



Annual report 2022

Vita Collective Foundation

Vita Collective Foundation

Key figures for 2021 **2022**

Pensioners¹⁾

5,827
6,676

Active members

142,493
148,657

Net returns on asset investments

8.49%
-9.80%

Affiliated employers

23,682
24,916

Assets in CHF million

19,014
17,947

Maximum interest earned
on savings capital

1.40% **2.90%**

1) Pensioners on own balance sheet

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Dr. Marcel Oertig



Michael Christen



Dr. Werner Wüthrich

“Sustainable investing for future generations”

The sustainable investment of pension assets is an integral part of a fair and secure occupational pension system. So that future generations not only receive a pension that allows them to retire comfortably, but they also inherit a world that is worth living in. This is why Vita Collective Foundation invests responsibly and has committed to having a climate-neutral investment portfolio by 2050.

In 2022, we added green bonds to our asset classes, and we have already invested CHF 390 million in these bonds. With such investments, we support environmental projects in the fields of renewable energies, energy efficiency and environmentally friendly buildings. We have also decided to exclude companies that generate more than 30 percent of their revenue or electricity with coal from our equities and alternative investments, thus making another important contribution to the process of decarbonization.

The 2022 trading year was extremely challenging for pension funds, with inflationary pressure, rising interest rates and geopolitical uncertainties resulting in losses across almost all asset classes. Vita Collective Foundation posted a net performance of -9.80 percent for 2022. The coverage ratio as of December 31, 2022 was 100.5 percent. With total assets of CHF 17.9 billion, Vita Collective Foundation is still one of the biggest pension institutions in Switzerland – by the way, it celebrates its 20th anniversary in 2023. In 2022, the number of affiliated companies increased by 5.2 percent to 24,916 and the number of insured persons by 4.3 percent to 148,657.

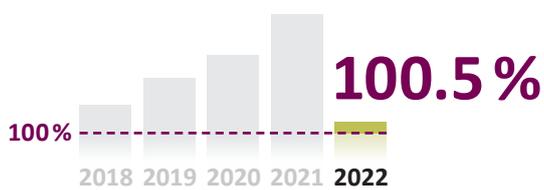
To ensure that future generations can still rely on the second pillar, the foundation promotes urgently needed reforms that take account of life expectancy trends as well as changed working and social models.

Dr. Marcel Oertig
President of the
Foundation Board

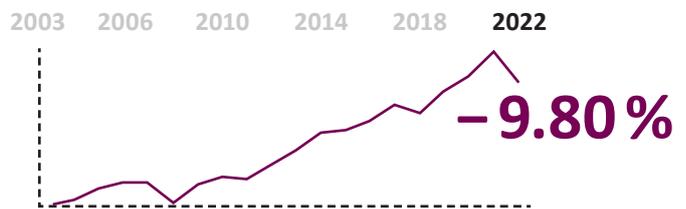
Michael Christen
President of the
Investment Commission

Dr. Werner Wüthrich
Managing Director

Vita Collective Foundation 2022



Coverage ratio
Development of coverage ratio over the last five years



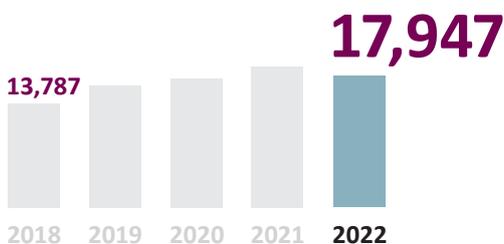
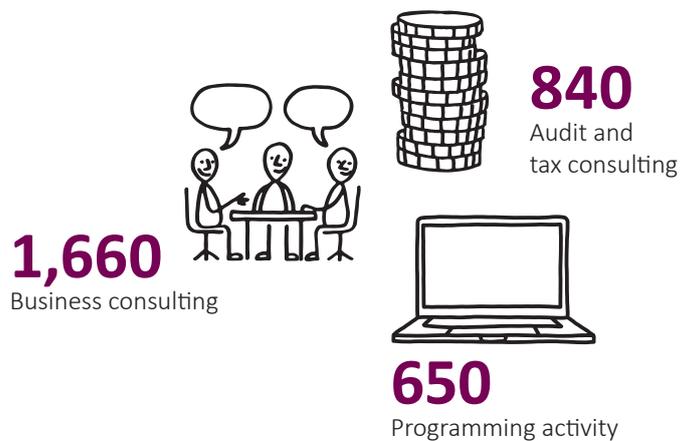
Performance
Cumulative net performance over the last 20 years



CO₂ reduction
CO₂ reduction in equity investments since 2019

Who are our customers?

Distribution by sector (top three, rounded)



Total assets
Development of total assets in CHF million over the last five years



Reduction of redistribution
Reduction of all-inclusive conversion rate

Highlights of the year

Vita Collective Foundation continued to promote fair and secure occupational retirement provision for all generations in 2022. It invested in green bonds, optimized its risk management system and developed sustainable pension solutions for a flexible working world.

Sustainability

February

Vita Collective Foundation deliberately expanded its asset classes in 2022 to include green bonds. It also decided to exclude companies that generate more than 30 percent of their revenue or electricity with coal from its investment portfolio.

Please see the sustainability report for more information.

Senior housing

June

Vita Collective Foundation invested CHF 43 million in a flagship project combining multi-generational homes and assisted living facilities in Ilanz/Glion (GR). Residenza St. Joseph opened and was handed over to its residents in June 2022.

vita.ch/seniorhousing



Innovation

September

Vita Collective Foundation joined forces with the University of Applied Sciences Northwestern Switzerland and the consulting company Avenir Group to support Innosuisse's "Flexible Workforce" project in 2022. In the capacity of implementation partner, it developed sustainable pension solutions for a flexible working world.



Governance

September

Vita Collective Foundation attaches great importance to responsible corporate governance and is convinced that structured risk management is indispensable. Its software-based risk management system goes beyond the regulatory requirements.

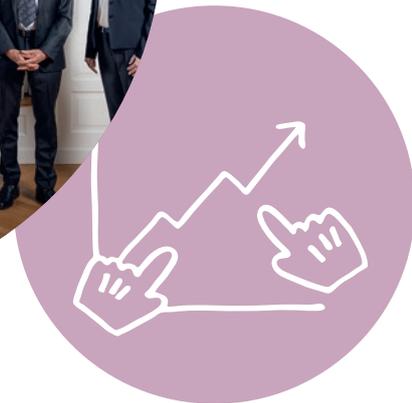
Please see the governance report for more information.



Foundation Board

November

In 2022, the Foundation Board of Vita Collective Foundation focused on professional collaboration as well as training and further education for its members. The Board's composition changed at the end of the year when Dr. Alexandra S. Rieben joined as a new member representing the interests of the employees.



Investment strategy

December

The 2022 trading year was extremely challenging, with inflationary pressure, rising interest rates and geopolitical uncertainties resulting in losses across almost all asset classes. Vita Collective Foundation ended the financial year with an investment performance of -9.8%.

vita.ch/vita-classic/investments

Balance sheet and operating statement

Balance sheet

Assets

in CHF	Notes	12 / 31 / 2022	12 / 31 / 2021
Investments		17,939,536,907	19,007,191,732
Cash and cash equivalents and money market investments	6.4	583,733,999	204,081,171
Investments with the employer	6.10	174,831,822	136,951,795
Other receivables	7.1	164,064,150	144,948,021
Bonds	6.4	5,203,898,019	5,606,602,543
Equities	6.4	5,252,731,261	5,975,195,330
Real estate	6.4	3,037,280,999	2,908,091,530
Alternative investments	6.4	1,889,835,680	2,397,814,373
Infrastructure	6.4	463,772,037	390,813,577
Mortgages	6.4	1,239,015,872	1,262,377,765
Investments in affiliates	6.4	100,000	100,000
Foreign currency hedging	6.6.2	55,220,645	89,040,229
Hedging from derivatives transactions	6.4	-124,947,576	-108,824,602
Accrued income and deferred expenses	7.2	7,109,810	7,056,957
Total assets		17,946,646,717	19,014,248,689

Liabilities

in CHF	Notes	12 / 31 / 2022	12 / 31 / 2021
Liabilities		514,413,880	433,329,105
Vested benefits and pensions	7.3	222,683,205	194,898,405
Other liabilities	7.3	291,730,674	238,430,701
Accrued expenses and deferred income	7.4	2,243,864	1,511,210
Employers' contribution reserves	6.10	172,545,659	158,432,451
Pension capital and technical provisions		17,093,228,786	15,973,686,647
Pension capital of active insured	5.3.2	13,650,741,490	12,791,962,112
Pension capital of pensioners	5.4	2,682,283,139	2,397,720,243
Technical provisions	5.6	760,204,157	784,004,292
Value fluctuation reserve	6.3	93,399,490	1,916,842,398
Uncommitted funds of pension schemes	7.7	70,765,039	57,288,057
Uncommitted funds of Foundation / funding deficiency		0	473,108,821
At beginning of period		473,108,821	293,136,684
Expense surplus (-) / income surplus (+)		-473,108,821	179,972,136
Endowment capital		50,000	50,000
Total liabilities		17,946,646,717	19,014,248,689

Operating statement

in CHF	Notes	01/01–12/31/2022	01/01–12/31/2021
Regular and other contributions and purchases		1,357,758,803	1,287,092,426
Contributions by employees		550,133,255	512,840,658
Contributions by employers		674,702,118	625,435,134
Withdrawal from employers' contribution reserves to finance contributions	6.10	-16,853,322	-23,877,153
Withdrawal from uncommitted funds of pension schemes	7.7	-10,238,766	-4,653,462
Single contributions and purchase amounts	5.3.2	125,241,765	139,750,749
Capital contributions to employers' contribution reserves	6.10	34,773,754	37,596,500
Benefits brought into scheme		1,693,490,224	1,316,741,629
Vested benefits	5.3.2	1,633,158,953	1,274,435,972
Deposits upon takeover of portfolios of insured to			
Value fluctuation reserve		0	30,999
Uncommitted funds of pension schemes	7.7	27,903,246	2,919,648
Actuarial reserves of pensioners	5.4	2,056,764	357,535
Incoming advance withdrawals for home ownership promotion/divorce	5.3.2	30,371,261	38,997,476
Incoming contributions and benefits brought into scheme		3,051,249,027	2,603,834,055
Regulatory benefits		-671,784,488	-638,548,413
Retirement pensions		-232,114,809	-219,607,369
Survivors' pensions		-20,062,684	-19,040,335
Disability pensions		-46,773,034	-46,038,973
Lump-sum payments on retirement	5.3.2	-314,378,530	-300,840,412
Lump-sum payments on death and disability		-58,455,431	-53,021,324
Departure payments		-1,684,579,993	-1,541,180,216
Vested benefits paid to departing insured	5.3.2	-1,606,591,763	-1,472,357,368
Transfer of additional funds upon collective withdrawal		-7,994,635	-8,865,373
Advance withdrawals for home ownership promotion/divorce	5.3.2	-60,519,273	-56,613,164
Actuarial reserves for disability pensions on contract termination		-9,474,322	-3,344,311
Outgoing benefits and advance withdrawals		-2,356,364,481	-2,179,728,629
Reversal (+)/formation (-) of pension capital, technical provisions and contribution reserves		-1,147,132,329	-693,974,872
Reversal (+)/formation (-) of pension capital of active insured	5.3.2	-515,792,123	-304,438,909
Reversal (+)/formation (-) of pension capital of pensioners	5.4	-284,562,896	-240,723,069
Reversal (+)/formation (-) of technical provisions	5.6	23,800,135	10,516,318
Reversal (+)/formation (-) of uncommitted funds of pension schemes	7.7	-13,476,982	5,316,502
Interest on savings capital	5.3.2	-342,987,255	-156,210,439
Reversal (+)/formation (-) of contribution reserves	6.10	-14,113,208	-8,435,274
Brought forward		-452,247,783	-269,869,446

in CHF	Notes	01/01–12/31/2022	01/01–12/31/2021
Brought forward		-452,247,783	-269,869,446
Income from insurance benefits		269,942,905	261,388,705
Insurance benefits		258,689,709	247,422,995
Profit shares from insurance policies		11,253,196	13,965,709
Insurance costs		-257,047,533	-240,371,740
Insurance premiums			
Risk premiums		-148,682,918	-142,726,972
Cost premiums		-68,934,367	-70,228,238
Security Fund contributions		-7,063,841	-6,633,827
Single contributions to insurance companies	5.3.2	-32,366,407	-20,782,704
Net result from insurance activities		-439,352,411	-248,852,482
Net result from investments		-1,849,800,201	1,435,793,941
Income from cash and cash equivalents and money market investments	6.8	1,760,636	-154,946
Income from investments with the employer	6.8	1,974,401	1,750,584
Interest on vested benefits	6.8	-4,524,419	-4,361,046
Income from bonds	6.8	-781,379,166	-72,715,571
Income from equities	6.8	-1,103,197,273	1,056,994,419
Income from real estate	6.8	-7,052,567	321,312,052
Income from alternative investments	6.8	73,046,056	238,747,712
Income from infrastructure	6.8	43,586,593	67,136,792
Income from mortgages	6.8	5,416,988	15,726,210
Income from investments in affiliates	6.8	250,000	850,000
Income from currency hedging	6.8	18,544,653	-42,818,507
Asset management costs	6.8	-98,226,103	-146,673,758
Other income		1,258,763	1,184,735
Income from services rendered	7.5	1,258,763	1,184,735
Other expenses	7.6	-1,464,863	-1,018,664
Administrative costs	5.1	-7,193,017	-7,262,829
General administration		-6,306,723	-6,292,690
Marketing and advertising		-618,993	-632,957
Auditors and pension actuary		-127,486	-181,447
Supervisory authorities		-139,815	-155,734
Income surplus before formation of value fluctuation reserve		-2,296,551,729	1,179,844,701
Reversal (+)/formation (-) of value fluctuation reserve	6.3	1,823,442,908	-999,872,565
Expense surplus / income surplus		-473,108,821	179,972,136

Notes

1 Principles and organization

First entry in Commercial Register / no. CH-020.7.001.096-8	September 17, 2003
Funding method	Defined contribution plan

1.1 Legal form and purpose

Vita Collective Foundation is a foundation pursuant to Art. 80 et seq. of the Swiss Civil Code.

The purpose of the Foundation is to provide mandatory occupational pension plans for employees and employers as well as their surviving dependents against the consequences of old age, disability and death. Occupational pension plans are provided in accordance with the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) of June 25, 1982, and its implementing ordinances. The Foundation can also provide occupational benefits coverage that exceeds the statutory minimum benefits, including assistance to alleviate the hardship caused by illness, accident, disability or unemployment.

1.2 BVG registration and Security Fund

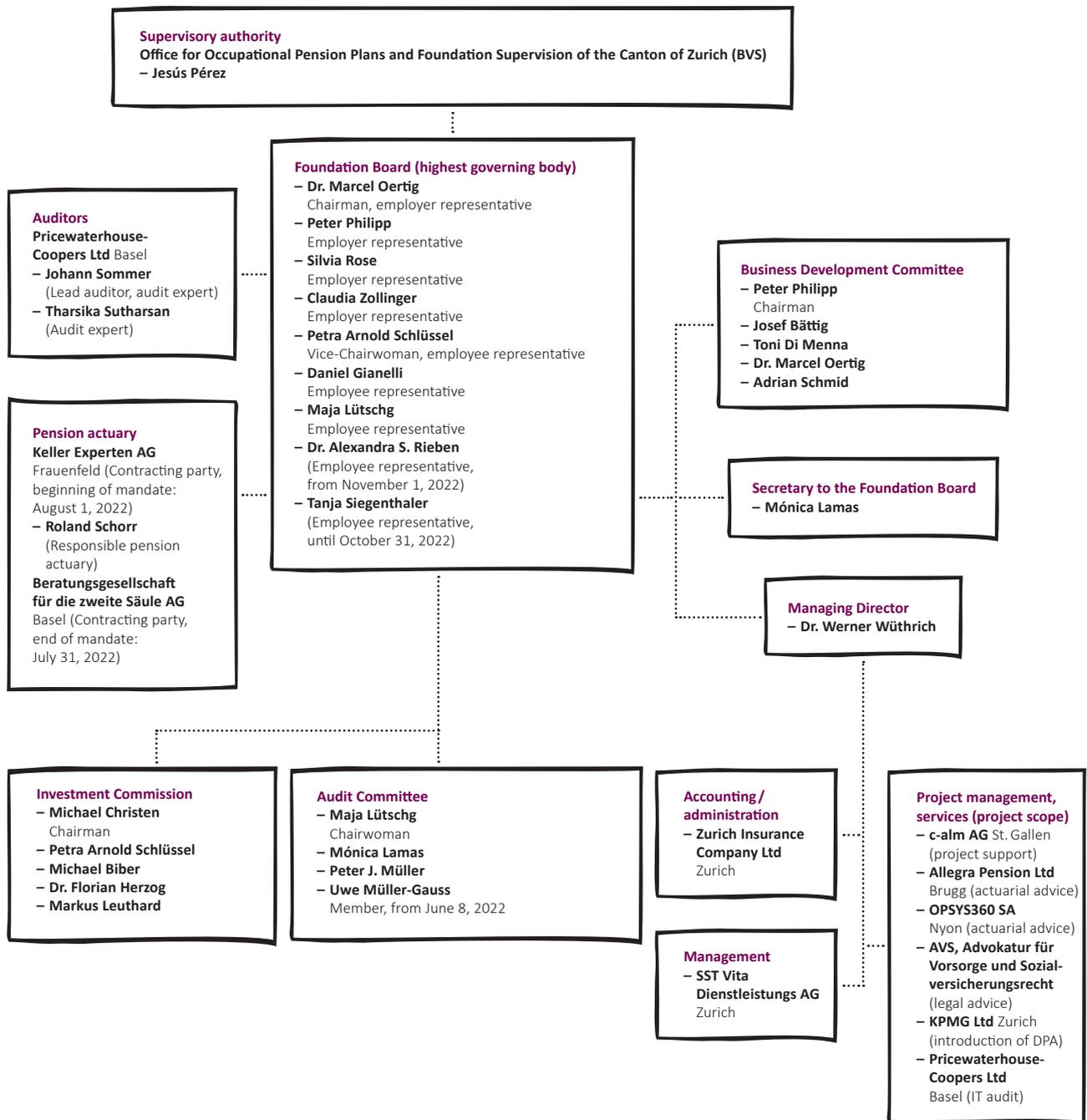
Vita Collective Foundation is registered (registration number ZH 1446) in accordance with the provisions of the BVG and affiliated with the Security Fund.

1.3 Deeds and regulations

Vita Collective Foundation has the legal form of a foundation and was established by public deed of June 13, 2003. The current deed, dated March 9, 2021, has been in force since August 27, 2021 (approval by supervisory authority).

Valid regulations as at 12/31/2022	Date of resolution	Entry into force	Version
Rules of organization	November 16, 2021	November 1, 2021	2/2021
Regulations on Foundation Board elections	June 8, 2021	July 1, 2021	2/2021
Pension regulations, basic	November 16, 2021	January 1, 2022	1/2022
Investment regulations	November 16, 2021	January 1, 2022	1/2022
Regulations on the formation of provisions	March 9, 2021	December 31, 2020	1/2020/2021
Regulations on partial liquidation	November 17, 2020	January 1, 2020	1/2020
Governance regulations	November 15, 2017	January 1, 2018	1/2018
Pension regulations, association	November 16, 2021	January 1, 2022	1/2022
Regulations on partial liquidation, association	September 8, 2015	September 8, 2015	1/2015
Rules of organization and regulations on elections, association	September 8, 2015	January 1, 2016	1/2016

1.4 Highest governing and executive bodies, management and signatory powers



Foundation Board Committees

Vita Collective Foundation has three standing committees:

- a) Audit Committee (AC)
- b) Business Development Committee (BDC)
- c) Investment Commission (IC)

Signatory powers

The Foundation Board appoints the persons who are authorized to sign on behalf of the Foundation. The members of the Foundation Board and the other authorized signatories are authorized to sign jointly with a minimum of two signatures.

1.5 Governance

1.5.1 Risk management, loyalty, transparency and control system

Governance of a collective foundation serves as a statutory and de facto regulatory framework. It has to ensure that the foundation is correctly managed and controlled by clearly allocating tasks, powers, responsibility and control to the legal and governing bodies. The aim is to meet the needs of the diverse stakeholder groups within the multi-level structures of a collective foundation.

Governance, risk management and compliance should contribute equally to securing the consistent management and security of the collective foundation.

1.5.2 Risk management

Just like a company, a collective foundation is exposed to a diversity of risks. Vita Collective Foundation therefore introduced a holistic risk management system in 2017. The relevant risks are identified, analyzed and assessed. Causes are investigated and measures and controls are identified. A multi-level annual process is applied to monitor the risks. The risk management system is constantly adjusted to change.

1.5.3 Internal control system (ICS)

The ICS is concerned with operational risks and forms part of the risk management system of Vita Collective Foundation. Operating performance can jeopardize the achievement of defined business and process objectives. The material processes are recorded systematically and in detail so that they can be monitored logically with suitable controls.

1.6 Affiliated employers

	2022	2021
As at 01/01	23,682	22,927
Additions	3,186	2,518
Departures	-1,952	-1,763
As at 12/31	24,916	23,682

+1,234  IN 2022

2 Active insured and pensioners

2.1 As at 12/31

	12 / 31 / 2022		12 / 31 / 2021	
Total number of active members	148,657		142,493	
Active insured	143,102		137,170	
Occupationally disabled insured	5,555		5,323	
Total number of pensioners	17,545	6,676¹⁾	16,722	5,827¹⁾
Retirement pensions	12,065	6,314	11,388	5,511
Retired persons' children's pensions	252	225	225	193
Partners' pensions	1,508	133	1,457	117
Orphans' pensions	350	4	351	6
Disability pensions	2,653	0	2,622	0
Disabled persons' children's pensions	717	0	679	0

1) of which pensioners included in the Foundation's balance sheet (from January 1, 2016)

2.2 Portfolio development

Active insured	2022	2021
As at 01 / 01	137,170	133,507
Entries	38,507	32,591
Retirements	-1,767	-1,662
Deaths	-196	-166
Departures/exits	-30,612	-27,100
As at 12 / 31	143,102	137,170

	Retirement pensions	Retired persons' children's pensions	Partners' pensions	Orphans' pensions	Disability pensions	Disabled persons' children's pensions
As at 01 / 01 / 2021	10,781	212	1,365	324	2,535	607
New pensions from own portfolio	838	76	123	59	353	101
Pensions from takeovers	28	0	46	0	19	1
Deaths	-204	-1	-59	-4	-37	-13
Departures/exits	-55	-62	-18	-28	-248	-17
As at 12 / 31 / 2021	11,388	225	1,457	351	2,622	679
As at 01 / 01 / 2022	11,388	225	1,457	351	2,622	679
New pensions from own portfolio	846	78	40	47	324	92
Pensions from takeovers	34	0	71	4	24	1
Deaths	-191	0	-60	-6	-72	-19
Departures/exits	-12	-51	0	-46	-245	-36
As at 12 / 31 / 2022	12,065	252	1,508	350	2,653	717

3 Achievement of purpose

3.1 Description of pension plans

The purpose of the Foundation is fulfilled in that employers willing to affiliate with the Foundation join the Foundation under affiliation contracts. With the affiliation contract, a pension fund is established.

The administration committee approves the pension regulations enacted by the Foundation Board. The administration committee also adopts a pension plan that sets out the type and scope

of the occupational benefits, the contributions of the insured and the employer, and the provisions specific to the pension fund. The administration committee enacts the pension regulations and pension plan.

3.2 Financing

Contributions are financed by the employers and the employees. The employers' contribution amounts to at least 50%.

4 Valuation and accounting principles, consistency

4.1 Confirmation of conformity of the accounts with Swiss GAAP FER 26

Accounting, reporting and valuation practices comply with the provisions of the Swiss Code of Obligations (OR) and the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The annual financial statements comprising the balance sheet, operating statement and notes portray the actual financial position of the Foundation as defined in the occupational benefits legislation and comply with the provisions of Swiss GAAP FER 26.

4.2 Accounting and valuation principles

The accounting and valuation principles follow the provisions of Art. 47, 48 and 48a of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2). The standards of Swiss GAAP FER 26 (true and fair view) apply in all other respects. The following valuation principles are applied:

Securities and derivative financial instruments

Securities (money market, bonds, equities, infrastructure, real estate, collective mortgages and alternative investments) and derivative financial instruments are measured at market value.

Foreign currency translation

Assets and liabilities in foreign currency are measured at year-end rates. Any translation differences are recognized in the income statement.

Mortgages and investments in affiliates

Mortgages (direct investments – mortgages) and investments in affiliates are recognized at nominal value, less any impairment.

Pension capital and technical provisions

Pension capital and technical provisions are calculated by the pension actuary every year in accordance with accepted principles.

Other assets and liabilities

Other assets and liabilities are recognized in the balance sheet at nominal value.

All amounts in Swiss francs are rounded to the nearest franc in the annual financial statements and the notes. This may lead to small rounding differences.

4.3 Changes to valuation, bookkeeping and accounting principles

The valuation, bookkeeping and accounting principles did not change in any way.

5 Actuarial risks / risk coverage / coverage ratio

5.1 Type of risk coverage / reinsurance

The Foundation took out a group life insurance agreement with Zurich Life Insurance Company Ltd (Zurich Life) to cover the actuarial risks of death and disability. The Foundation is the policyholder and beneficiary. The Foundation bears the investment risk, and since January 1, 2016, it has also borne the risk of longevity.

The administrative costs incurred directly by the Foundation are included in the "Administrative costs" line item in the operating statement.

All other costs incurred by the Foundation are borne by Zurich Life and are covered by the cost premium. To fund this premium, the Foundation levies a cost contribution on all affiliated pension schemes.

The following table prepared by Zurich Life provides a breakdown of the cost premium:

in CHF 1,000	2022	2021
Breakdown of cost premium	68,935	70,228
General administration	40,123	41,791
Marketing and advertising	1,382	779
Brokers and agents	27,430	27,658

The costs for brokers and agents also include commission paid to Zurich's own sales force.

Together with the costs incurred directly by the Foundation (see operating statement), the total administrative costs are as follows (rounded):

in CHF 1,000	2022	2021
Breakdown of administrative costs	76,128	77,491
General administration	46,430	48,084
Marketing and advertising	2,001	1,412
Brokers and agents	27,430	27,658
Auditors and pension actuary	127	181
Supervisory authorities	140	156

The asset management costs are reported in the operating statement and in note 6.9.

Surplus participation

According to Art. 68a section 2 para. 1 (a) BVG, profit shares from insurance contracts have to be credited to the savings assets of the insured. Deviation from this principle is only possible if the pension commission of the affiliated pension fund passes a corresponding resolution.

A partially autonomous collective foundation can only generate profit shares if the risk experience is positive. Art. 1.3 of the pension regulations of Vita Collective Foundation states that profit shares generated under the group life insurance agreement must be used in accordance with the decision of the Foundation Board.

The Foundation Board has decided: As there is no separate account for every individual pension fund, the profit shares are not allocated in accordance with a specific allocation key, but are credited as income to the operating account.

5.2 Assets and liabilities under insurance agreements

The Foundation's pension obligations can be divided into two categories:

- Liabilities for retirement, partners', orphans' and retired persons' children's pensions that are recognized in the Foundation's balance sheet from January 1, 2016 (see 5.4.)
- Pensioner obligations, reinsured by Zurich Life Insurance Company Ltd; the relevant actuarial reserves are not shown in the Foundation's balance sheet

The actuarial reserves for the pension obligations under the group life insurance agreement with Zurich Life Insurance Company Ltd amount to:

in CHF	12 / 31 / 2022	12 / 31 / 2021
Actuarial reserve for pensioners	2,088,894,576	2,129,515,237
Retirement pensions	1,235,315,891	1,299,665,593
Retired persons' children's pensions	452,782	548,591
Partners' pensions	274,572,535	259,062,409
Orphans' pensions	10,266,408	9,283,357
Disability pensions	296,379,040	300,991,757
Disabled persons' children's pensions	10,554,094	11,085,552
Premium waivers	261,353,826	248,877,977

5.3 Trend and interest on savings capital in the defined contribution scheme

5.3.1 Vita Classic pension model

Interest principles

Interest is paid on the retirement assets on the basis of the [Vita Classic pension model](#), which was introduced on January 1, 2021, with effect from 2022.

When it comes to interest payments, a distinction is made between the mandatory BVG benefits and the super-mandatory retirement benefits on the one hand, and between the basic interest and additional interest rates on the other. These rates apply for a full calendar year and are communicated [in advance](#). The additional interest is credited to the super-mandatory retirement assets.

How the model works

The **basic interest rate** equals the statutory minimum BVG interest rate.

The **additional interest rate** is calculated in three steps:

- 1. Calculation of maximum additional interest:**
The maximum additional interest based on the coverage ratio was taken from the interest table at the end of November 2021.
stored in the value fluctuation memory. After five years of affiliation, the affiliation receives the maximum additional interest.
- 2. Calculation of the individual share (of the additional interest):** The individual share of the additional interest depends on the year of affiliation with Vita Collective Foundation and is
- 3. Calculation of the actual additional interest:**
The actual additional interest is calculated by multiplying the maximum additional interest by the individual share of the formation of the value fluctuation reserve.

The interest table and detailed information on how the model works are provided at vita.ch/retirement-provision-model. Under the interest rate model pursuant to note 5.6, additional interest of 0.4% was paid to the insured persons of the entitled affiliation in the 2022 financial year.

5.3.2 Trend and interest on savings capital

in CHF	2022	2021
Total interest on savings capital (depending on year of affiliation)	1.70%–2.90%	1.00%–1.40%
Interest on mandatory savings capital	1.00%	1.00%
Pension capital of active insured as at 01 / 01	12,791,962,112	12,331,312,763
Formation (+) / reversal (–) of pension capital of active insured	515,792,123	304,438,909
Savings contributions	1,007,829,476	926,806,826
IV savings contributions	29,361,240	28,583,868
Single contributions and purchase amounts	125,241,765	139,750,749
Vested benefits	1,190,213,530	1,073,342,354
Vested benefits (takeover of portfolios)	442,945,422	201,093,618
Vested benefits paid to departing insured	–1,606,591,763	–1,472,357,368
of which difference pursuant to FZG Art. 17 ¹⁾	5,298	99,926
Advance withdrawals for home ownership promotion / divorce	–60,519,273	–56,613,164
Incoming advance withdrawals for home ownership promotion / divorce	30,371,261	38,997,476
Lump-sum payments on retirement	–314,378,530	–300,840,412
Single contributions to insurance companies	–32,366,407	–20,782,704
Transfer to pension capital of pensioners	–296,319,897	–253,751,954
Correction pension capital of active insured ²⁾	0	109,693
Interest on savings capital	342,987,255	156,210,439
Pension capital of active insured as at 12 / 31	13,650,741,490	12,791,962,112
of which BVG retirement assets	7,179,936,247	6,881,928,142

1) Expenses and income charged to profit and loss that are not included in the operating statement in the item “Reversal (+) / formation (–) of pension capital for active insured”.

2) The migration of the portfolio of insured to the new management system led to a correction to the reported pension capital for active insured; the claims of the individual insured are not affected.

5.4 Development of actuarial reserves for pensioners in the Foundation's balance sheet

in CHF	2022	2021
Actuarial reserves for pensioners as at 01/01 on own balance sheet	2,397,720,243	2,156,997,174
Formation (+)/ reversal (-) of actuarial reserves for pensioners	284,562,896	240,723,069
Pension benefits	- 136,429,616	- 121,282,020
Lump-sum payments on death	- 1,144,908	- 931,165
Transfer from pension capital of active insured	296,319,897	253,751,954
Pension purchases	2,056,764	357,535
Adjustment to pension actuary's calculation	123,760,759	108,826,765
Actuarial reserves for pensioners as at 12/31 on own balance sheet	2,682,283,139	2,397,720,243

Until December 31, 2015, retirement pensions and the related survivors' pensions and retired persons' children's pensions were purchased from Zurich Life Insurance Company Ltd (actuarial reserves pursuant to note 5.2).

The pension capital is calculated on the basis of the BVG 2020 Generation Tables and a technical interest rate of 1.50% (section 5.8).

5.5 Adjustment of pensions to inflation (Art. 36 BVG)

Pension funds adjust pensions for which the BVG does not prescribe regular adjustments to inflation as and when permitted by their financial sit-

uation. The pension fund's highest governing body decides on any pension adjustments once a year (Art. 36 para. 2 BVG).

The financial situation of Vita Collective Foundation and current developments on the financial markets do not leave any leeway for adjustments to the increase in the cost of living. The implicit interest rates priced into the conversion rates that apply to current retirement pensions are also still higher than the interest credited to the active insured (unfair distribution of Foundation's income). The Foundation Board has therefore decided to refrain from any pension increases in the 2022 financial year.

5.6 Composition, changes to and notes on technical provisions

in CHF	2022	2021
Technical provisions as at 01/01	784,004,292	794,520,610
Formation (+)/ reversal (-) of technical provisions	-23,800,135	-10,516,318
Contributions to provision for retirement losses	15,160,301	28,444,118
Withdrawals from interest reserves	- 38,960,436	- 38,960,436
Technical provisions as at 12/31	760,204,157	784,004,292
of which provisions for retirement losses	760,204,157	745,043,856
of which interest reserves	0	38,960,436

The basis used for the calculation of the required technical provisions was audited by the pension actuary and documented in the regulations on the formation of provisions approved by the Foundation Board.

Provision for conversion rate adjustments (retirement losses)

As the regulatory conversion rates are higher than the conversion rates in the Foundation's actuarial tables, the Foundation suffers retirement losses. These losses are covered as follows by the provision for conversion rate adjustments:

- All active insured and all disabled insured from the age of 58 are taken into account.
- The amount of the provision equals the difference between the retirement assets extrapolated to the regular retirement age and the actuarial reserves needed to cover the regulatory retirement benefits, taking account of any lump-sum withdrawals of benefits. The resulting amount is discounted with the technical interest rate on the reference date for the calculation.
- To calculate the share of lump-sum withdrawals, the management's assumption based on statistics is applied that 40% of retirement benefits are drawn as lump-sum payments.

Provision for formation of interest reserves (according to previous model, effective until December 31, 2020)

The participation model (Vita Classic pension model) was adjusted from January 1, 2021 (see section 5.3.1). No new interest reserves were raised. The provision recognized in the 2021 annual financial statements was used to pay the additional interest for 2022 to the eligible pension schemes.

The last tranche of the interest reserves was released in the 2022 financial year and credited to the insured of the eligible affiliations in the form of 0.4% additional interest.

	2022	2021	2020	2019	2018	2017
Contributions to (+)/withdrawals from (-) interest reserve						
For 2017	-38,960,436	-38,960,436	-38,960,436	-38,960,436	-38,960,436	194,802,180
For 2018	0	0	0	0	0	
For 2019	0	0	0	0		
For 2020	0	0	0			
Contributions (+) / withdrawals (-)	-38,960,436	-38,960,436	-47,723,988	-121,757,272	-121,757,272	112,005,344
Balance of interest reserve	0	38,960,436	77,920,872	125,644,860	247,402,132	369,159,404

5.7 Last actuarial report of May 11, 2023

In this report, the pension actuary determines that:

Confirmation by pension actuary

As pension actuary, we audited Vita Collective Foundation in accordance with Art. 52e BVG and can issue the following confirmations:

- **Actuarial tables:** The technical interest rate and demographic tables are appropriate.
- **Financial security:** Vita Collective Foundation can provide assurance as at 12/31/2022 that it can fulfill its benefit obligations.
- **Regulatory actuarial provisions:** The regulatory actuarial provisions on benefits and financing correspond to the statutory provisions.
- **Actuarial risks:** The measures implemented to cover the actuarial risks are sufficient.
- **Target value fluctuation reserve:** Based on the selected investment strategy, the target value fluctuation reserve is appropriate from an actuarial viewpoint.

5.8 Actuarial tables and other actuarial assumptions

Actuarial tables	BVG 2020 Generation Tables
Technical interest rate	1.5 %

The Foundation's regulations on the formation of provisions, valid from December 31, 2020, apply.

5.9 Coverage ratio pursuant to Art. 44 BVV 2

A funding deficiency refers to a situation in which a pension fund does not have sufficient pension assets on the reporting date to cover its future pension liabilities as calculated by the pension actuary.

in CHF	12 / 31 / 2022	12 / 31 / 2021
Accrued pension assets	17,186,678,275	18,363,687,866
Gross assets (total assets)	17,946,646,717	19,014,248,689
Liabilities	- 514,413,880	- 433,329,105
Accrued expenses and deferred income	- 2,243,864	- 1,511,210
Employers' contribution reserves	- 172,545,659	- 158,432,451
Uncommitted funds of pension schemes	- 70,765,039	- 57,288,057
Actuarial pension capital	17,093,228,786	15,973,686,647
Coverage ratio pursuant to Art. 44 BVV 2	100.5 %	115.0 %

6 Investments and net investment result

6.1 Organization of investment activities, investment advisors, asset managers and investment regulations

As the highest governing body, the Foundation Board is responsible for the investments. It defined the asset management organization and the powers of the units to whom asset management has been delegated in investment regulations.

The Foundation Board determines the investment strategy with the advisory support of the Investment Commission. The Foundation Board delegates the implementation of the investment strategy and the monitoring of the investments to the Managing Director and the Investment Commission.

Mandates, custodian banks

Collective investments	Zurich Investment Foundation Zurich Invest Ltd Capvis Equity Partners Ltd Credit Suisse Funds AG Rye Harbour CLO, Ltd
Asset management, derivatives and US Treasuries	Cardano Risk Management B. V., Rotterdam (NL) <i>The Dutch Authority for the Financial Markets (AFM)</i>
Mortgages	Zurich Invest AG, Zurich <i>Swiss Financial Market Supervisory Authority (FINMA)</i>
Investment advisory service	Zurich Invest AG, Zurich SIGLO Capital Advisors AG, Zurich PPCmetrics AG, Zurich c-alm AG, St. Gallen
Investment controlling	Complementa AG, St. Gallen
Custodian banks / global custodian	UBS Switzerland AG, Zurich

Requirements to be met by managers and asset managers in the occupational pension business pursuant to Art. 48f BVV 2

Only natural persons or legal entities who are qualified for this task and who are organized in such a manner that they meet the requirements of Art. 51b para. 1 BVG and the rules of Art. 48g to 48l BVV 2 can be subject to Art. 6.1 of the investment regulations. The provisions of Art. 19 ff. of the investment regulations must be observed. The relevant provisions of the rules of organization also apply.

Loyalty declaration

Vita Collective Foundation is subject to the ASIP charter. As a result, Vita Collective Foundation has adopted governance regulations designed to ensure compliance with the BVG provisions on loyalty and integrity. The members of the governing bodies, the employees of SST Vita Dienstleistungs AG and the external partners who are responsible for the investment, management and control of the pension assets have undertaken to comply with the statutory and regulatory provisions. They sign a declaration every year confirming their compliance with the obligations of integrity and loyalty (Art. 51 BVG and Art. 48f to 48l BVV 2) as well as the Foundation's regulations regarding pecuniary advantages, interest alliances and own-account transactions.

Exercise of voting rights

Vita Collective Foundation actively exercises its voting rights in larger Swiss and foreign companies to protect the interests of its insured, and publishes its voting record on its website at vita.ch.

Financial Market Infrastructure Act (FMIA)

The FMIA makes a distinction between small and large financial counterparties. The threshold for a small financial counterparty is CHF 8 billion.

As a pension institution, Vita Collective Foundation qualifies as a financial counterparty. It falls well below the above threshold and is thus classified as a small financial counterparty.

The focus of the FMIA falls on the following duties: the duty to mitigate risks, the duty to provide accounts, and the duty to trade on platforms. Since January 1, 2018, a reporting duty has also applied. Vita Collective Foundation has delegated these tasks to Cardano Risk Management B. V. The delegation and related tasks are set out in the asset management agreement between Vita Collective Foundation and Cardano Risk Management B. V.

6.2 Expanded investment options pursuant to Art. 50 para. 4 BVV 2

The expanded investment options were not exercised in 2022.

6.3 Target and calculation of value fluctuation reserve

Due to the adjustment of the participation model (Vita Classic pension model), the target value fluctuation reserve was set at 12% from January 1, 2021.

in CHF	12/31/2022	12/31/2021
Value fluctuation reserve – target	2,051,187,454	1,916,842,398
Target as % of pension obligations	12.0%	12.0%
Value fluctuation reserve – current	93,399,490	1,916,842,398
Value fluctuation reserve as at 01/01	1,916,842,398	916,969,833
Formation (+)/reversal (-) of value fluctuation reserve	-1,823,442,908	999,872,565

Calculation methods

The target for the value fluctuation reserve (in percent) is calculated in accordance with the value-at-risk concept, based on normal distribution which takes a holistic approach to the risks and makes provision for the portfolio's diversification effect. The target value fluctuation reserve is defined on the basis of the investment strategy adopted by the Foundation Board. The following parameters apply to the calculation:

- Time frame: 1 year
- Targeted level of security: 95%

6.4 Investments by asset class

	12 / 31 / 2022		Strategy	Band-width	12 / 31 / 2021		BVV 2 limit
	in CHF	in %			in CHF	in %	
Cash and cash equivalents and money market investments	583,733,999	3.32	1.0	0–5	204,081,171	1.09	
Current accounts with banks, post office	268,313,018	1.52			199,533,768	1.07	
Money market – collective investments	315,420,981	1.79			4,547,403	0.02	
Bonds – collective investments	5,203,898,019	29.57	32.0		5,606,602,543	29.94	
Swiss bonds	1,879,971,852	10.68	11.0	8–14	1,908,259,842	10.19	
Foreign bonds	3,323,926,166	18.89	21.0	15–27	3,698,342,701	19.75	
Equities – collective investments	5,252,731,261	29.84	33.0		5,975,195,330	31.91	50
Swiss equities	981,365,496	5.58	6.0	4–8	1,199,419,065	6.41	
Foreign equities	4,271,365,765	24.27	27.0	22–32	4,775,776,265	25.50	
Real estate – collective investments	3,037,280,999	17.26	15.0		2,908,091,530	15.53	30
Swiss real estate	2,155,600,824	12.25	10.0	5–17	1,900,990,788	10.15	
Foreign real estate	881,680,175	5.01	5.0	2–8	1,007,100,742	5.38	
Alternative investments – collective investments	1,889,835,680	10.74	9.0		2,397,814,373	12.81	15
Hedge funds	10,359,488	0.06	0.0	0–7	778,870,984	4.16	
Private equity	694,879,879	3.95	3.0	1–5	613,831,718	3.28	
Options	79,666,063	0.45			36,786,401	0.20	
Senior loans (unhedged) ¹⁾	0	0.00			678,523,295	3.62	
Direct lending	1,104,930,250	6.28	6.0	2–10	289,801,975	1.55	
Infrastructure	463,772,037	2.63	3.0		390,813,577	2.09	10
Infrastructure	463,772,037	2.63	3.0	0–8	390,813,577	2.09	
Mortgages	1,239,015,872	7.04	7.0	3–11	1,262,377,765	6.74	50
Mortgages – collective investments	153,253,865	0.87			161,527,356	0.86	
Mortgages – direct investments	1,085,762,007	6.17			1,100,850,409	5.88	
Investments in affiliates	100,000	0.00			100,000	0.00	
Foreign currency hedging	55,220,645	0.31			89,040,229	0.48	
Hedging from derivatives transactions	–124,947,576	–0.71			–108,824,602	–0.58	
Total investments	17,600,640,935	100.00	100.00		18,725,291,916	100.00	
Other assets	346,005,782				288,956,773		
Investments with the employer	174,831,822				136,951,795		
Other receivables	164,064,150				144,948,021		
Accrued income and deferred expenses	7,109,810				7,056,957		
Total assets	17,946,646,717				19,014,248,689		
Equities	5,252,731,261	29.84			5,975,195,330	31.91	50
Unhedged foreign currency	2,120,877,233	12.05			3,687,009,978	19.69	30

1) According to the strategic asset allocation as at January 1, 2022, there is no longer any investment allocation to senior loans, which are now assigned to the direct lending allocation. The market value was CHF 666,334,056 as at December 31, 2022.

Limits pursuant to BVV 2

The limits prescribed for investments by Art. 54, 54a, 54b and 55a, 55b, 55c and 55e BVV 2 were observed on 12/31/2022.

Investments in affiliates

In order to provide services in the occupational pension business, Vita Collective Foundation owns 100% of SST Vita Dienstleistungs AG (share capital of CHF 100,000). The capital is included in the investments.

Real estate investments

Investments in real estate are made through the following vehicles:

Real Estate Switzerland Residential	Zurich Investment Foundation	ISIN CH0018192903
Real Estate Switzerland Residential Retirement	Zurich Investment Foundation	ISIN CH0291438379
Zurich Invest Fund Real Estate Direct Switzerland	Zurich Invest Ltd	ISIN CH0433089270
CSA Real Estate Switzerland	CS Investment Foundation	ISIN CH0013123002
Real Estate Switzerland Commercial	Zurich Investment Foundation	ISIN CH0032598069
Real Estate Indirect Global Passive	Zurich Investment Foundation	ISIN CH0029744171
Real Estate Europe Direct	Zurich Investment Foundation	ISIN CH0183503272
Real Estate USA	Zurich Investment Foundation	ISIN CH0448058799

6.5 Current (pending) capital commitments

On the reporting date, capital commitments were pending for the following investments:

in CHF	2022	2021
CapVis III (Private Equity)	0.6 million	0.6 million
CapVis V (Private Equity)	4.9 million	6 million
Private Equity I (Zurich Investment Foundation)	64.1 million	64.6 million
Private Equity II (Zurich Investment Foundation)	28.6 million	29.6 million
Private Equity III (Zurich Investment Foundation)	73.2 million	81.9 million
Private Equity IV (Zurich Investment Foundation)	108.8 million	150.4 million
Infrastructure I (Zurich Investment Foundation)	0.7 million	0.6 million
Infrastructure II (Zurich Investment Foundation)	2.1 million	6.9 million
Infrastructure III (Zurich Investment Foundation)	97.3 million	154.3 million
Infrastructure IV (Zurich Investment Foundation)	116 million	0 million
Infrastructure V (Zurich Investment Foundation)	161.8 million	0 million
Real Estate USA (Zurich Investment Foundation)	9.7 million	18.2 million
Zurich Invest Middle Market Lending Europe I (Zurich Investment Foundation)	74.8 million	80.8 million
Zurich Invest Middle Market Lending Europe II (Zurich Investment Foundation)	332.3 million	0 million
Private Equity Co-Investments I (Zurich Investment Foundation)	128.3 million	192.4 million

6.6 Open derivative contracts

Derivative contracts were in use on the reporting date in accordance with the provisions of Art. 56a BVV 2.

6.6.1 Collateral received / provided

A collateral management process has been introduced owing to new regulatory requirements (EMIR and FMIA). According to this process, the

counterparty risk arising from unrealized gains and losses on over-the-counter (OTC) derivative transactions between market players is settled in cash (collateral) every day.

6.6.2 Currency hedging

With reference to the Foundation Board's rules on foreign currency hedging, the following currency hedges were outstanding on December 31, 2022:

	12 / 31 / 2022	12 / 31 / 2021
Total foreign currency		
Equivalent in CHF	6,433,973,966	6,434,292,073
Market value in CHF	6,378,753,321	6,345,251,844
Unrealized gains in CHF	55,220,645	89,040,229
of:		
Equivalent in CHF	1,569,172,367	1,886,634,851
Amount in EUR	1,616,298,000	1,754,600,000
Exchange rate on 12 / 31	0.984584	1.038228
Market value in CHF	1,591,380,538	1,821,674,857
Unrealized gains in CHF	-22,208,171	64,959,994
Equivalent in CHF	3,845,128,664	3,699,212,310
Amount in USD	4,078,700,000	4,055,000,000
Exchange rate on 12 / 31	0.919966	0.911807
Market value in CHF	3,752,264,066	3,697,378,570
Unrealized gains in CHF	92,864,598	1,833,740
Equivalent in CHF	383,906,249	368,129,439
Amount in GBP	347,000,000	292,200,000
Exchange rate on 12 / 31	1.109128	1.232471
Market value in CHF	384,867,286	360,127,981
Unrealized gains in CHF	-961,037	8,001,458
Equivalent in CHF	411,725,984	261,969,719
Amount in YEN	61,060,000,000	32,120,000,000
Exchange rate on 12 / 31	0.007003	0.007915
Market value in CHF	427,590,780	254,241,868
Unrealized gains in CHF	-15,864,796	7,727,851
Equivalent in CHF	50,755,782	48,427,088
Amount in SEK	563,700,000	456,000,000
Exchange rate on 12 / 31	0.088327	0.100770
Market value in CHF	49,789,753	45,951,056
Unrealized gains in CHF	966,029	2,476,032
Equivalent in CHF	52,656,194	47,912,227
Amount in DKK	403,200,000	333,500,000
Exchange rate on 12 / 31	0.132627	0.139495
Market value in CHF	53,475,230	46,521,582
Unrealized gains in CHF	-819,036	1,390,645
Equivalent in CHF	99,445,664	86,569,439
Amount in AUD	157,500,000	127,400,000
Exchange rate on 12 / 31	0.626656	0.662406
Market value in CHF	98,698,310	84,390,542
Unrealized gains in CHF	747,354	2,178,897
Equivalent in CHF	21,183,062	35,437,000
Amount in HKD	175,700,000	299,500,000
Exchange rate on 12 / 31	0.117743	0.116746
Market value in CHF	20,687,359	34,965,390
Unrealized gains in CHF	495,703	471,610

6.6.3 Open derivative contracts

Market value	2022	2021
Derivatives on Swiss equities	14,339,891	7,357,280
Derivatives on foreign equities	65,326,172	29,429,121
Total	79,666,063	36,786,401

Obligation to provide cover – commitment-reducing derivatives

Commitment-reducing derivatives are covered by their corresponding underlyings. Vita Collective Foundation used the following indices with the relevant weighting to cover the underlyings. This well-diversified allocation mostly maps the portfolio of Vita Collective Foundation. The underlyings are available.

Index Weighting	2022	2021
S & P 500	36%	34%
Euro Stoxx Index 50	10%	10%
FTSE 100	6%	6%
Topix	9%	8%
MSCI EM	21%	22%
Swiss Market Index	18%	20%

Counting of derivatives to check maximum limits

These put options are asymmetric derivatives that are not credited to the underlyings.

Counterparty risk of derivatives

All of the 10 open derivative contracts are OTC transactions with a total replacement value of CHF 79,666,063; transactions were executed with the following counterparties:

Counterparties	2022	2021
Goldman Sachs International	26,905,825	16,969,330
BNP Paribas S. A	17,755,523	14,113,127
UBS AG	18,410,787	3,377,139
J. P. Morgan Securities plc	9,580,281	0
Credit Suisse AG	7,013,647	187,239
Bank of America Corporation	0	1,200,483
HSBC Bank PLC	0	939,084
Total	79,666,063	36,786,401

Use of derivatives during the financial year

Derivatives were used in the Swiss equities and foreign equities asset classes throughout the year. All derivatives were covered at all times and never led to a commitment that exceeded the maximum limit pursuant to Art. 54 BVV 2.

6.7 Market value and contracting parties for securities lending

The Foundation did not engage in any securities lending in the past financial year.

6.8 Net investment result

in CHF	01/01–12/31/2022	01/01–12/31/2021
Interest	-2,942,966	-2,925,110
Income from cash and cash equivalents	-392,948	-314,648
Income from investments with the employer	1,974,401	1,750,584
Interest on vested benefits	-4,524,419	-4,361,046
Money market – collective investments	2,153,584	159,701
Bonds – collective investments	-781,379,166	-72,715,571
Swiss bonds	-227,506,152	-24,478,758
Foreign bonds	-553,873,014	-48,236,813
Equities – collective investments	-1,103,197,273	1,056,994,419
Swiss equities	-189,868,282	244,575,564
Foreign equities	-913,328,991	812,418,855
Real estate – collective investments	-7,052,567	321,312,052
Swiss real estate	61,250,812	150,512,910
Foreign real estate	-68,303,379	170,799,142
Alternative investments – collective investments	73,046,056	238,747,712
Hedge funds	25,824,699	55,473,974
Private equity	62,066,373	214,930,212
Senior loans, global ¹⁾	0	53,927,795
Options	-20,125,856	-78,217,876
Direct lending	5,280,840	-7,366,394
Infrastructure	43,586,593	67,136,792
Infrastructure	43,586,593	67,136,792
Mortgages	5,416,988	15,726,210
Mortgages – collective investments	-7,859,706	1,804,751
Mortgage interest	13,276,694	13,921,458
Investments in affiliates	250,000	850,000
Investments in affiliates	250,000	850,000
Income from currency hedging	18,544,653	-42,818,507
Asset management costs	-98,226,103	-146,673,758
TER, expenses and other asset management costs	-96,163,453	-144,437,437
Management of mortgages	-2,062,650	-2,236,321
Net investment result	-1,849,800,201	1,435,793,941
Net performance²⁾	-9.80%	8.49%

1) According to the strategic asset allocation as at January 1, 2022, there is no longer any investment allocation to the senior loans asset class. These are now assigned to the direct lending allocation. The income in the 2022 accounting year was CHF -7,458,267.

2) TTWR = True Time-Weighted Rate of Return: calculation of portfolio performance that does not take account of the capital inflows and outflows during the reporting period (source: Zurich Invest Ltd).

6.9 Asset management costs pursuant to Art. 48a BVV 2

Investments	12 / 31 / 2022	12 / 31 / 2021
Total investments	17,939,536,907	19,007,191,732
of which: cost-transparent investments	17,939,536,907	18,999,035,994
Cost-transparent investments in relation to total investments – cost transparency ratio	100.00%	99.96%

Non-transparent collective investments	12 / 31 / 2022	12 / 31 / 2021
Private Equity Co-Investments I – Zurich Investment Foundation – ISIN: CH0566742331 ¹⁾		
Market value	0	8,155,738
Number of units	0	9,015

1) This investment is now listed as a transparent investment

Asset management costs	2022	2021
Directly recognized asset management costs	8,554,827	7,732,223
Total for all cost indicators in CHF for collective investments	89,671,276	138,941,534
Asset management costs recognized in operating statement	98,226,103	146,673,758
End balance for invested capital	17,600,640,935	18,725,291,916
as % of cost-transparent investments	0.55%	0.77%

The directly recognized asset management costs include direct investment mandates, investment-relevant project costs incl. advisory fees, the fees for the members of the Investment Commission and personnel costs relating to the persons at Foundation level who are directly involved in the management of the assets.

In addition to the fixed and performance-related portfolio management fees charged at the level of the fund of funds and target funds, the total costs for collective investment schemes include additional costs and services.

Approx. 53.0% (previous year: 68.3%) of the reported “Total for all cost indicators for collective investments” refers to alternative investments, 27.1% (previous year: 19.7%) to bonds and equities, and 19.9% (previous year: 11.9%) to real estate investments.

6.10 Investments with employers and employers' contribution reserves

in CHF	12 / 31 / 2022	12 / 31 / 2021
Interest on arrears on employers' current accounts	2.50 %	2.50 %
Investments with the employer	174,831,822	136,951,795
Employers' current accounts	177,476,402	139,128,778
Allowance for bad debts	-2,644,580	-2,176,983

in CHF	2022	2021
Interest on employers' contribution reserves	0.00 %	0.00 %
Employers' contribution reserves – as at 01 / 01	158,432,451	149,997,177
Capital contributions to employers' contribution reserves		
from contracts taken over	1,198,843	738,170
by employers	33,574,911	36,858,329
Withdrawals from employers' contribution reserves		
from contract terminations	-3,807,331	-5,284,095
to finance contributions by the employer	-16,853,322	-23,877,153
Reconciliation	108	23
Employers' contribution reserves – as at 12 / 31	172,545,659	158,432,451

6.11 Contractual agreements regarding retrocessions

Vita Collective Foundation primarily invests the pension assets in investment groups (collective investments) managed by Zurich Investment Foundation. For managing the individual investment groups and the institutional funds used for this purpose, Zurich Invest Ltd (the manager of Zurich Investment Foundation) is paid a management fee from the institutional funds. No retrocessions are paid.

7 Other items in the balance sheet and operating statement

7.1 Other receivables

in CHF	12/31/2022	12/31/2021
Other receivables	164,064,150	144,948,021
Current accounts with Zurich Life Insurance Company Ltd	131,067,172	101,917,191
Receivables from Security Fund	5,703,762	5,372,383
Mortgage receivables	448,052	494,101
Prepaid benefits to insured	2,634,451	4,273,527
Withholding tax credits	19,053,752	31,512,199
Other receivables	5,156,961	1,378,619

7.2 Accrued income and deferred expenses

in CHF	12/31/2022	12/31/2021
Accrued income and deferred expenses	7,109,810	7,056,957
Management fee discount for collective investments	4,086,883	4,883,426
Accrued interest on mortgages	160,209	225,253
Accrued interest on bonds	2,862,718	1,808,339
Other accruals	0	139,940

7.3 Liabilities

in CHF	12/31/2022	12/31/2021
Vested benefits and pensions	222,683,205	194,898,405
Other liabilities	291,730,674	238,430,701
Current account overdrafts with SST Vita Dienstleistungs AG	23,745	256,518
Incoming payments not yet processed	141,575,224	88,494,171
Prepaid contributions and pending benefits	149,319,781	148,924,458
Other liabilities	811,925	755,553

7.4 Accrued expenses and deferred income

in CHF	12/31/2022	12/31/2021
Accrued expenses and deferred income	2,243,864	1,511,210
Administrative costs	2,243,864	1,511,210

7.5 Other income

in CHF	01/01–12/31/2022	01/01–12/31/2021
Other income	1,258,763	1,184,735
Fees according to cost regulations	1,239,069	1,159,368
Provision for withholding tax	19,694	25,367

7.6 Other expenses

in CHF	01/01–12/31/2022	01/01–12/31/2021
Other expenses	-1,464,863	-1,018,664
Restructuring of accounts receivable and mutation losses	-1,464,863	-1,018,664

7.7 Changes to and interest on pension schemes' uncommitted funds

in CHF	2022	2021
Interest on uncommitted funds	0.00%	0.00%
Uncommitted funds (pension accounts) as at 01/01	57,288,057	62,604,559
Capital contributions to uncommitted funds (pension accounts)		
from contracts taken over	27,903,246	2,919,648
Withdrawals from uncommitted funds (pension accounts)		
from contract terminations	-4,187,304	-3,581,279
for improvement of pension benefits	-10,238,766	-4,653,462
Reconciliation	-194	-1,409
Uncommitted funds (pension accounts) as at 12/31	70,765,039	57,288,057

8 Requirements of supervisory authority

The supervisory authority confirmed by letter of July 14, 2022, that it has taken note of the 2021 annual financial statements. No requirements were imposed.

9 Additional information on the financial position

Report on partial liquidations of pension funds

The Foundation's regulations on partial liquidation require employers to inform the Foundation without delay of any workforce reduction or restructuring that could lead to a partial liquidation. If the conditions for a partial liquidation are met, the administration committee of the relevant pension fund must pass a declaratory resolution to trigger the partial liquidation process.

In the 2022 financial year, the Foundation was not informed of any decisions that led to the partial liquidation of an affiliated pension fund. Four of the partial liquidations that were pending on December 31, 2021 were finalized in the 2022 financial year.

10 Events after reporting date

The Foundation Board has analyzed the situation regarding the takeover of Credit Suisse by UBS in 2023. The possibility of this takeover presenting any risks to the Foundation is considered to be marginal.

Report of the statutory auditor on the financial statements

Report of the statutory auditor on the financial statements

Opinion

We have audited the financial statements of Vita Collective Foundation (the Pension Fund), which comprise the balance sheet as at December 31, 2022, the operating statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law, the Pension Fund's deed and the internal regulations.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Pension Fund in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Foundation Board is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Foundation Board's responsibilities for the financial statements

The Foundation Board is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law, the articles of association and the scheme regulations, and for such internal control as the Foundation Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the expert in occupational benefits for the audit of the financial statements

The Foundation Board appoints a statutory auditor as well as an expert in occupational benefits for the audit. The expert in occupational benefits is responsible for evaluating the necessary reserves for underwriting insurance-related risk, consisting of pension liabilities and actuarial reserves. Assessing the evaluation of the pension liabilities and actuarial reserves is not a task of the statutory auditor pursuant to Art. 52c para. 1 let. a of the Swiss Occupational Pensions Act (OPA). In accordance with Art. 52e para. 1 OPA, the expert in occupational benefits also evaluates whether the occupational pension scheme provides assurance that it can meet its obligations and whether all insurance-related provisions regarding benefits and funding in the scheme regulations comply with the legal requirements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pension Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Foundation Board or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Foundation Board is responsible for ensuring that the legal requirements are met and that the statutory and regulatory provisions on organization, management and investments are applied. We have carried out the required audits in accordance with article 52c paragraph 1 OPA and article 35 OPO 2.

We have assessed whether

- the organization and management comply with the legal and regulatory requirements and whether an internal control exists that is appropriate to the size and complexity of the Occupational pension scheme;
- the investment of assets complies with legal and regulatory requirements;
- the occupational pension accounts OPA comply with legal requirements;
- measures have been taken to ensure loyalty in fund management and whether the governing body has ensured to a sufficient degree that duties of loyalty are fulfilled and interests are disclosed;
- the non-committed funds or discretionary dividends from insurance contracts have been used in compliance with the legal and regulatory provisions;

- the legally required information and reports have been issued to the supervisory authority;
- the Occupational pension scheme's interests are safeguarded in disclosed transactions with related parties.

We confirm that the applicable legal and statutory and regulatory requirements have been met.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Johann Sommer
Licensed audit expert
Auditor in charge

Tharsika Sutharsan
Licensed audit expert

Basel, June 13, 2023

Other reports of Vita Collective Foundation

- **Sustainability Report 2022**
- **Governance Report 2022**

Vita Collective Foundation

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In 2023, Vita Collective Foundation will celebrate its 20th anniversary.
Find out more at vita.ch/20years