



Annual report 2022

Vita Invest Collective Foundation
of Zurich Life Insurance Company Ltd

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Report of the Chairman of the Foundation Board



Dear Reader,

I am pleased to present the annual financial statement of the Vita Invest Collective Foundation. After almost three years affected by the COVID-19 pandemic, the past year initially began full of hope: economic development accelerated sharply and the stock markets achieved new highs. But the war in Ukraine and persistently high inflation soon led to considerable turmoil. The consistent interest rate hikes of many Western central banks triggered strong price corrections among bonds as well as many share indexes.

For people with fixed pensions, price increases are bad news, because their money doesn't go as far. The situation looks better for people with variable pensions, such as those in our Vita Invest Collective Foundation, because these have the potential to rise with inflation. Their amount is not rigidly bound to the retirement savings capital at the time of retirement, and retirees remain directly invested in the markets throughout their lives. The chances are good that such models will provide for higher pensions over a period of decades – even if there is a high level of uncertainty on the markets at times.

The benefit of occupational retirement provision in difficult years is that it has a very long-term

orientation and can absorb even strong fluctuations in the short and medium term. In 2022 the Vita Collective Foundations and Zurich showed once again that they can provide every firm with the right individual offer.

Our Vita Invest retirement provision model

With our Vita Invest Collective Foundation, we offer a unique retirement provision solution that is free of redistribution. We've been waiving guaranteed interest since 2020. The retirement pension corresponds to a guaranteed basic pension, but there is also a contribution from pensioners' direct participation in investment performance. Each company has its own pension balance sheet and a specific investment strategy, which guarantees that the investment income is optimized in terms of opportunities and only benefits the employees of the respective company. The consistent waiver of redistribution allows for full participation in all capital gains, and it brings the strengths of the funded system fully to bear again. The average interest earnings of 9.3 percent in the prior year offer impressive evidence of this. Even in 2022, the average interest earned was a pleasing 2.0 percent despite the negative market environment.

Our new solution has met with a great deal of interest in the Swiss market. We are pleased to have again welcomed some new employers to our Collective Foundation and have started 2023 with around 2,200 insured persons from 35 employers.

Zurich and Vita offer fairplay

As in previous years, Vita and Zurich once again commissioned a joint survey into the Swiss population's attitude to retirement provision. In collaboration with renowned research institute Sotomo, the impact of inflation was included for the first time in the fair play study. At 43 percent, almost half of those surveyed are very worried or quite worried about inflation generally, while 32 percent even believe that this is only the beginning and that inflation will be higher still in the next five years. 73 percent of the people surveyed are worried about the rising cost of living. However, only a minority of 29 percent are concerned about the impact on the purchasing power of their savings in occupational retirement provision.

The fair play study also shows that many people in Switzerland continue to have no strong connection to their retirement assets in the second pillar, and less than half count these as their own assets – even though they are many people's greatest wealth component. All the same, the share of people who count retirement assets as part of general wealth has increased slightly from 43 to 47 percent, and this figure shows that there continues to be a great need for education with respect to retirement provision.

Online platform myVitalInvest now also available as an app

Organizationally, the strengthening of Zurich and Vita Invest has continued as in previous years. We will shortly have our offering certified according to the international pension fund standard ISAE3402 TYPE 2, which reviews executive management, technical administration including advice for insured persons, commercial administration, the management platform used and management software, among other things.

We are continuing to focus on costs and the further development of IT. On the myVitalInvest self-service portal, our beneficiaries have the option to obtain a pension certificate at any time, adjust any details and carry out purchase simulations, for example. The self-service portal is now available on smartphones as an app, which has proved very popular, with most simulations relating to purchases and retirement. Additional functions are continually being added to the portal and the app.

As a customer, you know that we are equally focused on the interests of employees and companies. You can rest assured that your retirement provision is in the right hands with the Vita Collective Foundations and Zurich.

We look forward to continuing our partnership and thank you for your trust.



Markus Wenger
Chairman of the Foundation Board,
Vita Invest Collective Foundation
of Zurich Life Insurance Company Ltd

Balance sheet and operating statement

Balance sheet

Assets

in CHF	Notes	12/31/2022	12/31/2021
Asset investments		409,853,753.53	439,596,082.48
Cash and cash equivalents	6.3	10,319,404.72	35,459,185.31
Receivables	6.3	1,076,967.16	454,605.85
Collective investments	6.3	396,377,236.34	401,536,786.06
Investments with the employer	6.9	2,080,145.31	2,145,505.26
Accrued income and deferred expenses		793.00	11,113.08
Total assets		409,854,546.53	439,607,195.56

Liabilities

in CHF	Notes	12/31/2022	12/31/2021
Liabilities		8,452,890.67	7,760,686.42
Vested benefits and pensions		7,820,427.02	7,301,518.22
Other liabilities		632,463.65	459,168.20
Accrued expenses and deferred income		923,672.43	984,012.96
Employers' contribution reserve	6.9	1,445,574.80	2,024,351.07
Contribution reserve without waiver of usage		1,445,574.80	2,024,351.07
Retirement provision assets and technical reserves		370,675,834.53	345,996,872.26
Pension capital active insured	5.3	351,482,839.53	333,264,324.72
Pension capital pensioners	5.4	14,806,500.00	7,632,779.00
Underwriting reserves	5.6	4,386,495.00	5,099,768.54
Value fluctuation reserve	6.2	25,143,823.85	50,235,349.86
Unrestricted assets of pension funds		4,223,482.43	32,381,224.37
Balance at the beginning of the period		32,381,224.37	30,765,683.16
Expense/income surplus		-28,157,741.94	1,615,541.21
Uncommitted pension funds with coverage deficiency		-1,167,692.93	0.00
At beginning of period		0.00	0.00
Expense/income surplus		-1,167,692.93	0.00
Unrestricted assets of the Foundation		106,960.75	174,698.62
At beginning of period		174,698.62	89,629.47
Expense/income surplus		-67,737.87	85,069.15
Endowment capital		50,000.00	50,000.00
Total liabilities		409,854,546.53	439,607,195.56

Operating statement

in CHF	Notes	2022	2021
Regular and other contributions and purchases		41,944,307.64	40,467,022.29
Employee contributions		14,721,681.95	13,671,965.86
Employer contributions		20,137,987.90	18,222,436.11
Withdrawal from employers' contribution reserve	6.9	- 359,185.00	- 402,401.58
Single contributions and purchase amounts		7,377,893.44	8,353,730.62
Contributions to employers' contribution reserves	6.9	59,791.75	581,875.70
Supplemental contributions from the security fund		6,137.60	39,415.58
Benefits brought into scheme		24,525,470.25	22,070,316.23
Vested benefits		23,596,514.35	21,698,667.88
Contributions early withdrawals for home ownership promotion		350,500.00	288,000.00
Contributions from divorces		578,455.90	83,648.35
Incoming contributions and benefits brought into scheme		66,469,777.89	62,537,338.52
Regulatory benefits		- 14,125,481.67	- 16,199,020.53
Retirement pensions		- 8,107,028.45	- 8,705,685.25
Survivors' pensions		- 819,605.40	- 795,187.15
Disability pensions		- 283,559.70	- 279,182.45
Capital payments on retirement		- 4,915,288.12	- 6,418,965.68
Departure payments		- 41,150,914.50	- 32,738,098.85
Vested benefits paid to departing insured		- 37,074,975.85	- 30,267,326.75
Transfer of additional funds upon collective withdrawal		- 2,494,348.60	- 1,353,741.45
Early withdrawals for home ownership promotion		- 600,000.00	- 805,272.10
Early withdrawals for divorce		- 981,590.05	- 311,758.55
Outgoing benefits and early withdrawals		- 55,276,396.17	- 48,937,119.38

in CHF	Notes	2022	2021
Reversal (+) / formation (-) of pension capital, technical reserves and employers' contribution reserves		- 24,170,519.82	- 46,240,626.27
Formation / reversal of pension capital of active insured	5.3	- 11,838,412.89	- 15,249,758.24
Expenses from partial liquidation	9.0	0.00	- 9,451,953.30
Formation of pension capital of pensioners	5.4	- 7,173,721.00	- 5,675,007.00
Reversal of technical reserves	5.6	713,273.54	1,173,730.00
Interest on pension capital for active insured	5.3	- 6,380,101.92	- 17,695,905.06
Reversal of contribution reserves	6.9	508,442.45	658,267.33
Income from insurance benefits		9,441,792.16	10,249,646.30
Insurance benefits pension payments		8,746,265.80	9,609,807.40
Insurance benefits: premium waiver		196,405.50	172,382.90
Profit shares from insurance policies	5.9	499,120.86	467,456.00
Insurance costs		- 3,356,660.50	- 3,130,801.31
Premiums due to insurance companies			
Risk premiums		- 2,967,619.70	- 2,785,548.00
Cost premiums		- 321,896.30	- 281,632.00
Single contributions to insurance		60,804.45	38,368.00
Security fund contributions		- 127,948.95	- 101,989.31
Result from insurance activities		- 6,892,006.44	- 25,521,562.14
Net result from asset investments		- 46,983,148.07	33,857,453.82
Income from cash and cash equivalents	6.7	- 45,928.45	- 74,665.86
Interest on employers' contribution reserves	6.9	70,333.82	- 129,044.04
Interest on vested benefits	6.7	- 91,771.77	- 52,184.47
Income from collective investments	6.7	- 44,310,318.53	36,903,718.46
Asset management costs, TER and fees	6.8	- 2,605,463.14	- 2,790,370.27
Other income		68,720.45	110,417.75
Other expenses		- 5,782.60	0.00
Administrative costs	7.1	- 672,482.09	- 546,198.95
General administration		- 672,482.09	- 546,198.95
Profit before reversal / formation of value fluctuation reserve		- 54,484,698.75	7,900,110.48
Reversal (+) / formation (-) of value fluctuation reserve		25,091,526.01	- 6,199,500.12
Expenses surplus / income surplus		- 29,393,172.74	1,700,610.36

Notes

1 Principles and organization

1.1 Legal form and purpose

Legal form	Foundation pursuant to Art. 80 et seq. Swiss Civil Code
Establishment of Foundation	April 1998
Deed of Foundation (last amendment)	January 2020
Funding method	Defined contribution plan
Registration	ZH 1445
Security fund	Yes

The purpose of the Foundation is to provide mandatory and super-mandatory occupational retirement provision 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). The Foundation can also provide extended pension benefits in excess of the statutory minimum benefits, including assistance to alleviate the hardship caused by illness, accident, disability or unemployment.

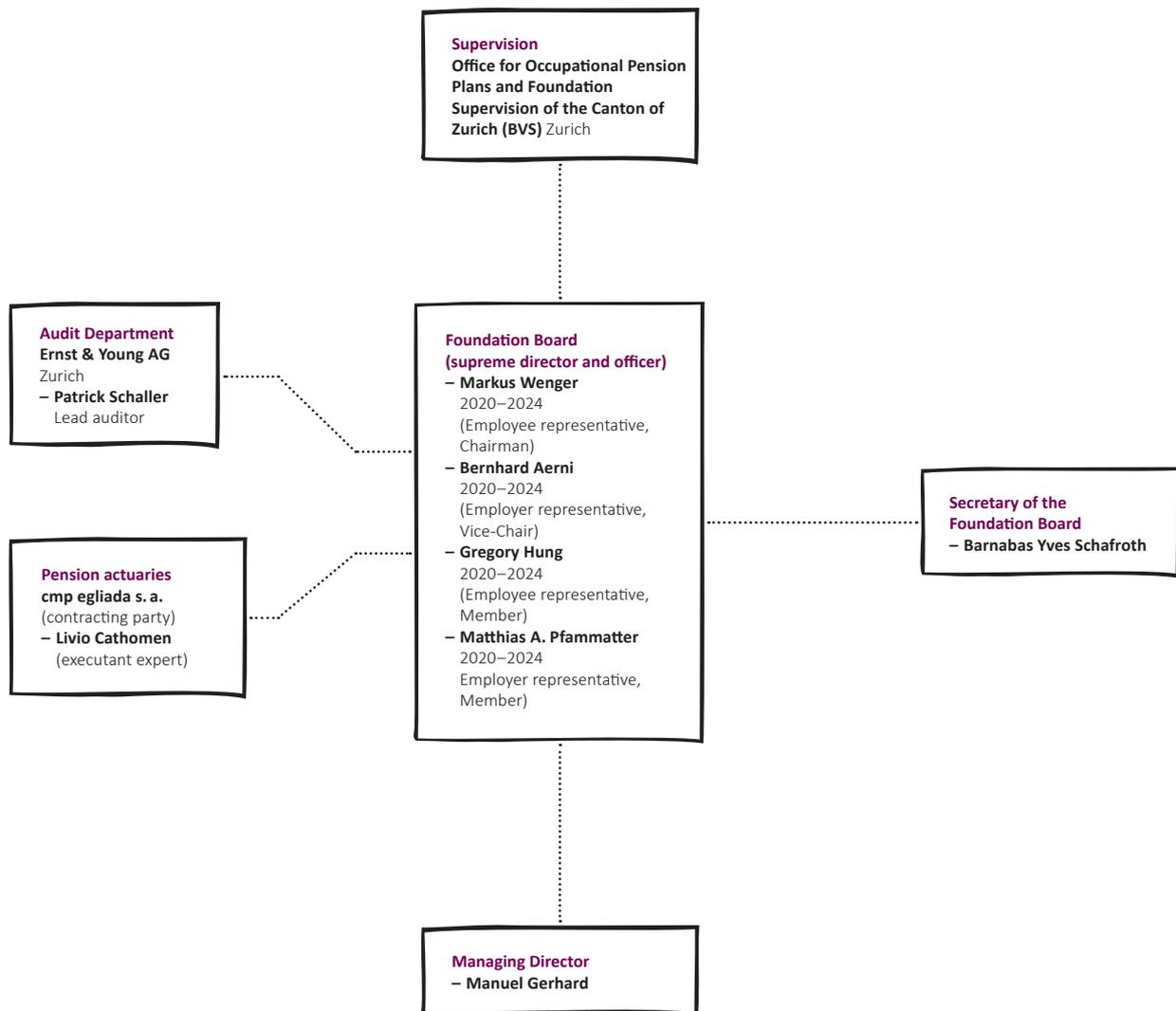
1.2 Information of the regulations valid on December 31, 2022

Regulations valid on 31.12.2022	Version	Date of decision	Entry into force
Retirement provision regulation "Autoinvestment"	1/2022	November 25, 2021	January 1, 2022
Pension regulations "Company's own investment strategy"	1/2022	November 25, 2021	January 1, 2022
Rules of organization for the Administration Committee	1/2022	November 25, 2021	January 1, 2022
Rules of organization for the Foundation Board	1/2022	November 24, 2022	December 31, 2022
ICS Rules	1/2022	November 24, 2022	December 31, 2022
Administrative cost regulations	1/2022	November 25, 2021	January 1, 2022
Retirement provision regulation "Autoinvestment"	1/2022	November 25, 2021	January 1, 2022
Investment regulations "Company's own investment strategy"	1/2022	November 25, 2021	January 1, 2022
Restructuring regulations	1/2020	November 28, 2019	January 1, 2020
Regulations provisions and reserves	1/2022	November 25, 2021	January 1, 2022
Regulations on partial liquidation	1/2020	November 28, 2019	January 15, 2020
Regulations on elections	1/2016	September 29, 2016	October 1, 2016

1.3 Affiliated employers / pension fund

	2022		2021	
	Employers	Pension fund	Employers	Pension fund
At beginning of period	24	15	18	11
Additions	10	9	7	5
Departures	-2	-2	-1	-1
Total at the end of the period	32	22	24	15

1.4 Highest governing and executive bodies, management and signatory powers



The Foundation Board appoints authorized signatories and determines the manner in which they shall sign. Only joint signatures, with a minimum of two signatures, are allowed.

2 Active insured and pensioners

	2022	2021
Active insured as at 01 / 01 ¹⁾	1,757	1,770
Additions		
Entries	362	195
Entries from collective acquisitions	140	56
Departures		
Exits	196	216
Retirements	15	10
Exits from contract terminations	42	0
Active insured persons as at 12 / 31	2,006	1,795

1) In the previous year, the number of insured was over-reported due to the use of a different evaluation method. This value was corrected in the annual financial statement 2022 and aligned with the new counting method.

	2022	2021
Pension recipients as at 01 / 01	537	510
Additions		
Adjustment to prior year ²⁾	0	12
New pensioners	28	15
Retirements	6	10
Departures		
Departures / exits	23	10
Deaths	0	0
Pension recipients as at 12 / 31	492	537
of which pension recipients as at 12 / 31 "Retiree pension fund"	1	0
of which pension recipients as at 12 / 31 "Pension funds"	25	16
of which pension recipients as at 12 / 31 "Zurich Insurance"	466	521
Retirement pensions	429	452
Survivors' pensions	27	20
Disability pensions	19	44
Retired persons' children's pensions	7	10
Orphan's pensions	9	10
Disability-linked children's pensions	1	1

2) Since the 2020 annual financial statement, the current pension obligations of terminated affiliation contracts purchased from Zurich Life Insurance Company Ltd up until December 31, 2019, have been included. As a result, all pension recipients of the Vita Invest Joint Foundation of Zurich Life Insurance Company Ltd are listed.

3 Achievement of purpose

The Foundation purpose is achieved by affiliating willing employers through affiliation contracts of the Foundation. A pension fund is established with the affiliation contract.

The pension plans are drawn up individually with the affiliated pension fund. These are defined contribution plans. Both defined contribution and defined benefit plans exist for the risks of death and disability. This concerns both mandatory BVG and 'enveloping' or purely extra-mandatory plans.

The affiliate pension funds may, depending on their financial situation, provide improved benefits within the framework of the statutory provisions. No adjustment was made to the pensions

at the level of the Foundation or the level of the pension funds in accordance with Art. 36 para. 2 BVG in the 2022 financial year.

Benefits and contributions are based on the pension regulations. The Administration Committee determines the type and scope of pension benefits in the pension plan, the contributions of the insured and the employers, as well as pension-specific provisions. The pension plan is an integral part of the regulations.

The division of premiums between employees and employers can be regulated within a pension fund, whereby the employer must bear at least 50 percent of the costs. Funding is reviewed annually and adjusted as needed.

4 Valuation and accounting principles, consistency

4.1 Confirmation that accounts are drawn up in accordance with Swiss GAAP ARR 26

Accounting, reporting and valuation practices comply with the provisions of the Swiss Code of Obligations (OR) and BVG (Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans). 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 retirement provision legislation and comply with the provisions of Swiss GAAP ARR 26 (amended version from January 1, 2014).

4.2 Valuation and accounting principles

Cash and cash equivalents	Nominal value
Receivables and loans	Nominal value
Collective investments	Price on reporting date
Foreign currency translations	Price on reporting date
Other assets and liabilities	Nominal value

The pension capital and technical reserves are recalculated annually by the occupational retirement provision expert in accordance with recognized principles and the regulations for provisions and reserves.

4.3 Change of principles for valuation, bookkeeping and accounting

The principles for valuation have not changed compared to the previous year.

5 Actuarial risk / risk coverage / cover ratio

5.1 Type of risk coverage / reinsurance

The Foundation has concluded a collective life insurance agreement with Zurich Life Insurance Company Ltd to cover the actuarial risks of death and disability. The policyholder and beneficiary is the Foundation. The Foundation has in principle borne the longevity risk since January 1, 2020. In the 2022 financial year, two pension funds bore their pension obligations for their own account. Any difference between the conversion rate of the Foundation and the conversion rate according to the retirement provision strategy or the

BVG minimum benefits is funded by the pension fund. The reserve necessary for this purpose is formed within the pension fund. The calculation of the reserve is described in the "Provisions and Reserves" regulations.

All costs incurred by the Foundation are borne by Zurich Life and covered by the cost premium. To finance this premium, the Foundation levies a cost contribution from all affiliated pension funds.

5.2 Explanation of assets and liabilities from insurance contracts

The actuarial reserves for pension obligations from the collective life insurance agreement concluded with Zurich Life Insurance Company Ltd are not recognized in the balance sheet. The surrender values for the annuities purchased from Zurich Life Insurance Company Ltd are as follows:

in CHF	12 / 31 / 2022	12 / 31 / 2021
Surrender value	142,859,251.20	149,303,472.34
Retirement pensions	125,493,553.74	130,665,541.50
Survivors' pensions	12,889,048.58	12,934,890.08
Orphans' pensions	480,534.37	515,222.53
Disability pensions	1,868,668.26	2,612,275.63
Disability-linked children's pension	9,417.64	4,949.91
Savings contribution exemption	2,118,028.63	2,570,592.69

5.3 Development of and interest on the pension capital for active insured in defined contribution plan

in CHF	2022	2021
Interest on pension capital for active insured	1.0%–4.0%	1.0%–26.0%
Pension capital of active insured as at 01 / 01	333,264,324.72	300,318,661.42
Formation of pension capital of active insured	11,838,412.89	15,249,758.24
Retirement credits for active insured	29,459,665.25	27,041,622.06
Contribution-free retirement credit	196,405.50	172,382.90
Single premiums from employees	7,374,893.44	8,347,030.62
Single premiums from employers	3,000.00	6,700.00
Contributions from uncommitted funds	334,694.00	120,683.96
Vested benefits	19,422,695.30	21,698,667.88
Contributions upon takeover of contract; vested benefits	4,173,819.05	0.00
Contributions for early withdrawals for home ownership promotion	350,500.00	288,000.00
Contributions from divorces	578,455.90	83,648.35
Vested benefits paid to departing insured	-27,679,708.75	-30,267,326.75
Vested termination benefits for contract terminations	-9,395,267.10	0.00
Early withdrawals for home ownership promotion	-600,000.00	-805,272.10
Early withdrawals for divorce	-981,590.05	-311,758.55
Capital payments on retirement	-4,915,288.12	-6,418,965.68
Transfer to pension capital pensioner	-6,483,861.53	-4,744,022.45
Single contributions to insurance companies	0.00	38,368.00
Interest on pension capital for active insured	6,380,101.92	17,695,905.06
Pension capital of active insured as at 12 / 31	351,482,839.53	333,264,324.72
Of which retirement assets according to BVG	120,190,451.05	114,756,585.40

Explanation of interest on pension capital for active insured

Affiliations with “Company’s own investment strategy”

The interest rate is individually determined by the administration committee of each pension fund on the basis of the investment income and the financial situation. When discussing the annual financial statements with customers, the relevant resolutions of the administration committee regarding interest are obtained and recorded. The Foundation monitors and supervises on an ongoing basis to ensure that benefit improvements in the case of value fluctuation reserves which have not been fully accumulated comply with the statutory provisions.

Affiliations with “Autoinvestment”

The interest rate on the retirement savings capital is determined by the administration committee, whereby the Foundation Board sets an interest rate range in compliance with the statutory provisions. The Foundation Board sets the maximum possible interest rate, based on the minimum interest rate pursuant to the BVG. The interest rate range in the 2022 financial year lies between 0.0% and 1.0% in accordance with the decision of the Foundation Board. In the absence of any other interest rate decision by the administration committee, the maximum interest rate as specified by the Foundation Board was applied.

The Foundation confirms that the provisions pursuant to Art. 46 BVV 2 have been complied with.

5.4 Development of the actuarial reserves for pensioners

New retirement pensions have in principle been transferred to the Foundation's retiree pension fund since January 1, 2020. There are pension obligations on the retiree pension fund as at December 31, 2022 (previous year: no pension obligations). As at December 31, 2022, two pension funds bore their pension obligations for their own account (previous year: two pension funds). The Foundation Board has decided not to implement any pension increases for 2022.

	2022	2021
Pension capital for pensioners as at 01 / 01	7,632,779.00	1,957,772.00
Withdrawal from retirement provision assets pensioners		
Pension payments	- 466,416.65	- 230,413.57
Pensioners' contribution to pension capital	6,427,150.83	4,744,022.45
Increase according to expert's calculation	1,157,890.82	1,161,398.12
Pension capital pensioners as at 12 / 31 "pension funds"	14,751,404.00	7,632,779.00
Pension capital pensioners as at 12 / 31 "retiree pension fund"	0.00	0.00
Withdrawal from pension capital pensioners		
Pension payments	- 1,629.90	0.00
Contributions to pension capital pensioners	56,710.70	0.00
Increase according to expert's calculation	15.20	0.00
Pension capital pensioners as at 12 / 31 retiree pension fund	55,096.00	0.00
Pension capital pensioners as at 12 / 31 total	14,806,500.00	0.00

5.5 Result of the last actuarial report

The Vita Invest Collective Foundation of Zurich Life Insurance Company Ltd is periodically reviewed actuarially by the elected expert for occupational retirement provision plans. The last review took place on December 31, 2022. The expert confirms that

- the applied technical interest rate and the actuarial bases are appropriate;

- the Foundation and the affiliated pension funds provide certainty that they will be able to meet their obligations;
- the regulatory actuarial provisions on benefits and financing comply with the legal requirements;
- the measures taken are sufficient to cover the underwriting risks.

5.6 Information on actuarial reserves

in CHF	2022	2021
Underwriting reserves as at 01 / 01	5,099,768.54	6,273,498.54
Contributions		
due to formation	964,913.00	415,860.95
Withdrawals		
due to reversal	- 451,344.00	- 1,589,590.95
due to contract departures	- 1,226,842.54	0.00
Underwriting reserves as at 12 / 31	4,386,495.00	5,099,768.54
of which reserves for conversion rate	2,468,812.00	3,803,021.54
of which reserves for performance guarantee for pensioners	442,542.00	343,475.00
of which reserves for risk fluctuations pensioners	1,475,141.00	953,272.00

The following types of provisions have been recognized as at December 31, 2022:

Reserve for the conversion rate (retirement losses)

This reserve covers the additional funding requirement created due to the difference between the conversion rate set according to underwriting principles and the statutory conversion rate or the conversion rate set by the administration committee.

Reserves for performance guarantee for pensioners

These provisions cover the financing requirements for temporarily granted or guaranteed additional pensions with the two pension funds that bear their pension obligations for their own account.

Reserves for risk fluctuations for pensioners

These reserves cover the probability that the actual life expectancy will deviate from the statistically expected life expectancy in the case of small pension portfolios. It is only formed insofar as pension obligations are borne at the level of the employer pension funds. The calculation is made according to the formula defined in the regulations for provisions and reserves.

As at December 31, 2022, all necessary reserves were accumulated at the level of the pension funds.

At Foundation level, no reserves were formed as at December 31, 2022, and only the aggregated values are shown.

5.7 Cover ratio pursuant to Art. 44 para. 2 BVV 2

A coverage deficiency is deemed to exist when on the balance sheet date the estimated technically necessary pension capital is not covered by the retirement provision assets available for it.

As at December 31, 2022, the Foundation has a cover ratio of 107.65% in accordance with Art. 44 para. 1 BVV 2:

in CHF	12 / 31 / 2022	12 / 31 / 2021
Available pension assets	399,032,408.63	428,838,145.11
Gross assets (total assets)	409,854,546.53	439,607,195.56
./. Liabilities	-8,452,890.67	-7,760,686.42
./. Accrued expenses and deferred income	-923,672.43	-984,012.96
./. Employers' contribution reserves without waiver of usage	-1,445,574.80	-2,024,351.07
Actuarial pension capital	370,675,834.53	345,996,872.26
Pension capital active insured	351,482,839.53	333,264,324.72
Pension capital pensioners	14,806,500.00	7,632,779.00
Underwriting reserves	4,386,495.00	5,099,768.54
Cover ratio pursuant to Art. 44 para. 1 BVV 2	107,65 %	123,94 %

The cross-foundation cover ratio has no economic relevance and has no significance. The Foundation maintains a separate cover ratio for each pension fund.

Cover ratio	80 %–90 %	90 %–100 %	100 %–110 %	110 %–120 %	120 %–130 %	> 130 %
Number of pension funds	1	9	9	2	1	0

As at December 31, 2022, 12 of 22 affiliated pension funds (previous year all 15 pension funds) have sufficient coverage (cover ratio over 100%).

In the past financial year, 2 out of 22 pension funds (previous year: 10 out of 15 pension funds) had a fluctuation reserve in the amount of the target value.

5.8 Technical principles and other actuarially relevant assumptions

Technical principles at the Foundation level

Actuarial principles	Generation chart BVG 2020 (previous year: generation chart BVG 2020)
Guaranteed minimum interest rate	0.00% (previous year: 0.00%)

Technical principles for pension funds with actuarial risks

In the 2022 financial year, two pension funds bore their pension obligations for their own account (previous year: two pension funds).

Actuarial principles	Generation chart BVG 2020 (previous year: generation chart BVG 2020)
Guaranteed minimum interest rate	0.00% (previous year: 0.00%)

5.9 Profit shares from insurance policies

Determination of dividends

The Foundation's Group Life insurance contract with Zurich is concluded with participation in surpluses in favor of the Foundation. A lump-sum premium rate is calculated annually for each pension fund for its entire workforce.

The pension funds have generally been managed in a risk pool. For pension funds with 20 or more insured, an individual risk agreement can be concluded.

The amount of the surplus depends on the actual claims history of the Foundation (risk pool contract) or the pension funds (individual risk contracts).

In the 2022 financial year, the pension funds (individual risk contracts) of the Vita Invest Joint Foundation of Zurich Life Insurance Company Ltd received dividends in the amount of CHF 0 (pre-

vious year: CHF 0). The Foundation received dividends from the risk pool contract in the amount of CHF 499,121 in the 2022 financial year (previous year: CHF 467,456). The Foundation Board has decided to distribute the entire surplus among the individual pension funds affiliated with the risk pool contract in proportion to the invoiced risk cost premium. The corresponding dividends were credited to the pension funds in November 2022.

Appropriation of surpluses

As standard, the pension plans issued by the respective administration committees provide for dividends from insurance policies to be credited to the operating account, although the administration committee may also decide on a different use (Art. 68a BVG).

All pension funds and the Foundation decided to credit the surpluses to the operating account in the past financial year.

6 Asset investments and net investment result

6.1 Organization of investment activities, investment regulations

Collective investments	Zurich Investment Foundation ¹⁾ CS Investment Foundation ¹⁾ Zürcher Kantonalbank ²⁾
Custodians	State Street Bank GmbH, Munich, Zurich Branch ²⁾ Credit Suisse AG, Zurich ²⁾ Zürcher Kantonalbank ²⁾

1) Authorization AOK

2) Authorization FINMA

Approval of asset managers in accordance with Art. 48f BVV 2

The Foundation entrusts the following bodies with asset management:

Zurich Investment Foundation, Credit Suisse AG, Zürcher Kantonalbank.

Investment strategies

Affiliations with “Autoinvestment”:

The Foundation invests the pension assets for each pension fund in accordance with the principles of autoinvestment.

The pension assets of an insured person are allocated to one of three investment strategies depending on their individual risk capacity. This means that the pension fund’s total pension assets are essentially invested in three different investment strategies.

The allocation of the three investment strategies can be seen in the annual financial statements of the pension funds.

Affiliations with “Company’s own investment strategy”:

The Foundation invests pension assets for each pension fund on behalf of the respective administration committee.

A pension fund’s administration committee provides the Foundation with the necessary investment instructions for asset investment when the affiliation contract is concluded. The administration committee decides on adjustments to the investment instructions in agreement with the Foundation and within the scope of the investment regulations and the general investment provisions of Art. 49 et seq. BVV 2. Depending on the volume of the pension capital and the risk capacity, the administration committee selects an individual investment strategy for the pension fund from various investment options.

Exercising shareholders’ voting and disclosure rights pursuant to Art. 22 et seq. of the Ordinance on Excessive Remuneration in Stock-Exchange-Listed Collective Stock Companies (VegüV)

The Equity Switzerland asset class is exclusively indirect. Therefore, the Ordinance on Excessive Remuneration in Stock-Exchange-Listed Collective Stock Companies (VegüV) is not applicable. In the case of collective investment schemes that allow a voting recommendation to be made, the Foundation Board decides whether or not to make such a recommendation. The Vita Invest Collective Foundation made no voting recommendations in the 2022 financial year.

6.2 Target value and calculation of the fluctuation reserves

The target value of the fluctuation reserve (in percent) is determined individually for each pension fund. The required fluctuation reserve is calculated based on a normal distribution using the dynamic value-at-risk concept. This concept considers the risks as a whole and thus takes account of the impact of portfolio diversification. The following parameters must be used in the calculation:

- Current asset allocation (SAA)
- Historic volatility of the strategy
- Target return
- Anticipated future return of the investment strategy
- Time horizon: 1 year
- Targeted security level: at least 95%

Affiliations with “Autoinvestment”:

The amount of the collective target fluctuation reserves (cFR) is 10%. The amount of the individual target fluctuation reserves (iFR), which are managed within the framework of the performance account, is between 0% and 5%, depending on the assigned investment strategy. The performance account has the character of an account

with a fluctuating balance, as positive performance can be credited and negative performance can be debited. The balance of the performance account can never be negative overall.

The performance account is managed separately from the retirement savings capital for each insured person individually. If the target value fluctuation reserves (cFR & iFR) are fully accumulated for each employer pension fund, individual unrestricted assets are created. These individual unrestricted assets are managed on a pro rata basis per insured person and similarly to the iFR within the framework of the performance account. The performance account (iFR and individual unrestricted assets) will continue to be managed until the insured person leaves the Foundation or reaches the statutory retirement age. Upon departure or upon retirement, the balance of the performance account becomes due in addition to the departure payment.

Affiliations with “Company’s own investment strategy”:

The amount of the collective fluctuation reserve is between 10% and 20% of the pension capital and underwriting reserves, depending on the investment strategy chosen.

in CHF	12/31/2022	12/31/2021
Affiliations with “Autoinvestment”	16	7
Collective fluctuation reserve (cFR) – target value	10,818,814.20	8,497,902.25
Target value as a % of the obligation to provide retirement provision	10–15%	10%
Collective fluctuation reserve (cFR) – actual balance	4,292,876.84	4,841,674.57
Fluctuation reserve as at 01/01	4,841,674.57	5,176,218.00
Reversal/formation of fluctuation reserve	–548,797.73	–334,543.43
Performance account (iFR / individual unrestricted assets)	0.00	8,390,335.47
Affiliations with “Company’s own investment strategy”	6	8
Fluctuation reserve (FR) – target value	44,769,279.80	42,757,183.60
Target value as a % of the obligation to provide retirement provision	10–20%	10–20%
Fluctuation reserve (FR) – actual balance	20,850,947.01	42,507,798.37
Fluctuation reserve as at 01/01	42,507,798.37	38,859,631.74
Reversal/formation of fluctuation reserve	–21,656,929.22	3,648,166.63
Number of pension funds with ≥ 100% target FR ¹⁾	2	10
Number of pension funds between 75% and 100% target FR ¹⁾	1	0
Reserve deficit	120,115.45	0.00
Number of pension funds with less than 75% target FR ¹⁾	19	5
Reserve deficit	30,324,249.00	1,019,735.99

1) FR = fluctuation reserve

6.3 Darstellung der Vermögensanlagen nach Anlagekategorien (Einhaltung BVV 2)

	12 / 31 / 2022		12 / 31 / 2021		BVV 2
	in CHF	in %	in CHF	in %	in %
Fixed-sum receivables	154,027,685.55	37,6	175,397,566.34	39,9	100
Cash and cash equivalents					
Bank current account management	9,232,035.87		34,715,704.18		
Bank investments	1,087,368.85		743,481.13		
Receivables					
Current account Zurich Life	306,974.46		0.00		
Anticipatory tax	730,424.63		454,605.85		
Receivables from the foundation	39,568.07		0.00		
Collective Investments – Receivables					
Bonds Switzerland	41,388,095.03		66,308,040.49		
Bonds foreign in CHF	26,689,396.88		22,102,128.32		
Bonds foreign currencies	65,095,883.88		44,424,292.44		
Operating liquidity	7,124,315.53		2,747,157.08		
Money market	2,333,622.35		3,902,156.85		
Art. 55a Collective Investments – Real estate pledge	5,888,931.36	1,4	0.00	0,0	50
Art. 55b Collective Investments – Shares	128,594,878.16	31,4	140,752,870.29	32,0	50
Equity Switzerland	52,632,153.34		71,210,643.70		
Foreign equities	75,962,724.82		69,542,226.59		
Art. 55c Coll. investments – Real estate	90,900,368.60	22,2	88,440,492.28	20,1	30
Domestic real estate	74,362,874.48		74,308,402.39		
Foreign real estate	16,537,494.12		14,132,089.89		
Art. 55d Coll. Inv. Alternative investments	23,474,236.06	5,7	31,582,725.90	7,2	15
Art. 55f Collective investment – infrastructure	4,887,508.49	1,2	1,276,922.41	0,3	10
Art. 57 Investments with the employer	2,080,145.31	0,5	2,145,505.26	0,5	5
Accrued income	793.00		11,113.08		
Total assets	409,854,546.53	100,0	439,607,195.56	100,0	
Art. 53 Permitted investments	observed		observed		
Art. 54 Individual debtors	observed		observed		
Art. 54a Individual participations	observed		observed		
Art. 54b Individual real estate	observed		observed		
Art. 54b Mortgaging of individual real estate	observed		observed		
Art. 55b Category limits – 50% in shares	observed		observed		
Art. 55c 30% real estate, of which max. 1/3 foreign real estate	observed		observed		
Art. 55e Foreign currencies	173,420,410.96	42,3	171,851,972.42	39,1	
Art. 55e FC without currency hedging	75,165,016.17	18,3	101,640,845.33	23,1	30

Information on the selected investment strategies

	12/31/2022	12/31/2021
Affiliations with "Autoinvestment"	16	7
Profile Balanced	3,018,938.09	3,624,451.89
Profile Progressive	11,402,752.15	13,410,032.62
Profile Dynamic	46,280,463.00	40,628,002.02
Total in CHF	60,702,153.24	57,662,486.53
Affiliations with "Company's own investment strategy"	6	8
Total in CHF	335,675,083.10	343,874,299.53

6.4 Derivative financial instruments

As at December 31, 2022, there were no investments in derivative financial instrument pursuant to Art. 56a BVV2.

6.5 Expansion of the investment universe pursuant to BVV 2 Art. 50 (4)

Pursuant to Art. 50 para. 4 BVV 2, extensions of the investment options are possible on the basis of investment regulations, provided that compliance with paras. 1–3 (due diligence, security and risk diversification) of Art. 50 can be conclusively demonstrated in the notes to the annual financial statements.

The Vita Invest Collective Foundation of Zurich Life Insurance Company Ltd has provided for the expansion of investment options in its “Company’s own investment strategy” and “Autoinvestment” investment regulations from January 1, 2022.

At the pension fund level, the extension of investment options pursuant to Art. 50 para. 4 BVV 2 was applied by nine pension funds in the past financial year. The category limits pursuant to Art. 55 BVV 2 were exceeded in two of the pension funds. The category limits were exceeded in one of the cases for real estate investments (max. 45%) and in the other case for equity investments (max. 59%). The investments with the employer exceeded the limits pursuant to Art. 57 para. 2 BVV 2 (max. 63%) in six pension funds, because the contributions owed had not been settled by the balance sheet date (cf. sub-paragraph 6.9 of this annual financial statement. In the case of the pension funds that exceeded the category limits pursuant to Art. 55 BVV 2 and the investments with the employer pursuant to Art. 57 para. 2 BVV 2, the respective administration committee is convinced that this excess will make a positive

contribution to achieving the earnings targets in light of the existing risk capacity. The principles of the investment regulations regarding security, returns in line with the market and diversification are observed at all times. The purpose for retirement provision is not endangered by the partial deviation from the investment guidelines pursuant to BVV 2.

In the case of two pension funds, more than 10% was invested with a single debtor in accordance with Art. 54 para. 1 BVV 2 in the past financial year. In both cases, shortly before the end of the year contributions were paid which had not been invested by the cut-off date 12/31/2022. The principles of the investment regulations regarding security, returns in line with the market and diversification are observed. The purpose for retirement provision is not endangered by the deviation from the investment guidelines pursuant to BVV 2.

The Foundation Board is convinced that the investments carefully selected and monitored as part of the implementation of the individual investment strategies, which exceed the BVV 2 limits, make a positive contribution both to the achievement of the return targets and to an appropriate distribution of risk, thereby supporting the achievement of the purpose for retirement provision.

At the level of the Foundation, no extension to the investment options pursuant to Art. 50 para. 4 BVV 2 was necessary in the past financial year.

6.6 Disclosure of retrocessions and securities lending

Vita Invest Collective Foundation has “Company’s own investment strategy” and “Autoinvestment” investment regulations, which are designed to ensure compliance with the loyalty and integrity requirements of the BVG. The members of the governing bodies and employees as well as the external partners responsible for the investment, management and monitoring of the pension assets have undertaken to comply with the legal and regulatory provisions.

According to the investment regulations of the Vita Invest Collective Foundation, securities lending is not permitted. However, this is permitted within the framework of the collective investment schemes used, if the collective investment schemes used allow it.

The Foundation has received letters to this effect from the bodies entrusted with asset management – Zurich Investment Foundation, Credit Suisse AG and Zürcher Kantonalbank. In these, all entities confirm that they have not received any retrocessions subject to disclosure requirements in connection with the investments of Vita Invest Collective Foundation for the year 2022 or paid them out to third parties, and that no securities lending has taken place.

6.7 Net result from asset investments

in CHF	01/01–12/31/2022	01/01–12/31/2021
Income from cash and cash equivalents	-45,928.45	-74,665.86
Interest on employers’ contribution reserves	70,333.82	-129,044.04
Interest on vested benefits	-91,771.77	-52,184.47
Income from collective investments	-44,310,318.53	36,903,718.46
Gain/loss on currency hedging	-48,608.39	-319,414.55
Income from collective investments	-44,261,710.14	37,223,133.01
Asset management costs, TER and fees	-2,605,463.14	-2,790,370.27
Bank and deposit fees	36,747.48	-5,964.60
Asset management costs	-43,753.89	-36,132.29
Total Expense Ratio (TER)	-2,598,456.73	-2,748,273.38
Net result from asset investments	-46,983,148.07	33,857,453.82
Average total assets ¹⁾	424,730,871.05	418,357,932.45
Net return²⁾	-11.06%	8.09%

1) (Balance sheet value as at 01/01 + balance sheet value as at 12/31) : 2

2) Net return = net result in % of average total assets

6.8 Explanations of asset management costs

Collective capital investments are subject to costs that are not billed directly but are offset against the future performance of the collective assets (deduction from the return on assets).

The Total Expense Ratio (TER) includes all costs relating to controlling and monitoring as well as portfolio managers' remuneration, custody and sub-custody fees, audit costs and any supervisory fees. These are calculated in accordance with guidelines for calculating and publishing the operating expense ratio TER KGAST for the investment groups of the KGAST members.

in CHF	12 / 31 / 2022	12 / 31 / 2021
Asset management costs, TER and fees	2,605,463.14	2,790,370.27
Transaction fees and asset management fees	506,627.28	588,814.98
Total expense ratios TER (Total Expense Ratio)	2,098,835.86	2,201,555.29
Proportion of reported asset management costs	0.64 %	0.63 %
Asset investments	409,853,753.53	439,596,082.48
Of which cost-transparent asset investments	409,854,546.53	439,607,195.56
Cost transparency ratio ¹⁾	100.00 %	100.00 %
Non-transparent collective investment schemes	0.00	0.00

1) Cost transparency ratio = share of cost-transparent asset investments in total asset investments according to value

6.9 Investments with employers and employers' contribution reserves

in CHF	12/31/2022	12/31/2021
Investments with the employer	2,080,145.31	2,145,505.26
Current account employer company	2,080,145.31	2,145,505.26

As at March 31, 2023, CHF 86,850.90 of the balance as at December 31, 2022 was still outstanding.

Development of employers' contribution reserve

in CHF	2022	2021
Interest on employers' contribution reserves in %	-5.95%–1%	0%–10%
Employers' contribution reserves as per 12/31	1,445,574.80	2,024,351.07
Employers' contribution reserves as at 01/01	2,024,351.07	2,553,574.36
Capital contributions to employers' contribution reserves		
by employer	30,000.00	581,875.70
from policy transfers	29,791.75	581,875.70
Withdrawal from employers' contribution reserves		
for payments of contributions	-359,185.00	-402,401.58
from contract terminations	-209,049.20	-837,741.45
Interest on employers' contribution reserves positive	1,220.90	129,044.04
Interest on employers' contribution reserves negative	-71,554.72	0.00
of which contribution reserves with a stipulated waiver of usage	0.00	0.00

In the financial year 2022, the Administration Committee of a pension plan decided to link the interest on employer contribution reserves to the performance of the investments (positive and negative).

7 Other items in the balance sheet and operating statement

7.1 Administrative costs

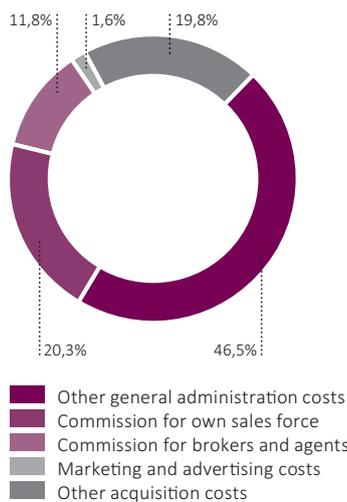
The administration of the Foundation and its management were delegated to Zurich Insurance Company Ltd (Zurich). All costs incurred by the Foundation are borne by Zurich.

To cover the expenses of the Group Life business, cost premiums and annual contributions to administrative costs are levied for each pension fund.

The cost premiums transferred by the Foundation to Zurich plus the contributions to administrative costs levied by the affiliated pension funds totaled CHF 994,378.39 in the current financial year/previous year CHF 718,915.83.

Zurich posts the cost items – with the exception of the costs for the audit departments, the expert for occupational retirement provision plans and the supervisory authorities – for all foundations together. The Foundation Board therefore does not consider the breakdown of the reinsurer’s administrative costs at Foundation level in accordance with Art. 48a BVV 2 to be directly applicable, but considers it useful to refer to the breakdown in accordance with FINMA’s operating

accounts. The percentage breakdown of gross costs in the Group Life business according to Zurich’s occupational retirement provision operating statement, which is prepared in accordance with the requirements of the Swiss Financial Market Supervisory Authority FINMA, can be seen in the chart below:



(Source: Operating statement 2022 – Occupational retirement provision plan, available on the internet at www.zurich.ch)

The following expenses for the audit department, the occupational retirement provision expert and the supervisory authority were posted in 2021:

	in CHF
Expenses for the audit department	33,656
Expenses for the occupational retirement provision expert	64,800
Fees charged by the supervisory authorities (BVS and OAK)	26,524

8 Requirements of the supervisory authority

Audit result of September 6, 2022, from the BVG and Foundation Director of the Canton of Zurich on 2021 reporting: Two remarks on the 2020 reporting are cited in the letter of the Director. The Foundation has addressed these remarks in this annual financial statement.

9 Additional information on the financial position

9.1 Coverage deficiency / explanation for affiliated pension funds

Ten pension funds were without sufficient coverage as of the balance sheet date, which was communicated to the BVG and Foundation Director of the Canton of Zurich. The Foundation confirms, with the involvement of the administration committee, that the asset investments correspond to the risk capacity of the pension funds concerned and that these are monitored on an ongoing basis. The occupational retirement provision experts have reviewed the extent of the coverage deficiency and determined that the coverage deficiencies of all pension funds can be categorized as “low”, since they can be eliminated within five years in accordance with Art. 65d para. 3 BVG without recourse to financial restructuring measures. Depending on how the situation develops, measures for remedying the coverage deficiency will be introduced in a timely fashion in cooperation with the occupational retirement provision experts and reviewed with the administration committees of the affiliated pension funds.

9.2 Information on partial liquidations carried out for affiliated pension funds

The regulations governing the partial liquidation of the Foundation stipulate that employers must

notify the Foundation immediately of any reduction in staff or restructuring of the company that could lead to a partial liquidation. In the event of a partial liquidation, the administration committee of the pension fund concerned shall issue a declaratory decision. The partial liquidation procedure is then initiated.

In the 2021 financial year, one circumstance was reported to the Foundation by the affiliated employers that could lead to a partial liquidation of an affiliated pension fund. The circumstance for partial liquidation was examined in the 2022 financial year. It was determined that the requirements had not been met.

In the 2022 financial year, no facts were reported to the Foundation by the affiliated employers that led to a partial liquidation of an affiliated pension fund.

At the Foundation level, no circumstance for partial liquidation is present.

9.3 Additional information on the financial position

There are no other special events to report with regard to the financial situation.

10 Events after the reporting date

There are no events after the reporting date that have an impact on the financial statements.

Report of the statutory auditor to the Foundation Board

To the Foundation Board of
Sammelstiftung Vita Invest der Zürich Lebensversicherungs-Gesellschaft AG,
Zurich

Zurich, 31 May 2023

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Sammelstiftung Vita Invest der Zürich Lebensversicherungs-Gesellschaft AG (the Occupational pension scheme), which comprise the balance sheet as at 31 December 2022, the operating accounts 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 foundation deed and the scheme 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 Occupational pension scheme 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 Matter

The financial statements of the Occupational pension scheme for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 14 June 2022.



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 foundation deed 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.



Responsibilities 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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report-of-an-occupational-pension-scheme>. This description forms an integral part of our report.

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. In accordance with Art. 52c para. 1 OPA and Art. 35 of the Occupational Pensions Ordinance 2 (OPO 2) we have performed the prescribed procedures.

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;
- ▶ in the event of an underfunding, the Occupational pension scheme has taken the necessary measures to restore full coverage;
- ▶ 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, statutory and regulatory requirements have been met.

The coverage of Sammelstiftung Vita Invest der Zürich Lebensversicherungs-Gesellschaft AG as of 31 December 2022 amounts to 107.65%. Sammelstiftung Vita Invest der Zürich Lebensversicherungs-Gesellschaft AG comprises 22 affiliated occupational pension schemes, of which 10 show an underfunding. Reference is made to the information in the notes to the financial statements for an overview of the coverage of the respective affiliated occupational pension schemes.

For those affiliated occupational pension schemes with a coverage of less than 100% it is examined on the basis of Art. 35a para. 2 OPO 2 whether the investments are in line with the risk capacity for each affiliated occupational pension scheme.

In our opinion,

- ▶ the Foundation Board in consultation with the respective pension commission fulfills its management role in a clear and comprehensible manner in its choice of an investment strategy appropriate to the given risk capacity, as described in the notes to the financial statements 6.3 and 9.1;
- ▶ the Foundation Board in consultation with the respective pension commission complies with the legal requirements when making investments and in particular has determined the risk capacity by assessing all assets and liabilities in accordance with the actual financial situation, as well as the scheme's structure and expected development in the insured population;

- ▶ the investments with employers are legally compliant;
- ▶ taking the above into consideration, the investments of assets are in compliance with the provisions of Art. 49a and Art. 50 OPO 2;
- ▶ the measures to remedy the underfunding were approved by the Foundation Board in consultation with the respective pension commission and the expert in occupational benefits, implemented within the framework of the legal provisions and the action plan and the disclosure requirements were complied with;
- ▶ The Foundation Board has confirmed to us that it will monitor the effectiveness of the measures taken to remedy the underfunding and adapt the measures as required.]

We note that the possibility of remedying the underfunding and the risk capacity regarding investments may also be subject to unpredictable events, e.g., developments in the investment markets and with employers.

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

Ernst & Young Ltd

Patrik Schaller
Licensed audit expert
(Auditor in charge)

Sandra Hensler Kälin
Licensed audit expert

**Vita Invest Collective Foundation
of Zurich Life Insurance Company Ltd**

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