

## “Affiliation to Profond – what you need to know” information sheet

For our forms, information sheets and pension fund regulations, please visit our website at

[www.profond.ch](http://www.profond.ch).

### **Executive bodies**

Customers of Profond Pension Fund are at the same time, by virtue of their affiliation, also members of the Profond Association. The General Meeting of the Association elects members to the executive bodies and committees of the pension fund and makes recommendations on the design and implementation of occupational pensions.

The Foundation Board elected by the Profond Association issues the framework regulations and authorises the pension plans of the affiliated companies. It approves the annual financial statements and regulates the investment of assets and the management of the Foundation. The Foundation Board may delegate individual tasks.

The employee pension scheme committees represent the interests of the affiliated companies and their insured members. They decide on the design of the relevant pension plans and serve as communicators of information between the insured members, the company and the foundation (see articles 25–26 of the Organisational Regulations).

### **Monitoring bodies**

The audit is conducted by KPMG AG in Zurich. The auditors examine the business and asset management of Profond on an annual basis.

The occupational pension expert reviews Profond's risk capacity and security annually and issues an actuarial report.

Profond is subject to the Supervisory Authority for BVG Pensions and Foundations of the Canton of Zurich (BVS).

### **New affiliations / transfer of assets**

In the event of a new affiliation, the assets of the insured members will be transferred to Profond. For marketable assets, the transfer of the securities is in principle possible, but Profond reserves the right to reject specific investments. The valuation date is the agreed affiliation date. Employers' loans are not taken over because Profond has a strict policy of not granting loans to employers.

The retirement assets brought into the scheme are credited to the insured members' personal account. In principle, in the case of new contracts, Profond does not require any risk review if the same risk benefits (disability allowance, spouse's pension etc.) were insured by the previous pension fund. Existing reservations on medical grounds (limited to 5 years) will be taken over by Profond. The years of this period elapsed at the previous pension fund shall be taken into account.

Additional voluntary contributions can be paid into the scheme up to the legally permitted maximum. The amount of such contributions is determined according to recognised underwriting principles.

### **Costs**

In addition to retirement credits and risk and administration costs, which will depend on the pension plan in question, Profond charges an annual management fee and a membership contribution for the Profond Association.

### **Asset management**

The Foundation Board is responsible for the investment policy and gears the investment strategy to the possibilities open to the Foundation and the needs of the insured members. Strategy and tactical measures are implemented by the Investment Committee of the Foundation Board in close cooperation with the responsible portfolio managers on the basis of market developments.

### **Administration**

Profond issues an invoice for the settlement of ordinary contributions quarterly. The payment is due at the end of the quarter plus 30 days.

After changes (new hires, salary adjustments etc.), the insured members will be provided with new pension certificates and the company with a new summary of reported changes for information.

Employers can report changes quickly and easily via the ProfondConnect company portal. The portal offers additional functions, such as viewing contribution evaluations as well as statements of account.

## Interest rate on retirement assets

Each year, once the financial statements have been completed, the Foundation Board decides on the interest rate for the retirement assets and any pension

increase. The law prescribes a minimum interest rate on the available BVG retirement assets.

## Investment performance and distribution

Figures in percent (%)	2018	2019	2020	2021	2022	2023	Average
Performance	- 4.2	13.5	2.7	12.7	- 8.2	4.6	3.5
Interest rate on retirement assets	1.5	3.5	1.75	8.0	2.2	2.5	3.2
Pension increase	0.0	0.0	0.0	0.0*	0.0	0.0	0.0
BVG minimum interest rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0

\*One-off additional pension of CHF 1000