

General Electric Switzerland Pension Fund

Short Report 2021

Key figures	2021	2020
Capital investments in CHF	1 736 341 707	1 666 645 155
Expenditure/income surplus in CHF	44 295 113	28 171 091
Employer contributions in CHF	19 822 199	22 879 486
Employee contributions in CHF	15 249 260	17 388 662
Pension benefits in CHF	51 548 226	50 663 421
Lump-sum benefits in CHF	18 110 227	12 800 485
Net result from cash flow contributions/benefits in CHF		
	-34 586 994	-23 195 758
Net result from insurance benefits in CHF ¹⁾	12 027 578	16 232 508
Administrative expenses in CHF (total)	696 481	706 813
Administrative expenses in CHF (per beneficiary; average portfolio at the beginning/end of the year)	202	191
Return on capital investments in %	8.95	5.20
Coverage ratio in %	122.00	119.30
Value fluctuation reserve in % ²⁾	22.00	19.30
Target value fluctuation reserve in % ²⁾	22.00	20.00

¹⁾ This amount consists mainly of the following components: difference between risk premium and actual costs for death and disability benefits, difference between actual mortality rate during year under review and statistical long-term reading.

²⁾ As % of pension plan capital (savings and coverage capital) and actuarial reserves

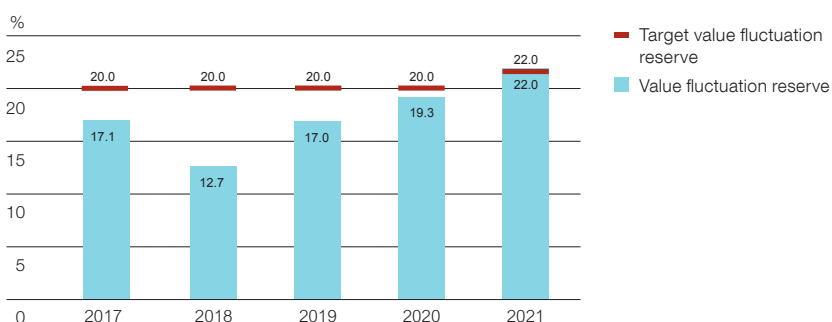
Member portfolio	2021	in %	2020	in %
Active members	1 806	53	1 999	56
Pensioners ¹⁾	1 591	47	1 550	44
Total	3 397		3 549	

¹⁾ Including children and orphans

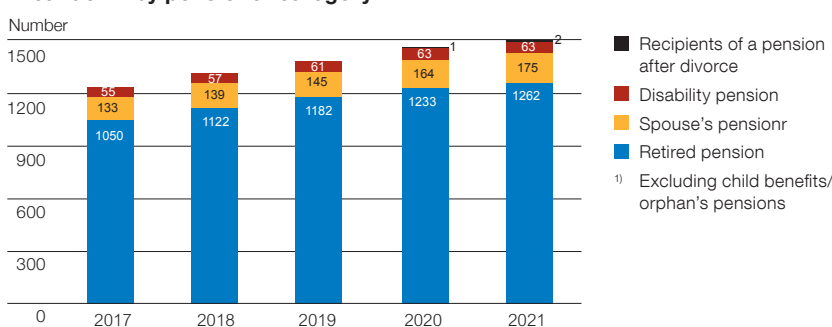
Benefits	2021	2020
Pension increase in CHF	0	0
One-time bonus payment for pensioners ¹⁾	0	0
Conversion rate at 65 in %	5.25	5.45
Interest on savings capital in %	15.75	6.50
Average interest on savings capital over the last ten years in %	5.25	3.95
Actuarial interest rate in %	1.00	1.00

¹⁾ 2021 figure will be determined after submission of the annual accounts.

Value fluctuation reserve



Breakdown by pensioner category ¹⁾



Coverage ratio rises further after impressive investment result

With the approval of effective vaccines against Covid-19, hopes of an early return to normal economic and social life emerged at the beginning of 2021. In response, the financial markets boomed. Announcements by the central banks that they would hold off on raising interest rates despite high inflation added further impetus, with the stock markets benefiting in particular, leading to a sharp rise over the course of the year.

The General Electric Switzerland Pension Fund generated an excellent return of 8.95% in the 2021 investment year.

As a consequence, the financial situation of the Pension Fund has improved, which in turn allowed the foundation to pay an exceptional interest rate of 15.75%. In addition, pensioners will receive a bonus pension. The coverage ratio rose to 122% (previous year 119.3%). The Board of Trustees has decided to take a prudent approach and pay 1.00% interest on savings capital in 2022 – the minimum interest rate set by the Federal Council.

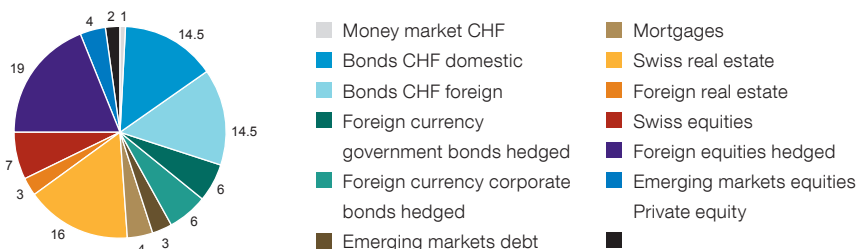
In the past financial year, the Board of Trustees held four ordinary meetings and attended a workshop to receive specific further training.

In light of the current geopolitical circumstances resulting from the war in Ukraine and its impact on the global economy and financial markets, the Board of Trustees is keeping a close eye on the development of the financial investments with a view to making adjustments if necessary.

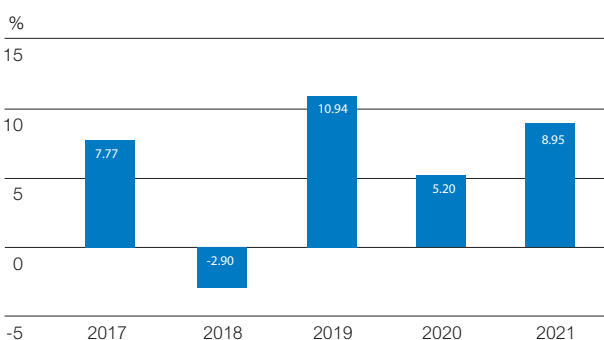
Balance sheet	31.12.2021	31.12.2020
	CHF	CHF
Assets		
Capital investments	1 736 341 707	1 666 645 155
Employer receivables	340 287	0
Cash and cash equivalents, other assets	27 598 233	29 687 382
Total assets	1 764 280 227	1 696 332 537
Liabilities		
Liabilities and passive accruals and deferrals	25 778 054	30 019 358
Active members' pension plan capital (savings capital)	581 827 898	549 985 487
Pensioners' pension plan capital (coverage capital)	777 553 379	783 242 902
Actuarial reserves	65 620 504	63 879 511
Value fluctuation reserve	313 500 392	269 205 279
Total liabilities	1 764 280 227	1 696 332 537

Income statement	2021	2020
	CHF	CHF
Regulatory contributions	35 071 459	40 268 148
Vested benefits, buy-in amounts and one-time payments	17 367 681	17 893 678
Inflow from contributions and entry benefits	52 439 140	58 161 826
Retirement, survivors' and disability benefits	-77 430 786	-64 606 065
Termination benefits	-45 003 291	-68 510 111
Advance withdrawals for home ownership/divorce	-2 605 835	-3 136 766
Outflow for benefits and advance withdrawals	-125 039 912	-136 252 942
Decrease/increase in pension plan capital and actuarial reserves	-27 893 881	22 419 327
Contribution to guarantee fund	-202 424	-250 000
Income from insurance activities	25 155	130 950
Net result from insurance activities	-100 671 922	-55 790 839
Net return on investments	145 545 146	81 418 533
Other income	118 369	3 266 364
Other expenses	0	-16 155
Administrative expenses	-696 481	-706 813
Accrual value fluctuation reserve	-44 295 113	-28 171 091
Income surplus	0	0

Investment strategy in %



Return on capital investments



Official bodies

Board of Trustees

(Term of office 2021–2024)

Employer representatives

Alexander Mihajlovic (Chair)
Robin Indermaur
Dana Kiefer
Michael Rechsteiner

Since 8 June 2020, the Board of Trustees has had only four employer representatives. Effective 1 May 2022, the Board of Trustees will be reduced from ten to eight members.

Employee representatives

Hans-Jürg Harder (Vice Chair)
Jerome Harden
Christoph Hasler
Roland Hug
Peter Renz

Administrative commission (term of office 2021–2024)

Hans-Jürg Harder (Chair)
Jerome Harden
Christoph Hasler
Roland Hug
Peter Renz

Audit committee

Roland Hug
Alexander Mihajlovic

General management (Avadis Vorsorge AG)

Marion Fischer (General Manager)
Tobias Abstreiter (Deputy General Manager)

Authorised signatories

Alexander Mihajlovic
Hans-Jürg Harder
Christoph Hasler
Robin Indermaur
Tobias Abstreiter (Avadis Vorsorge AG)
Marion Fischer (Avadis Vorsorge AG)
Lars Kleuke (Avadis Vorsorge AG)
Albert Steiner (Avadis Vorsorge AG)

Occupational benefits expert

Olivier Kern (executive expert),
Pittet Associates AG, Bern (contractual partner)

Auditors

KPMG AG, Zurich

Investment consultant

Hansruedi Scherer, PPCmetrics AG, Zurich

Supervisory authority

BVSA, Bureau of Occupational Benefits and Foundation Supervision Aargau, Aarau

Further information

The full annual report can be accessed at www.ge-vorsorge.ch. You may also order it (in German) from the General Electric Switzerland ion Fund. The full annual report is legally binding.

General Electric Switzerland Pension Fund

c/o Avadis Vorsorge AG
Zollstrasse 42, P.O. Box 1077
8005 Zurich
T 058 585 54 91
ge@avadis.ch, www.ge-vorsorge.ch