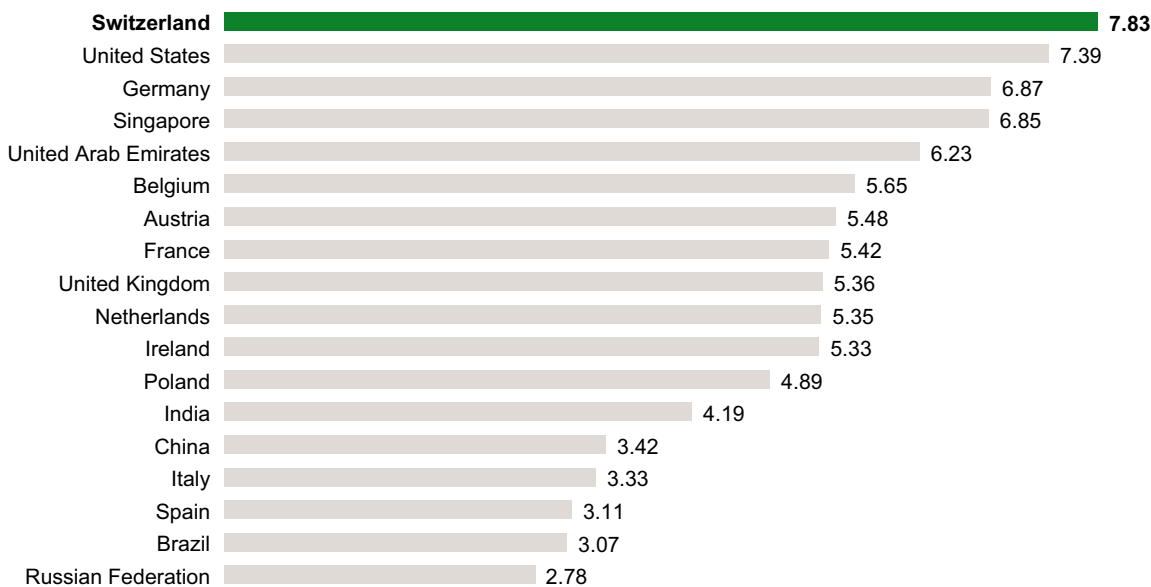


Source: www.tradingeconomics.com • August 2013

Note: Data for the United Arab Emirates are not available.

6.3.2 Cost of capital

Cost of capital encourages business development
(on a scale from 0 to 10, the higher the better)



Source: IMD • World Competitiveness Yearbook Online • 2013