

P.O. Box 1077, 8005 Zurich, SWITZERLAND

To the active members and pensioners
of the Pension Fund and the Zusatzkasse
of SR Technics Switzerland

Zurich, February 2022

Information regarding your Pension Fund

Dear Madam/Sir,

Below please find some information regarding your pension scheme:

Performance 2021

At the beginning of the year, there was hope on the financial markets that economic and social life would soon return to normal thanks to the approval of effective vaccines. As the financial markets boomed, they were only slightly slowed down by the sharp rise in raw material and energy prices. As at 31 December 2021, the Pension Fund of SR Technics generated a cumulative return of 6.4% on investments, while the Zusatzkasse closed the year with a return of 6.1%.

2021 and 2022 interest rate

At its meeting on 17 November 2021, the Board of Trustees decided to apply a comprehensive 2021 interest rate of 3.00% on savings capitals for the Pension Fund as at 31 December 2021, and of 2.00% for the Zusatzkasse of SR Technics. This interest is granted to all active members who were still insured as at 31 December 2021 and for all members retiring as at 31 December 2021, with effect from 1 January 2022.

For 2022, the Board of Trustees has resolved to apply a comprehensive provisional interest rate of 1.00% on savings capitals for the Pension Fund and Zusatzkasse of SR Technics. This interest rate definitely applies to members leaving or retiring during the year 2022, with the exception of members leaving or retiring as at 31 December 2022. The provisional interest rate applicable during the year shall be reviewed by the Board of Trustees in November 2022.

Reduction of the technical interest rate

At its meeting on 3 June 2021, the Board of Trustees decided to reduce the technical interest rate from 1.75% to 1.50% to ensure the financial sustainability of the Pension Fund and the Zusatzkasse. The technical interest rate is the interest rate used for the valuation of pensioners' pension plan capital. It serves to convert future

pension obligations to their present value. For this purpose, assumptions are made about the development of the financial markets and the returns that can be generated in the future. The reduction of the technical interest rate leads to a reduction of the coverage ratio of the Pension Fund and the Zusatzkasse as at 31 December 2021, as liabilities increase. At the same meeting, the Board decided to adopt the technical principles of BVG 2020. This change had a positive impact on the foundations as it partially compensated for the increase in liabilities due to the reduction of the technical interest rate. A portion of the return generated on the investment of assets will be used to finance the remaining obligations. In the future, this will result in a lower target return, allowing the Pension Fund and the Zusatzkasse to maintain the same coverage ratio while generating lower returns than before. This approach will strengthen the financial situation of the Pension Fund and the Zusatzkasse.

Resolution to merge the Pension Fund and the Zusatzkasse as of 1 January 2023

At their meeting on 17 November 2021, the Boards of Trustees of the Pension Fund and the Zusatzkasse decided to merge both foundations as of 1 January 2023. In December, active members were informed of this decision in detail in a separate letter. **The merger will have no effect on pensioners. Currently, pensions from the Pension Fund and the Zusatzkasse are already paid out by the same entity.**

Composition of the Board of Trustees as of 1 January 2022

As announced in March 2021, Robert Gürtler was elected as new employee representative to the Board of Trustees of the Pension Fund, while Pascale Mörikofer was elected as new employee representative to the Board of Trustees of the Zusatzkasse. In addition, Andreas Thurnheer (employer representative) left the Board of Trustees of the Pension Fund and the Zusatzkasse as at 31 December 2021.

Arsène Demenga, previous employee representative at the Zusatzkasse, was nominated by the employer as employer representative for the Pension Fund and the Zusatzkasse. New elections for the vacant employee representatives' seat at the Zusatzkasse were announced in December 2021. At its meeting on 17 November 2021, the Board of Trustees unanimously proposed Martin Schmitz-Dräger, advisory member of the investment committee, as new employee representative for the term of office 2021–2024.

As no further candidatures were submitted by 20 January 2022, the end of the application period, Martin Schmitz-Dräger shall be deemed elected by tacit election. We wish to extend our warmest congratulations on the election.

New employee representative of the Zusatzkasse's Board of Trustees

Martin Schmitz-Dräger:



Currently, the composition of the Board of Trustees is as follows:

Pension Fund

Employee representatives

Johann Ritzinger (Vice Chairman)
Eliane Fischer
Robert Gürtler
Rita Vitanza

Employer representatives

Jürg Knab (Chairman)
Arsène Demenga
Matthias Düllmann
Jean-Marc Lenz

Zusatzkasse

Employee representatives

Pascale Mörikofer
Martin Schmitz-Dräger

Employer representatives

Jürg Knab (Chairman)
Arsène Demenga
Matthias Düllmann
Jean-Marc Lenz

Pension Regulations valid as of 1 January 2022

Due to the IV revision, the Pension Regulations had to be adapted to the new linear pension system of the IV as of 1 January 2022. Another new point is the fact that entitlements to a partner's pension can also be drawn as a lump-sum settlement, in keeping with the spouse's pension. The following articles have been amended:

For the Pension Fund: Art. 12, para. 5 / Art. 24, para. 13 / Art. 32, para. 3 + 6 / Art. 39, para. 7 / Art. 64 / Appendix 1, paragraphs 1 and 2

For the Zusatzkasse: Art. 12, para. 4 / Art. 16, para. 2 / Art. 19, para. 2 + 3 / Art. 20, para. 2 / Art. 24, para. 12 / Art. 32, para. 3 + 6 + 7 / Art. 39, para. 7 / Art. 64 / Appendix 1, paragraphs 1 to 5

You can access the current Regulations under www.pk-srtechnics.ch/en. On request, we will send you a hard copy of the Regulations.

Partner's pension for unmarried persons

We would like to draw your attention to Art. 39 and Art. 45 of the Pension Regulations. The designation of the life partner shall be made in a unilateral written declaration including an authenticated signature or a contract between both life partners that includes the member's authenticated signature. Previous declarations that do not comply with these requirements are invalid and shall be replaced. The designation of the life partner shall be made during the member's lifetime.

There is a form for the designation of a life partner, which you can obtain from our customer service.

Refund of risk contributions paid in 2021

Following the conclusion of the reinsurance contract for the risks of death and disability with AXA, the Pension Fund's Board of Trustees found that, thanks to the conclusion of this reinsurance contract, the previous risk and administrative contributions were higher than necessary. The Pension Fund's Board of Trustees therefore decided at its meeting on 17 November 2021 to refund in full the risk and administrative contributions paid for 2021 to those employees who were still insured on 31 December 2021. The corresponding amounts shall be credited to the retirement assets of active members as at 1 January 2022. In the case of the Zusatzkasse, there will be no refund.

Insurance certificate

The current version of the insurance certificate can be accessed on the homepage of the online portal at www.pk-srtechnics.ch/en. Insurance certificates are no longer sent by mail.

New website of the Pension Fund and Zusatzkasse

From the end of January, our website will have a new look. It will have a modern design and be technically up to date. The address remains unchanged: www.pk-srtechnics.ch.

On the website you will find documents and information on the Pension Fund and on the issue of employee benefits in various situations in life. Under "Portal", you can log in to the online portal with your personal access data. The online portal allows you to retrieve documents and data on your personal pension situation and carry out individual simulation calculations.

Option of voluntary buy-ins

Finally, we would like to take this opportunity to remind all active members that both foundations offer the option of voluntary buy-ins. Buy-ins into the Pension Fund and/or the Zusatzkasse increase the member's retirement assets and thus the future retirement pension. In addition, buy-ins are tax-deductible and therefore reduce the tax burden.

Yours sincerely,

Pension Fund of SR Technics Switzerland
Zusatzkasse of SR Technics Switzerland



Jürg Knab
Chairman



Arpad Toth
Managing Director