

Pension Fund of SR Technics Switzerland

Short Annual Report 2022

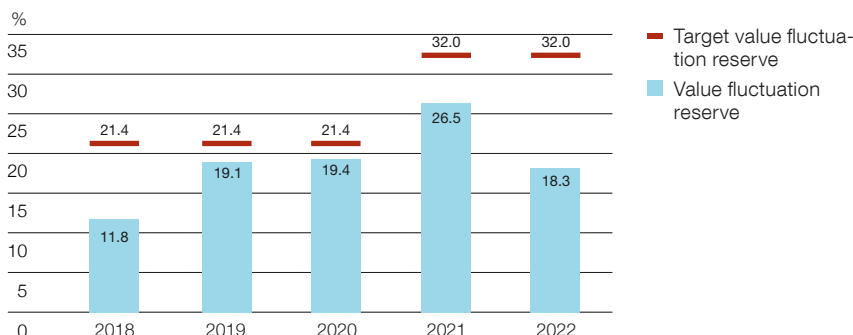
Key figures	2022	2021
Capital investments in CHF	712 783 571	779 396 515
Income (+) / expenditure (-) surplus before release/formation of value fluctuation reserve in CHF	-55 986 120	39 735 265
Employer contributions in CHF	6 674 483	7 973 407
Employee contributions in CHF	4 835 551	5 052 653
Pension benefits in CHF	25 185 805	24 855 763
Lump-sum benefits in CHF	8 123 829	3 821 775
Return on capital investments in %	-6.0	6.4
Coverage ratio in %	118.3	126.5
Value fluctuation reserve in % ¹⁾	18.3	26.5
Target value fluctuation reserve in % ¹⁾	32.0	32.0

¹⁾ As % of pension plan capital (savings and coverage capital) and actuarial reserves

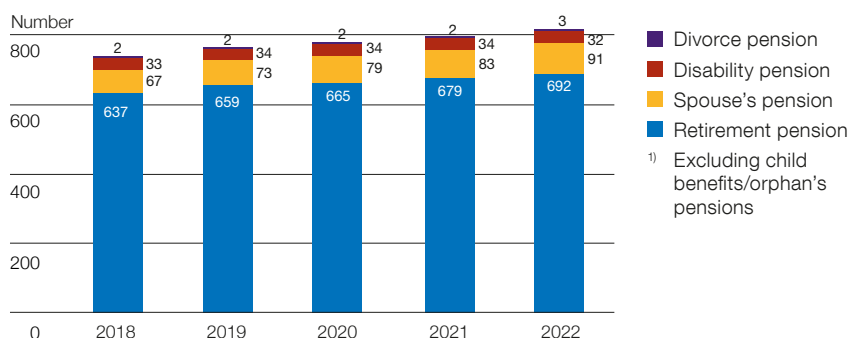
Member portfolio	2022	%	2021	%
Active members	1 000	54	1 019	55
Pensioners	856	46	836	45
Total	1 856		1 855	

Benefits	2022	2021
Pension increase in CHF	-	-
One-time bonus for recipients of a retirement pension in CHF	-	-
Interest on savings capital in %	2.50	3.00
Actuarial interest rate in %	1.50	1.50

Value fluctuation reserve



Breakdown by pensioner category ¹⁾



¹⁾ Excluding child benefits/orphan's pensions

Disappointing year on the financial markets

The Russian invasion of Ukraine, soaring energy prices due to Russian blockades, ongoing supply chain issues, spiralling global inflation and higher key interest rates have all contributed to a loss of purchasing power and a slowdown in global demand and economic growth. As a consequence, equity valuations went down, primarily due to valuation models discounting future cash flows with a higher interest rate. In addition, interest rate increases led to lower valuations of fixed-income securities. The performance of the Pension Fund of SR Technics for the period ending 31 December 2022 is -6.0%. Since the Investment Committee, in consultation with the Board of Trustees, had already adopted a risk-averse investment strategy prior to 2022, our investment result is significantly superior to that of the major benchmarks in the pension fund industry. The coverage ratio fell from 126.5% to 118.3% as a result of the negative investment performance.

Given that the coverage ratio is still at a very healthy level, the Board of Trustees has resolved to apply an interest rate of 2.5% to the savings capital of all members and recipients of temporary pension benefits for financial year 2022. This interest rate applies to all members insured with the Pension Fund on 31 December 2022, including departures and retirements as at 31 December 2022.

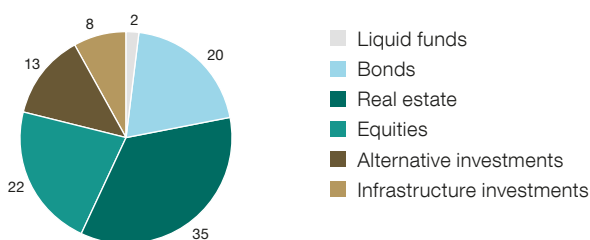
As of 1 January 2023, the savings capital of all members and recipients of temporary pension benefits will be subject to a 1.00% interest rate until further notice. This rate is in line with the 2023 BVG rate set by the Federal Council. At the end of 2023, the Board of Trustees will review the interest rate and, if necessary, adjust it for 2023 depending on the Pension Fund's financial position.

Due to a lack of disposable assets, the Board of Trustees has decided against an adjustment of current pensions to inflation as of 1 January 2023.

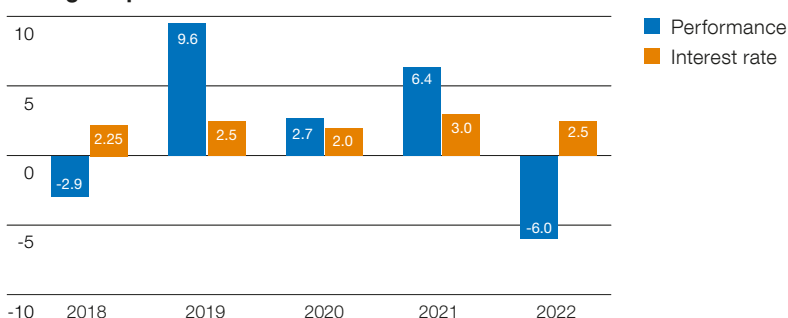
Balance sheet	31.12.2022 CHF	31.12.2021 CHF
Assets		
Capital investments	712 783 571	779 396 515
Employer receivables	0	1 008 850
Cash and cash equivalents, other assets	19 123 490	34 378 085
Total assets	731 907 061	814 783 450
Liabilities		
Liabilities and passive accruals and deferrals	9 613 388	14 043 299
Employer contribution reserve	177 490	0
Active members' pension plan capital (savings capital)	213 144 427	226 154 459
Pensioners' pension plan capital (coverage capital)	388 378 915	393 597 728
Actuarial reserves	8 658 000	13 067 000
Value fluctuation reserve	111 934 841	167 920 963
Total liabilities	731 907 061	814 783 450

Income statement	2022 CHF	2021 CHF
Regulatory contribution	11 510 034	13 026 060
Vested benefits, buy-in amounts and one-time payments	6 854 092	5 980 695
Inflow from contributions and entry benefits	18 364 126	19 006 755
Retirement, survivors' and disability benefits	-33 309 634	-28 677 538
Termination benefits	-15 095 463	-28 647 759
Advance withdrawals for home ownership/divorce	-1 397 707	-892 669
Outflow for benefits and advance withdrawals	-49 802 804	-58 217 966
Accrual pension plan capital and actuarial reserves as well as interest on savings capital	22 460 356	29 465 319
Income from insurance benefits	369 472	307 216
Insurance premiums	-1 101 820	-1 479 220
Contributions to guarantee fund	-77 878	-108 540
Net result from insurance activities	-9 788 548	-11 026 435
Net result from investment of assets	-45 783 296	50 402 416
Other income	1 950	830 303
Other expenses	0	0
Administrative expenses	-416 227	-471 020
Accrual value fluctuation reserve	55 986 122	-39 735 264
Income (+)/expenditure (-) surplus	0	0

Investment strategy in %



Return on capital investments / interest on savings capital



Official bodies

Board of Trustees

(Term of office 2021–2024)

Employer representatives

Knab, Jürg (Chair)
Demenga, Arsène (from 1.1.2022)
Düllmann, Matthias
Lenz, Jean-Marc

Employee representatives

Ritzinger, Johann (Vice Chair)
Fischer, Eliane
Gürtler, Robert
Vitanza, Rita

Asset & Liability Committee (ALCO)

Demenga, Arsène (Chair)
Knab, Jürg (Vice Chair)
Schmitz-Dräger, Martin (from 1.1.2022, previously assessor)*
Vitanza, Rita
Müller, Michael P. (assessor)*
Aon Switzerland SA*
Toth, Arpad (General Manager, Avadis Vorsorge AG)*
Lukong, Jeannette (Deputy General Manager, Avadis Vorsorge AG)*
* No voting right

General management (Avadis Vorsorge AG)

Toth, Arpad (General Manager)
Lukong, Jeannette (Deputy General Manager)

Other authorised signatories

Kleuke, Lars (Avadis Vorsorge AG)
Oeschger, Christoph (Avadis Vorsorge AG)
Steiner, Albert (Avadis Vorsorge AG)
Schmitz-Dräger, Martin

Occupational benefits expert

Vaccaro, Olivier (executive expert),
Aon Switzerland Ltd, Nyon (contractual partner)

Auditors

Steiger, Felix and Djemal, Andres,
PricewaterhouseCoopers SA, Zurich

Global custody/securities accounting

Credit Suisse, Zurich

Investment consultant

Lüthy, Philippe, Aon Switzerland Ltd, Zurich

Investment controller

Hasler, Manuela, Aon Switzerland Ltd, Zurich

Technical administration and financial accounting

Avadis Vorsorge AG, Zurich

Supervisory authority

BVG- und Stiftungsaufsicht des Kantons Zürich (BVS), Zurich

Further information

The full annual report is legally binding. You may order it (in German) from the Pension Fund of SR Technics Switzerland.

Pension Fund of SR Technics Switzerland

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