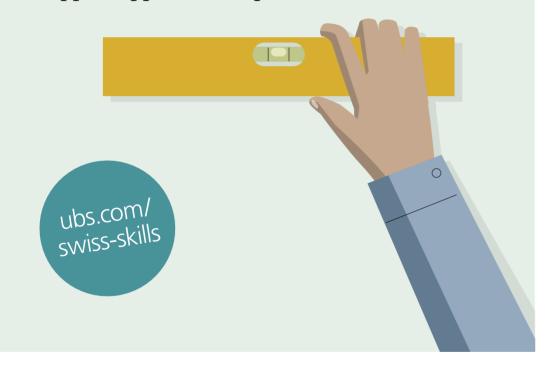
Apprenticeships have a future

We've partnered with SwissSkills to support apprenticeships



The dual vocational training system is an important success factor in our economy. As a trainer of apprentices, it means a lot to us. We work together with SwissSkills to promote vocational training and the Skills Championships. And as a presenting partner, we support the SwissSkills Team in international competitions.

UBS magazine



SUSTAINABLE. Good for business and nature.







Sustainable returns

When shopping, many people – me included – are careful to buy food that comes from sustainable production sources. What is less well known is that ethical and ecological criteria are playing an increasingly important role on the financial markets, too. Last year, sustainable investments already accounted for 35 percent of all assets under management at UBS.

Investing sustainably does not mean giving up returns. As Daniel Kalt, Chief Economist of UBS Switzerland, explains, "green" investments pay off in the long term – just like organic apples, which often taste better.

Economy and ecology are not a contradiction. Instead, they need to go hand in hand, along the entire value chain. We look for solutions that are not only profitable but also environmentally friendly and socially responsible. This is as true of our investment and mortgage business as it is of our **social commitments**.

This is why we print this magazine in Switzerland on FSC-certified paper from responsible forestry sources. We hope it makes for a stimulating read!

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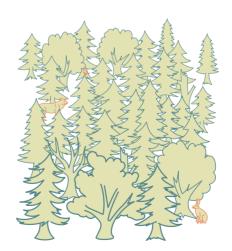
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wants to save the planet and what role Switzerland can play.



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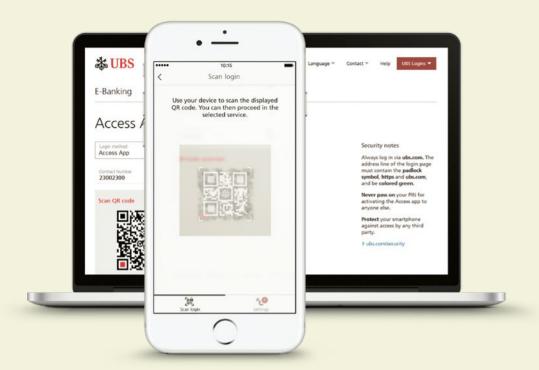
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Martin Blessing President UBS Switzerland

Editorial

Simple access to digital banking



The UBS Access app gives you access to all the functions of your digital bank.

ubs.com/access-app



Make payments, check your credit card bills, and handle stock market transactions: you've been able to do all this and more through UBS e-banking and mobile banking for some time now. But are you already using the smartest, safest and simplest way to log in to digital banking?

Many clients are still unaware that UBS offers a digital key to digital banking in the form of the UBS Access app. It's free, and it gives you easy access to your bank whenever you like – with no need for an additional card reader. Now all you need for control over your money is your smartphone.

Registering to use the UBS Access app is simple, and the app itself is quick to activate. A recent update means you no longer have to wait for the registration key to be delivered by mail. It means e-banking is even easier and more efficient than before – without compromising on the usual high security standards.

Activate by smartphone now!

Here's how to get your UBS Access app: Download the app for free in the App Store or with Google Play. The app will guide you through the activation process – then all you'll have to do to log in to e-banking and mobile banking by smartphone is enter your PIN. You'll only need the card reader for occasional additional security checks, e.g. when making payments to new beneficiaries, or changing your personal security settings.

Non+Ultra @UBS

Downtown Winterthur, Bahnhofplatz. The ZHAW students strolling by wonder "What kind of store is that suddenly popping up?" The freshly decorated rooms look bright and spacious. Carpets add colorful accents and the walls are adorned with impressively huge screens discreetly brandishing the three UBS keys. It's the UBS Concept Space+.

In contrast to other concept spaces where visitors often drop a lot of cash in bars and shops, the Concept Space+ won't put a dent in your wallet. It features "edutainment" on student-focused topics, including finance. The + stands for the something extra: Experts provide insights and you can participate in workshops, test innovative UBS solutions on the spot and chat in the lounge with coffee and snacks. Or cram in the co-working zone – until the evening program starts.

It's just like a pop-up store, but with one big difference:

Take away as much as you can! ●

ubs.com/conceptspace



Only open until the end of January 2018: the Concept Space+ in Winterthur.

Advent with Topsy



Kids can pick up an Advent calendar from their branch of UBS.

Before the cock crows first thing in the morning, Mom and Dad are tucked up snug in bed. And yet noises can be heard in the house: the children are already up and about – because it's Advent, that time of year when a surprise awaits the youngsters every morning.

To help the full magic of Advent unfold, that clever little fox Topsy has once again prepared an Advent calendar for his young friends. Any child can simply pick up a calendar free of charge at any branch of UBS. But don't wait too long: the offer is only available while stocks last.

Topsy's colorful Advent calendar tells a fascinating story that's just right for the Christmas season, and will spark the children's enthusiasm for sports, games and excitement. The calendar also contains some super surprises and a great competition for the whole family.

ubs.com/topsy

Numbers please!



renewable Almost two-thirds of Swiss energy comes from renewable sources, especially hydro power.



kilos per head
The Swiss are world
champions at recycling (glass, aluminum, paper, and PET).
But they also take
third place among
waste producers –
only the US and Denmark toss out more
garbage: 700 kilos
per person per year.



hours

Each year, more than 3,600 UBS employees get involved in volunteer activities covering education, entrepreneurship, the environment and social issues. For example, UBS supports the Bildungswerkstatt Bergwald Foundation.

4 Come on in

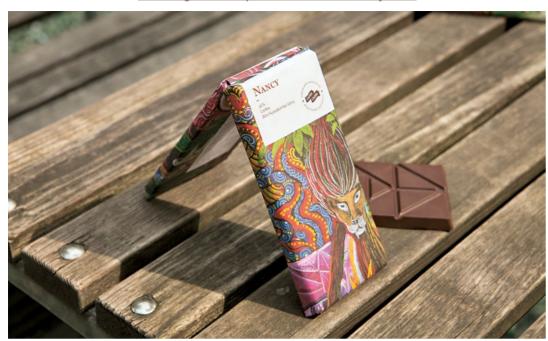
Saving the planet

WWF CEO Thomas Vellacott calls on us to strike a balance between money and the environment.

Edith Arnold (text) and Nicole Bachmann (photos)



Four things with cult potential and sustainability effect



<u>Choba Choba.</u> Christoph Inauen and Eric Garnier want to give the cocoa farmers in Peru a reason to beam in their everyday work as they do in chocolate advertising. That's why they are giving them shares in their new chocolate brand. In Central Switzerland, Felchlin processes the raw materials into fine chocolate.



<u>WakaWaka.</u> Any smartphone can be charged with solar energy using the WakaWaka Power+. And the integrated flashlight provides up to 200 hours of LED light! Why is it called the same as Shakira's hit from the soccer World Cup in South Africa? Because WakaWaka in Swahili means "fabulous light."

Mr. Vellacott, should we enjoy ourselves more? Definitely!

At the nearest park with friends ...

... or in the garden of your home. There are so many interesting things to see. Three types of dragonfly turned up in our pond in Zurich Altstetten – and a nuthatch paid us a visit. I don't have to go to the Serengeti to experience the variety and beauty of nature.

And what can we do to protect nature?

There are areas where we can make a particularly strong impact.

Which are?

At home: how should I heat and cool it; what type of electricity should I use? Can I reduce my consumption? Transportation: how do I get from A to B? It's all well and good to cycle to work, but how often do I fly? Eating: there's no need for everyone to go vegetarian, but would meat once or twice a week be enough? Investment: how is my money invested, including my retirement savings? Am I financing coal-fired power stations, or renewable energy? Politics: am I giving my vote to people who protect the environment? I also find it impressive when people are active in their local area.

Like modern cooperatives?

It could be a neighborhood association, a group that forms spontaneously, or a cooperative. The culture of sharing is becoming established here. We don't all need our own lawnmower, dinghy, or grain mill. Some things I only want to use; there's no need to own them.

Even companies like Audi are encouraging people to share, with its initiative to define "mobility in the city of the future".

Switzerland has some very good sharing schemes, like Mobility, sharoo and Catch a Car. In the past, a car was a status symbol. Nowadays, young people no longer want to own one.

People want to own less but fly everywhere ...

The ecological footprint of flying is certainly a big problem. Do we really want to continue subsidizing the aviation industry's rising CO_2 emissions with tax breaks? The question arises as to whether flying more makes us happier?

The busier the airports, the more unattractive flying becomes.

We often feel we have to balance what's "good for the environment" with what's "enjoyable for us". Yet what benefits the environment often benefits us, too. That also goes for business trips. Flying to London for a meeting in a packed plane is no fun. Video conferences seem much more efficient and convenient to me.

What kind of planet does the WWF campaign for?

Together with the Global Footprint Network, we calculate Earth Overshoot Day each year – when our ecological footprint exceeds nature's regenerative capacity. According to this, humanity has been living on credit from future generations since August 2. The natural resources available to us for this year have been exhausted. The WWF wants to stop the worldwide destruction of the environment and build a future

UBS Social Innovators

With the program **UBS Social Innovators**, **UBS** together with Ashoka intends to promote social companies that develop innovative solutions for the most urgent social challenges. Choba Choba was named the first UBS Social Innovator of Switzerland in 2016. Currently the startup's products can also be purchased with KeyClub points – see page 30.

ubs.com/social-innovators

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The bridgebuilder

Thomas Vellacott (46) is CEO Switzerland of the environmental organization World Wide Fund for Nature (WWF) and manages 200 employees from Zurich. He also teams up with big corporations for this good cause. Unlike some environmental activists, Vellacott has never occupied a power plant. He has studied Arabic, worked in client acquisition for a bank, and made a career as a consultant at McKinsey.

where humans and nature live together in harmony.

With what strategies?

We run projects on climate/energy, biodiversity, nutrition, forestry, water and oceans all around the world. And we also work with companies. They often have enormous ecological footprints and huge impacts on the environment.

When do companies approach the WWF?

When they think about what climate change means for their own business. The catering company SV Group, for example, wanted to strengthen its commitment to protecting the environment. We soon realized – jointly – that what really mattered was the food served in its customers' staff restaurants. Meat had a key role to play. Data research showed that many guests chose "Menu 1." When the meat dish for this choice was replaced by a vegetarian option on certain days, they still ordered it. So meat consumption fell automatically.

What score would you give UBS in terms of its environmental commitment?

We recently published ratings on the sustainability of Swiss retail banks. UBS generally has a positive score for its management and lending business. When it comes to investing, it should use sustainable criteria more systematically.

Why is there a panda logo at IKEA?

There has been global cooperation between WWF and IKEA since 2002. We work with IKEA to implement environmental goals, above all in relation to wood, cotton and energy. The objective is to get 100 % of these raw materials from renewable or certified sources by 2020. IKEA is currently looking at how to run energy-efficient recycling systems.

Many firms flood the markets with cheap products.

There's a change of thinking taking place. Last year, clothing sales fell significantly in the UK. We're seeing a shift: people are spending 1.5 times more on experiences than they do on goods. The market research institute GfS conducted a survey last year, which showed that only a third of Swiss people want more growth. Two-thirds believe we should maintain the status quo or scale down. This shows that beyond a certain point, material goods do not make us happier.

Isn't it essential for the economy to grow?

Growth is not an end in itself. What counts is the welfare of the population. Global growth has slowed down. Between 1950 and 2000, the American economy grew by two percent a year; since then, it's grown by just 0.9 percent. In Europe and Japan, the decline has been even more extreme.

But emerging economies are growing faster.

The Chinese government has curbed growth. Besides, the economy is becoming more efficient. In 2016, the global economy grew by 3.1 percent and CO_2 emissions remained stable for the third year in succession. This decoupling of economic growth from CO_2 emissions is



F-ABRIC. Over 20 years ago Daniel and Markus Freitag breathed new life into old truck tarpaulins by turning them into bags. Now the Freitag brothers are propagating a biodegradable textile. It consists of hemp, linen and modal – resources that are grown on European soil.

10 Agenda 11



Maxon Bikedrive. With its micromotors, drive specialist Maxon of Sachseln has made the life of NASA astronauts easier. And with the hub motor, Bikedrive has turned a bicycle into an e-bike. With the new motor it can now shoot off like a rocket – from 0 to 30 kilometers per hour in 3 seconds!

Footprint

Calculate your ecological footprint in just 10 minutes.

wwf.ch/footprint

exciting. We're starting to create more value with fewer resources. The savings potential is huge: a third of the electricity produced is wasted – not used at all. More and more companies are considering how to grow while cutting their consumption of resources, and what business sectors they can tap into by doing so.

New types of cooperation are emerging, with co-working spaces and creative hubs flourishing. Exactly. Together with Impact Hub Zurich we've held competitions for the best environmental protection ideas. The Weconnex company took part in a WWF venture program. This St. Gallen firm builds energy hubs that secure water, electricity and communications in developing countries.

How is Switzerland doing in terms of green technology?

There were early pioneering phases, such as the switch from coal to electricity in the rail sector after the First World War, and the development of solar cells in the 1970s and '80s. In the 1990s, Swiss financial services providers were world leaders when it came to sustainable investments. Meanwhile, ecological innovations have often been brought to market elsewhere. A more pioneering spirit would do us good today.

What about NEAT?

The Gotthard and Lötschberg base tunnels are once-in-a-century constructions. They represent a quantum leap for freight traffic. Now it's all about fully exploiting this potential as soon as possible.

Two sentences on the following developments: Solar Impulse ...
The project shows what is possible: a solar aircraft can fly at night and circumnavigate the globe!

What do you think of Climeworks, the Hinwil start-up that filters CO₂ from the air?

It's exciting that research is being done into achieving negative emissions. But it's not an alternative to the reduction in CO_2 .

And Swissloop, the Swiss solution for the railway of the future, Hyperloop, from the ETH Zurich?

The pioneering technologies of the future are fascinating. But it remains to be seen if they can catch on and reach the market. I find less spectacular developments, like the ongoing process of dematerialization, more remarkable. I can access books, music and the world in general via tablets and mobile phones.

What technologies should be exported to southern countries?

Solar battery solutions are extremely interesting for sunny countries in Africa – for both people and the environment. They can be installed in the most remote places, and the equipment costs have fallen by 80 percent since 2010.

The global population is to grow to 9.8 billion by 2050. Will we cope?

We are not yet on track. Stagnating CO_2 emissions are not enough to prevent the worst effects of climate change. The biggest impact can be made where consumption is high today – here in the industrialized nations.

Emerging markets like China are also key, however.

So a growing global population seeking to become richer is compatible with climate goals?

Yes, because the processes of dematerialization and decarbonization can no longer be halted. Switzerland could play a pioneering role again and show that affluence and the sustainable use of resources are not a contradiction. If we develop efficient solutions and products for decarbonization, markets will open up for us all around the world.

A good scenario!

We'll make it. The transformation in the energy sector is accelerating. Growth and resource consumption are becoming increasingly disconnected. We can succeed at maintaining a high standard while not using more resources than are available. This transformation needs to take place quickly, though. The ball is in our generation's court.

Many are talking about climate extremes, not climate change.

If the energy transition does not succeed, tension and armed conflicts will likely increase. The battle for resources is happening everywhere. In the Middle East, in North Africa, and increasingly also in Southern Europe, temperature and weather extremes are impacting the food security of millions of people.

What makes you optimistic?

I see change today that is unprecedented in terms of its depth and speed. Never before have such large parts of the population campaigned so powerfully for our planet. •

Thomas Vellacott on money



First paycheck

During my school vacations, I worked on construction sites and in a clothing shop to earn money for a stay abroad.



Best investment

Since 2002, I've invested all my pillar 3 savings according to sustainable criteria.



My bank

Has to offer me solutions that are compatible with my profession ...

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O Tannenbaum!

Why greenery is so good for us. A little forest of figures.

Marc Lustenberger (text) and Raffinerie (illustration)

100 years

This is how long trees in Switzerland live on average. The oldest tree a larch in Valais, is 1,500 years old.

Anno 1876

In a pioneering step,
Switzerland put a stop
to deforestation – first
in the mountain regions,
then nationwide.
Forests perform protective,
economic and healthrelated functions.

66 trees per head

Swiss forests are home to 535 million trees, which is equivalent to 66 trees per inhabitant. The most common trees are spruce, followed by firs and beech trees. The most forested canton is Ticino, which is 51 percent covered by trees.

40 wolves

Several wolf packs roam Switzerland.

440 francs

The Federal Office for the Environment (FOEN) has calculated that this is the per-capita value of Switzerland's forests as recreation areas. If you had to pay to walk in the forest, it would cost more than an annual pass for the zoo.

30,000 hunters

Deer are the main target of Swiss hunters. They shoot 42,000 of them every year, partly in order to maintain the natural balance.

500,000 Christmas trees

This is how many fir trees are harvested and sold before Christmas every year in Switzerland. Around 60 percent of our Christmas trees are imported.

3 seconds

70 %

Most of our woodland

Thirty percent is privately

belongs to the state.

That's how fast one cubic meter of wood grows in the Swiss forests. It adds up to 10 million cubic meters a year – enough for 130,000 homes.

Green benefits

Greenery makes your home healthy – and valuable.

Ueli Bischof (text)



Grass borders

Natural grassy areas are best if you want lots of species. If you prefer a neater look, simply frame the natural area with a meter-wide lawn border. This supports biodiversity and looks attractive.



Breathe easy

Buildings with closed windows often have low humidity, which can lead to a dry throat. For a natural solution to this problem, simply plant some nutgrass (Cyperus eragrostis). If the hygrometer reads 45 percent, your room has perfect humidity.

Building land is scarce. In Switzerland, four out of five people live in towns or cities. Densification is increasing, but green spaces are still in high demand. "One solution to this dilemma is to bring more green into towns," explains Mark Krieger of the HSR, the University of Applied Sciences Rapperswil. "This is both healthy and economically attractive." As a professor of Landscape Architecture, he knows that plants have a calming effect on both people and the urban climate. "Trees reduce stress, as well as lessening the effects of excessive heat and cold." He explains that this is why the green boulevards of Paris stay pleasantly cool while the rest of the city swelters in 30° temperatures (90° F). "Even the most sophisticated technical solution can't provide shade in the summer and let the sun shine through in the winter."

When walls blossom

Although plants in the city look lovely, there isn't much space for them. Mark Krieger has some solutions: "Creating a world of green is possible in even the smallest areas." Trellises on the walls of buildings allow wisteria and fruits like blackberries or kiwis to grow. An easier option is to plant some ivy. "The claim that ivy destroys facades is utter garbage." According to Krieger, you just need to make sure the plasterwork is well sealed, and cut back plants before they reach windows or grow under the roof.

Vertical gardens are becoming increasingly important in the world of architecture. "Planted facades can replace flowerbeds," explains Moritz Küderli, the CEO of Hydraplant. His company has been making buildings greener for 45 years. One of its projects involved growing climbing and hanging plants on a facade at the Novartis Campus. They change with the seasons and protect against ultraviolet light and noise.

"This effect also works indoors," adds Küderli, who recently planted olive trees in an office in Oerlikon. "The plants help to increase humidity and improve air quality." These effects are proven to increase employees' concentration.

Plants also have another positive effect: they raise the value of a property. This is confirmed by Daniel Hengartner, President of the Swiss association of real estate appraisers: "Attractive outdoor areas make properties easier to rent out and help residents' wellbeing." He adds, however, that it is important that such areas are low-maintenance.









Eco cleaning tips

Virginie Tulik gets the best cleaning results – and shares her expertise via GreenMop.

Lukas Hadorn (text) and Cachetejack (illustrations)

Miracle mix

You can get various products and a box with recipes for making the cleaning agents here:

greenmop.net

"There's a story about a hummingbird trying to put out a forest fire with a few drops of water from its tiny beak," says Virginie Tulik. "The other animals laugh at it, but the hummingbird says: 'Well, at least I'm trying.'"

The 34-year-old from Western Switzerland sees herself as a hummingbird. And she wishes there were many more like her, prepared to take up the fight against environmental pollution. She runs GreenMop, a start-up that holds workshops where participants learn how to make their own cleaning products and reduce their household waste to a minimum. "You don't have to take to the waves in a Greenpeace dinghy to protect the environment," says Tulik. "Every single one of us can do our bit at home."

Virginie Tulik, who built up her company with a microloan from the MSS Foundation, believes in helping people to help themselves. At her workshops, she raises awareness of sustainable consumer behavior, explains about micropollutants and their impact, and demonstrates how to make detergents using vinegar, soap and baking powder.

What green alternatives does Virginie Tulik suggest for cleaning floors and windows, or to use in washing machines and dishwashers?



My cleaning product
"I clean with a mixture of three
parts ecological liquid soap,
four parts water, and 10 drops of
essential oil. You can choose
your own fragrance – whatever
suits your mood."



Squeaky clean windows
"Vinegar is still the best household product to clean your windows streak-free. Simply mix a glass of white vinegar with a glass of water and you're ready to go."

Super dishwasher
"You can even use homemade cleaning products in
the dishwasher. Instead of futuristic
3-in-1 power tabs, I use a mix
of bicarbonate, percarbonate and
citric acid. I put a heaping soup
spoonful of each in the powder
compartment and use white
vinegar as a rinse aid. The dishes
come out just as clean as with
chemicals."



Microloans, big impact

Since the start of

the new millennium, the Stiftung Mikrokredit Solidarität Schweiz (MSS) has been helping people set up businesses in Switzerland by granting microloans of 5.000 to 30.000 francs for necessary investments. At the same time, the foundation offers access to experienced experts. UBS supported MSS through the **UBS** Foundation for Social Issues and Education.

ubs.com/engagement

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Shiny floors
"Liquid olive oil soap from
Marseille is a real all-rounder
for everything in the household.
I use it for floors – 1 soup spoonful
in 5 liters of water is enough – as
well as for stovetops and window
panes, the leather sofa, silver
flatware, and even potted plants!"

Clean clothes
"I also put olive oil soap in the washing machine.
Then I add three spoonfuls of baking powder to the detergent compartment. And I replace fabric conditioner with white vinegar and a few drops of essential oil for the scent."



Engagement

Sustainability pays

How investors can be a force for positive change.

Daniel Kalt (text) and Adrian & Gidi (illustration)



Daniel Kalt is Chie Economist of UBS Switzerland.

Active support

UBS co-founded the Global Impact Investing Network (GIIN)
10 years ago. Its goal: to promote investments worldwide that support sustainable solutions. Private investors who wish to invest ethically should consult a bank advisor – who can also help them to avoid risks.

thegiin.org ubs.com/sri Sustainable investing has grown fast in significance in recent years. But what exactly does it mean? The main aim of traditional investing is to generate the highest possible return from assets with a predefined risk. Sustainable strategies, on the other hand, go much further. For example, they support activities that provide social or environmental benefits, and rule out those that cause environmental or social damage.

Studies have shown that factoring social and ecological considerations into investment decisions at the very least does not produce inferior long-term results. If the companies selected meet sustainability criteria, performance is likely to be better in the long run, as these firms often have better governance and face fewer legal risks. Sustainable investing can therefore be defined as any form of investment strategy that incorporates environmental, social and governance considerations in its investment decisions. The acronym ESG – for environmental, social and governance – is commonly used to refer to these three key factors.

From exclusion to impact investing

We can distinguish between three main investment approaches: exclusion, integration, and impact investing. The exclusionary principle defines activities that investors would prefer to avoid financing at all costs. For instance, they can stipulate that they do not wish to invest in the manufacture of weapons, or in the tobacco industry.

The integration concept goes much further. In this case, the extent to which companies satisfy sustainability criteria is looked at in detail during the analysis and selection process. For example, they are screened for social and environmental criteria (such as their CO_2 footprint, not using child labor) and in terms of suitable governance. Because more and more institutional investors such as pension funds and insurers are adopting these investment principles, various sustainability ratings and certifications have been established for corporate reporting (financial and otherwise) that help with assessing companies.

Impact investing is without doubt the strictest approach to sustainable investing. It explicitly measures an investment's social or environmental impact and accords this "sustainability return" as much importance as the financial return in its overall evaluation. To date, investments of this kind have largely been driven by institutional investors. •



MARKET VALUE Truly intangible The share of intangible assets (in %) is 2015 influencing share prices more and more: Tangible assets such as machinery, 84% land and real estate are having less and less of an impact on a company's market value. Goodwill, governance and Money

3-PILLAR SYSTEM Long-term security

Is it possible to work on my pension and at the same time commit to sustainability? Nadine P. (42), Biel

We consider taking your pension in hand as sustainable on principle. After all, those who do not save voluntarily will not have sufficient funds available later – and most likely become a burden to society. There is the tax-privileged pillar 3a to help you save privately. Ideally it should grow like a plant – not daily, but monthly and yearly. But unfortunately an important component is missing in the current market environment: the fertilizer, which is to say the interest.

For this reason we recommend saving for the future with broadly diversified funds. With UBS Vitainvest Funds you can participate in the performance of the financial markets and benefit from higher yield opportunities. Currently, the maximum you can deposit into the pillar 3a is 6,768 francs (for 2017). It can make sense to have a certain amount flow into your pension fund each month rather than once a year. This way you will on average have lower entry prices when buying into the markets.

Are there Vitainvest Funds geared to sustainability? We are increasingly integrating sustainable criteria into our investing process. We are also checking whether a separate "3a Sustainability Fund" makes sense. On principle, UBS is championing sustainability and is continuously expanding its offerings in the area of sustainable investments and "Impact Investing". With this investment approach it's not so much about optimizing the financial return as taking into account important environmental, social and governance criteria.

Our commitment is recognized worldwide: For the third time in a row we have been awarded in the Dow Jones Sustainability Indices (DJSI) as the pioneer of our industry when it comes to sustainability.

HOUSE SALE Reducing taxes

We own our home and now want to sell it due to a change of job. Is there a way to reduce the tax impact? Charles A. (51), Payerne

When selling a home, the main tax the seller must pay is real estate capital gains tax.

Tax is charged on the difference between the proceeds of the sale and the capital investment (the purchase price plus any investments made during the period of ownership) at the tax rate of the canton involved.

The amount of real estate capital gains tax depends on how long the home was owned. The longer you've lived in a house, the lower the tax will be.

If you are moving to another location, you may well be looking to buy a new home there. The act of selling your property and then buying a new property is referred to as a "replacement purchase."

Making such a replacement purchase in Switzerland can save you a lot of money. Because if you buy your new home within a certain period of time, you can avoid paying real estate capital gains tax for a while thanks to a tax deferral. Depending on your canton, this can last from one to five years. But a word of caution: real estate capital gains tax will only be waived on the profit from the sale if this is used to buy your new home.

Contact your current municipality to talk about the replacement purchase before you buy your new home. The tax deferral will let you look for a new home with one thing less to worry about.



Nils Aggett, Head of UBS Pension Services

Questions? magazine@ubs.com

New buildings, new life Why the miracle of Monte Carasso continues.

Caspar Heer (text) and Björn Allemann (photos)



Greater Bellinzona

The municipality of Monte Carasso has been a district of Bellinzona since this spring, Through the addition of 12 neighboring municipalities, the population of the capital of Ticino has grown from 19,000 to over 42,000. The impact of Monte Carasso's innovative town planning and landscape policies remains to be seen.

The name is odd, because Monte Carasso is actually in a valley, on the rubble deposited by the Sementina, which plunges down from the mountain here and forces the River Ticino into a sluggish loop. Monte Carasso is separated from the river by the freeway. A nondescript suburb of Bellinzona, you assume, and drive on by. Yet Monte Carasso is well worth a visit.

The small bar under the arcades is filling up, three people are chatting in front of the bank, and mothers with small children meet at the playground. The sky is overcast and the schools are on vacation. Despite this, the center of Monte Carasso is very much alive. It's all thanks to a "fairy tale," the former mayor Flavio Guidotti once said – one that ended well, as every good fairy tale should.

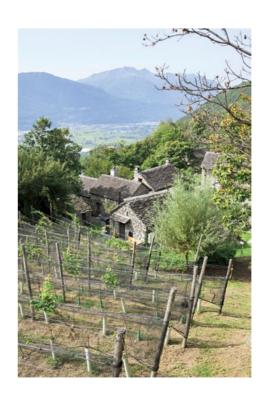
There's no way Guidotti could have known that at the outset, however. In 1978, the municipality asked architect Luigi Snozzi to build a new primary school. "I'd be happy to, but not here," was his response, as the proposed site was on the edge of town next to the freeway. So mayor Flavio Guidotti gave him free rein. A month later he submitted his new proposal, which turned the previous plan of the town completely on its head.

Modern with historic roots

Snozzi's unorthodox ideas initially met with resistance. Monte Carasso's residents only approved them after much debate. The reason is clear to see. Though an uncompromisingly modern architect, Snozzi also thinks history is important. And so he integrated the primary school into the run-down site of a former monastery, crafted it into a jewel, and so won over the majority of the population for his plans. Snozzi's center remains impressive to this day, but beyond this, Monte Carasso also features many other remarkable modern buildings, including designs by the likes of Mario Botta, Aurelio Galfetti and Roberto Briccola.

Snozzi's intervention won Monte Carasso the Swiss Heritage Society's Wakker Prize in 1993. The municipality achieved international fame, developing into a magnet for architecture tourists. Today, most visitors meet at the base station of the Mornera cable car. The small gondola takes us up to Curzútt, a hamlet surrounded by chestnut groves 400 meters above the valley floor. "My mother spent her youth here. She never liked the place because life was so hard," recalls Carlo Bertinelli, Monte Carasso's long-standing municipal secretary.







Former municipal secretary Carlo Bertinelli recalls how Luigi Snozzi integrated the primary school into the monastery site. Today it forms the heart of the town.

24 Out and about 25



Small gondola

To open up farms and the Alps, between 1960 and 1980 around 200 small gondolas were built in the local Alps. Many of them gave up operation due to age. Not so the cable car that connects Monte Carasso with Curzútt and the Monti di Mornera: built in 1966 it was modernized in 2001 and converted to automated operation. The Funivia Mornera offers space for 8 people.

Now it's clear why the village in the valley has "Monte" in its name. Originally, the population lived up here, in seven settlements around the San Barnard church. Three centuries ago there were more than 700 inhabitants. "For a long time, Ticino was desperately poor," Bertinelli explains. Things changed after 1945. "Dalle stalle alle stelle – in other words: from stables to banks. The countryside lost its economic function. The villages emptied almost overnight, the chestnut groves became overgrown, and the houses fell into ruin."

This also happened in Curzútt. However, the Fondazione Curzútt-San Barnard, established in 1998, has been rebuilding the houses on the existing plots. Bertinelli is the Foundation's chairman, and numerous organizations and individuals are involved in projects on the mountain, including Monte Carasso's most famous resident: Swiss model and TV star Christa Rigozzi.

Spectacular bridge-building

Instead of wallowing in nostalgia, the Foundation emphasizes contemporary ideas. "We don't want to build a museum; our aim is to get the land-scape functioning again," Bertinelli stresses. So stone walls and paths are being repaired, the meadows under the chestnut trees tended, and new vine-yards cultivated. But it's sustainable tourism that is breathing new life into this mountain settlement. And it was given a major boost two years ago with the construction of the spectacular Carasc suspension bridge over the Sementina gorge. At 270 meters, it is one of the longest in Switzerland.

What started small with the renovation of Curzútt has blossomed into a revitalization project run by the city of Bellinzona for the entire mountain region. Snozzi's lesson down in the valley has arrived on the mountainside.





Initiated by the Curzútt Foundation, a suspension bridge has been crossing the Sementina gorge for two years now.

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Eric Garnier and Christoph Inauen founded Choba Choba.

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Stefan Bruderer is a Maître Chocolatier at Lindt & Sprüngli.

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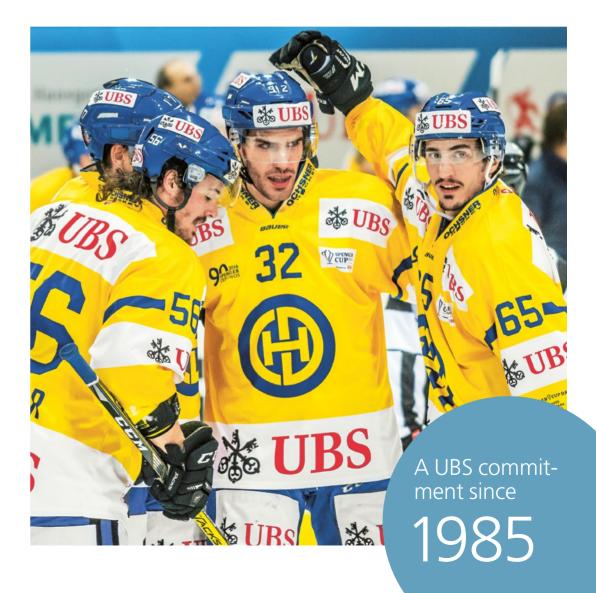
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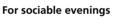
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