

Avadis Vorsorge AG, P.O. Box, 8031 Zurich, SWITZERLAND

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

Zurich, February 2024

## **Information regarding your Pension Fund**

Dear Madam/Sir,

Below please find some information regarding your pension scheme:

### **2023 financial assets performance / target value of the value fluctuation reserve**

In 2023, central banks once again raised key interest rates considerably in an attempt to fight the high inflation. This has led to a further significant weakening of the global economy, which is why the most important central banks stopped hiking interest rates towards the end of the year. Due to the higher interest rates, global bond markets, with the exception of Switzerland, saw notable value losses. Stock markets diverged sharply due to the expected potential of artificial intelligence (AI), with shares in this segment massively outperforming the rest of the market. The Pension Fund generated a total return of 1.3%.

At the request of the investment committee, the Board of Trustees decided at its meeting on 23 November 2023 to reduce the target value fluctuation reserves as at 31 December 2023 from 32% to 25%. This percentage was calculated by AON Schweiz AG, the Pension Fund's investment consultant, after the new long-term asset structure (investment strategy) was approved. The target value fluctuation reserve of 25.0% is now more in line with the average value of other pension funds.

### **Technical interest rate**

The long-term security and stability of the Pension Fund of SR Technics Switzerland is of great concern to the Board of Trustees. It is currently not possible to predict how long interest rates will remain on a higher level. Due to the rise in interest rates and in view of the continued positive financial situation of the Pension Fund, the Board of Trustees has resolved to increase the technical interest rate, which is used to calculate the Pension Fund's liabilities, from previously 1.50% to 1.75% as at 31 December 2023. As a result, the liabilities are discounted at a higher interest rate and therefore, as at 31 December 2023, slightly less capital is needed to cover these liabilities.

### **2023 and 2024 interest rate**

At its meeting on 23 November 2023, the Board of Trustees decided to apply a comprehensive 2023 interest rate of 2.5% on savings capitals for the Pension Fund as at 31 December 2023. This interest

#### **Pension Fund of SR Technics Switzerland**

c/o Avadis Vorsorge AG, Zollstrasse 42, P.O. Box, 8031 Zurich  
T +41 58 585 76 76, F +41 58 585 29 00, [srtechnics@avadis.ch](mailto:srtechnics@avadis.ch), [www.pk-srtechnics.ch](http://www.pk-srtechnics.ch)

is granted to all active members who were still insured as at 31 December 2023 and for all members retiring as at 31 December 2023, with effect as at 1 January 2024. In determining the interest rate for 2023, the Board of Trustees took into account primarily the Pension Fund's still quite healthy coverage ratio of an estimated 117.5% as at 31 December 2023. The Board is of the opinion that even in a rather difficult year for investors, a steady interest on the savings capital must be guaranteed and inter-generational equity must not be neglected.

For 2024, the Board of Trustees has resolved to apply a comprehensive provisional interest rate of 1.25% on savings capitals for the Pension Fund of SR Technics with "comprehensive" meaning for both the mandatory portion of the savings capital and the non-mandatory portion. This interest rate definitely applies to members leaving or retiring during the year 2024, with the exception of members leaving or retiring as at 31 December 2024. The provisional interest rate applicable during the year shall be reviewed by the Board of Trustees in November 2024.

### **Pension Regulations valid as of 1 January 2024**

Due to the vote on the 2021 AHV reform held in 2022 and its adoption, the Pension Fund's Pension Regulations were amended with effect from 1 January 2024.

The main adjustments are the increase in the reference age for women and the flexible retirement for all members who continue to work after reaching the statutory retirement age, up to a maximum age of 70.

The following articles have been amended:

Art. 4, para. 2 / Art. 6, title / Art. 8, para. 1 / Art. 10, para. 1a / Art. 12, para. 5 / Art. 14 / Art. 16 with option of continued insurance up to age 70 / Art. 18, para. 4d / Art. 19 / Art. 20 / Art. 27 / Art. 28 elimination of previous paragraph 2 / Art. 29 / Art. 30 elimination of previous paragraph 2 / Art. 32, para. 1 / Art. 33, para. 1 / Art. 48, para. 5b / Art. 56, para. 5 / Art. 57, para. 2 and para. 2a / Art. 58 para. 1, / new Art. 58a / Art. 64, para. 1 / Appendix 1: paragraph 2 addition of interest rates 2023 and 2024; paragraph 4 addition of conversion rates up to age 70; paragraph 5 amendment of rates for pre-financing of early retirement for women; paragraph 6 the statutory retirement age for women born from 1960 to 1964 / Appendix 3, paragraph 4.3c.

You can access the current Regulations under [www.pk-srtechnics.ch](http://www.pk-srtechnics.ch). 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 2023**

The Board of Trustees of the Pension Fund found that, thanks to the existing reinsurance contract for the risks of death and disability with AXA, the previous risk and administrative contributions were higher than necessary. The Board of Trustees therefore decided at its meeting on 23 November 2023 to refund in full the risk and administrative contributions paid for 2023 to those employees who were still insured on 31 December 2023. The corresponding amounts have been credited to the retirement assets of active members as at 1 January 2024.

### **Pension Fund of SR Technics Switzerland**

c/o Avadis Vorsorge AG, Zollstrasse 42, P.O. Box, 8031 Zurich  
T +41 58 585 76 76, F +41 58 585 29 00, [srtechnics@avadis.ch](mailto:srtechnics@avadis.ch), [www.pk-srtechnics.ch](http://www.pk-srtechnics.ch)

### **Insurance certificates**

Active members can access their insurance certificate on the homepage of the online portal at [www.pk-srtechnics.ch/](http://www.pk-srtechnics.ch/). Insurance certificates are no longer sent by mail.

### **Liquidation of the Zusatzkasse as at 1.1.2023 following the merger of the Pension Fund and the Zusatzkasse**

About a year ago we informed you, that, as at 1 January 2023, the retirement assets of all beneficiaries at the Zusatzkasse had been transferred to their retirement assets with the Pension Fund and the pensioners' coverage capital had been transferred from the Zusatzkasse to the Pension Fund. The liquidation of the Zusatzkasse of SR Technics Switzerland is now well advanced. In a letter dated 30 October 2023, the BVG- und Stiftungsaufsicht (BVS) approved the Pension Fund's and Zusatzkasse's 2022 annual financial statements. In our letter from 9 October 2023, we informed you about the Stiftungsaufsicht's decision dated 25 September 2023. In a letter dated 4 December 2023, the BVG- und Stiftungsaufsicht sent the confirmation that the decision dated 25 September 2023 and approving the transfer of the Zusatzkasse of SR Technics Switzerland, which is in liquidation, had entered into force, after no objections were received.

As a next step, the closing balance sheet for the liquidation will be prepared. The auditors will then confirm that the liquidation of the Zusatzkasse has been duly completed and that the Zusatzkasse has no longer any assets. As the Zusatzkasse is in liquidation, instead of the Board of Trustees there is now a group of liquidators.

### **Composition of the Board of Trustees as of 1 January 2024**

As at 31 December 2023, Jürg Knab, the long-standing Chair of the Pension Fund's Board of Trustees, left the Board of the Pension Fund as well as the Board of the Zusatzkasse, which is in liquidation. We would like to express our special thanks for his commitment and guidance. In addition, Johann Ritzinger and Arsène Demenga left the Board of Trustees during 2023. We would like to thank them all for their outstanding contributions and wish them the very best for the future.

Since 1 January 2024, the composition of the Board of Trustees is as follows:

#### ***Pension Fund***

##### *Employee representatives*

Rita Vitanza (Vice Chair)  
Eliane Fischer  
Pascale Mörikofer  
Robert Gürtler

##### *Employer representatives*

Jean-Marc Lenz (Chair)  
Matthias Düllmann  
Martin Schmitz-Dräger  
Edgar Silva

#### ***Zusatzkasse (group of liquidators)***

##### *(Former employee representatives)*

Pascale Mörikofer  
Martin Schmitz-Dräger

##### *(Former employer representatives)*

Jean-Marc Lenz (Chair)  
Matthias Düllmann  
Edgar Silva

### **Option of voluntary buy-ins**

We would like to take this opportunity to remind all active members that the Pension Fund offers the option of voluntary buy-ins. Buy-ins into the Pension Fund increase the member's retirement assets

#### **Pension Fund of SR Technics Switzerland**

c/o Avadis Vorsorge AG, Zollstrasse 42, P.O. Box, 8031 Zurich  
T +41 58 585 76 76, F +41 58 585 29 00, [srtechnics@avadis.ch](mailto:srtechnics@avadis.ch), [www.pk-srtechnics.ch](http://www.pk-srtechnics.ch)

and thus the future retirement pension. In addition, buy-ins are tax-deductible and therefore reduce the tax burden.

**Plan selection**

Finally, we would like to draw your attention to the fact that all active members may change their plan (Standard, Comfort and Super) once a year, with effect from 1 January of the following year. They have to notify the Pension Fund by 30 November of the preceding year. If a member does not opt for selecting another plan, the previous plan option remains valid.

If you have any questions, please do not hesitate to contact us (058 585 76 76 or [srtechnics@avadis.ch](mailto:srtechnics@avadis.ch)).

Yours sincerely,

**Pension Fund of SR Technics Switzerland**



Jean-Marc Lenz  
Chair



Arpad Toth  
Managing Director