

GEMINI

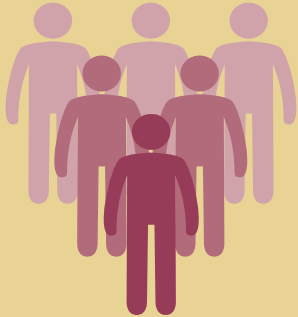
GEMINI COLLECTIVE FOUNDATION

ANNUAL REPORT 2020



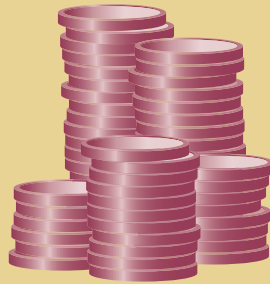
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32,340

beneficiaries, a 2.7% increase over 2019



5.9

billion CHF in assets, a 6.5% increase over 2019



304

employee benefits units trust GEMINI's pension and investment solutions

4,435

pensioners, including 548 recipients of disability pensions

2.11%

Pool 0

104.05%

is the current coverage ratio of the employee benefits unit Pensions 1

3.81%

Pool 20

115.61%

is the average coverage ratio of all employee benefits units



103.58%

is the coverage ratio of the employee benefits unit Pensions 2

4.32%

Pool 35

5.54%

Pool 50



43

years – GEMINI has been providing tailor-made pension solutions since 1977

PROVIDING TAILOR-MADE PENSION SOLUTIONS SINCE 1977

The GEMINI Collective Foundation offers companies tailor-made occupational pension solutions. With GEMINI, you decide yourself what your employee benefits unit's key parameters should be, from funding to benefits and investments.

GEMINI manages your employee benefits unit like an autonomous pension fund – including its own balance sheet, income statement and coverage ratio. Your capital will be included in an investment pool, which reduces the cost of investment.

The GEMINI Collective Foundation offers members a supplementary or executive solution with the GEMINI Pools 20, 35, 50 or 0, starting from CHF 86,040.

At the start of 2020, few people would have suspected the challenges this year would bring. In the first six months of the year, the Covid-19 pandemic placed both the Federal Council and the employee benefits institutions in an extraordinary situation. Caused by the global spread of the pandemic, February and March saw one of the most dramatic price crashes of all times. Within one month, some prices tumbled by 30 to 40%.

The pandemic also took its toll on the real economy. Nevertheless, by summer, the stock markets had recovered almost all of their losses. This was due to the implementation of massive financial measures in support of the economy. As a consequence, despite all adversities, some stock markets even reached new all-time highs in the course of the year.

All in all, the GEMINI Collective Foundation fared rather well in this market environment. The number of members in the affiliated employee benefits units remained stable and the Foundation recorded modest growth in the financial year despite several market movements.

In the year under review, the Foundation Board focused, in depth, on the financial security of the pensioner portfolio. The Board established a group of experts which worked on possible measures well into the autumn. One important objective was the protection of the client portfolio to ensure that so-called 'pensioners without employer' do not have to be repeatedly refinanced at the expense of long-standing clients. To this end, a second employee benefits unit Pensions was established as of the reference date whose balance sheet applies significantly more conservative actuarial parameters to the so-called pensioners without employer.

In conjunction with other measures, this affected various regulations of the GEMINI Collective Foundation which were revised accordingly and put into effect as of the end of the year. Moreover, the new Art. 47a BVG, which allows laid-off employees to remain insured under their previous pension plan on a voluntary basis, was integrated into the 2021 Framework Regulations.

On the investment side, new investment categories were assessed and a number were introduced to mitigate the persistently low yield prospects on the bond markets. Aside from the establishment of a broadly diversified infrastructure portfolio, the Foundation Board and the Investment Committee also decided to engage in mortgage investments.

In 2020, further attention was paid to the sustainability/ ESG topic. The benchmarks for the foreign equities investment category were switched to ESG versions, resulting in greater integration of sustainability criteria. Further measures that were implemented are set out on page 16 of this Annual Report.

As in the previous year, the Annual Report is available exclusively in pdf form at www.gemini.ch in German, French and English. The positive feedback we have received from clients and brokers has reassured us that foregoing a printed version was the right decision.

The Foundation Board approved the 2020 annual accounts on 28 April 2021.

We would like to take this opportunity to thank our clients for the trust they place in us and wish you all good health and a swift return to normality!

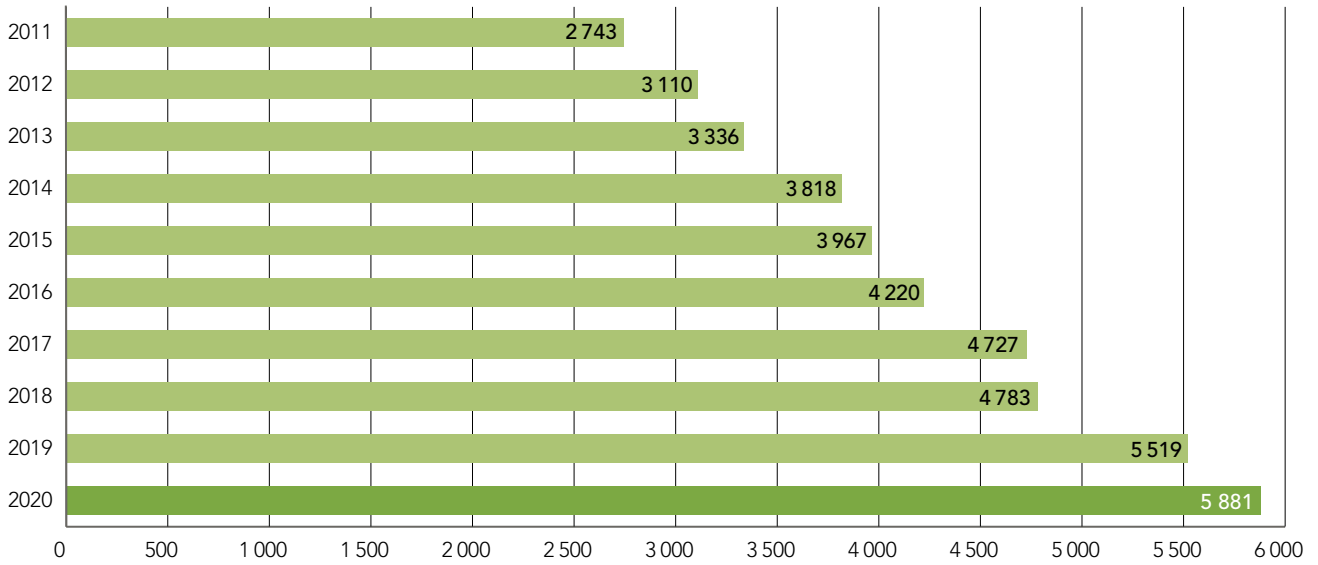


Vital G. Stutz
Chairman of the
Foundation Board

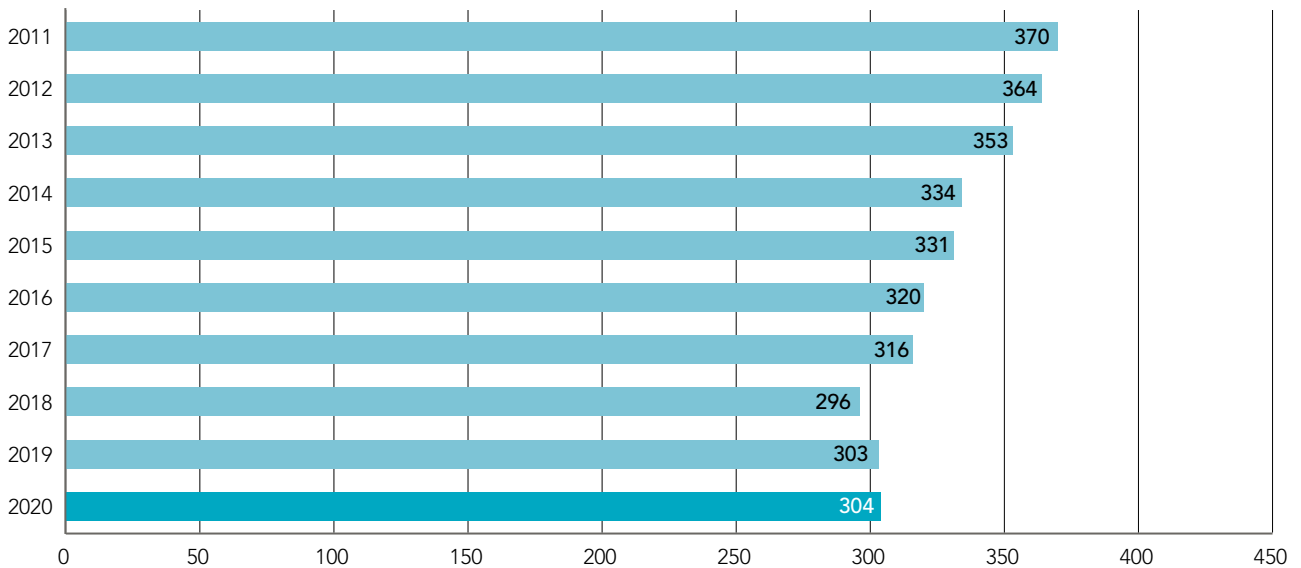


Christoph Oeschger
Managing Director

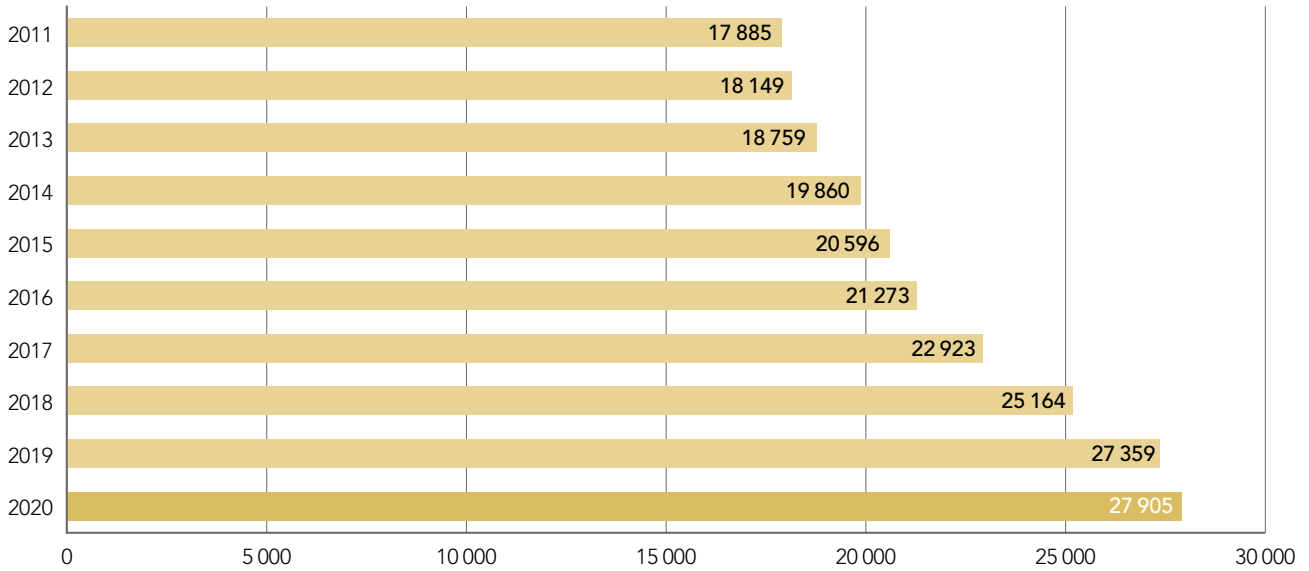
Assets in mCHF



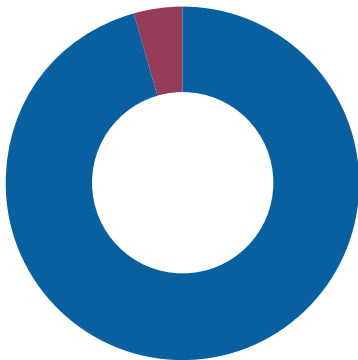
Employee benefits units



Active members



Number of pensioners in employee benefits units with active employers (employee benefits unit Pensions 1)



- 27,119 active members (89.6%)
- 3,153 pensioners (10.4%)

FOUNDATION BOARD

In the year under review, the Foundation Board held five regular meetings and attended a two-day workshop. In conjunction with external specialists, the Board addressed the future strategic focus of the Foundation. Furthermore, it established a group of experts consisting of members of the Foundation Board, the Investment Committee, the administrative office and the occupational benefits expert which defined measures to improve the financial situation of the pensioner portfolio. Inter alia, the results led to the division of the pensioner portfolio into two different employee benefits units Pensions: employee benefits unit Pensions 1 for employee benefits units currently affiliated with the Foundation and employee benefits unit Pensions 2 for the Foundation's pensioners without employer whose reserve is subject to a conservative actuarial interest rate. The measures were put into effect on the date of the annual financial statements.

Partly linked to the adjustments of the pensioner portfolio, the Foundation Board also revised a number of regulations during the financial year and put them into effect. Aside from the revised Reserve Regulations, the measures applying to employee benefits unit Pensions 1 were included in the new 'Regulations on the stabilisation of employee benefits unit Pensions 1'. The Framework Regulations were also amended, specifically in respect of the changes concerning Art. 47a BVG.

In terms of investments, the Foundation Board approved the introduction of a lower 'mortgages Switzerland' quota, as requested by the Investment Committee, which is primarily intended to reduce the interest rate risk associated with bonds. The stock market slump in the first half of the year, which was triggered by the Covid-19 pandemic, and the persistently negative interest rate environment presented the Foundation with considerable challenges. However, the markets made a propitious recovery in the last quarter of the reporting year.

The Foundation Board continued the process of increasing ESG compliance within the GEMINI Collective Foundation. With few exceptions, the asset managers have now signed the United Nations' Principles for Responsible Investment (UN PRI).

INVESTMENT COMMITTEE

In 2020, the Investment Committee held five regular meetings as well as four extraordinary meetings addressing the market correction that was caused by the Covid-19 pandemic in spring. The meetings mainly focused on the following topics:

- Periodic review of the exclusion list in relation to the defined ESG criteria
- Benchmark adjustments in the foreign equities mandates
- Optimisation of the Foundation's cash management and duration
- Review and maintenance of the convertible bond asset class and improvement of conditions
- Selection of managers for the establishment of the infrastructure investment category
- Selection of managers for the additions to the foreign real estate portfolio
- Selection of managers for the establishment of the mortgages Switzerland investment category
- Review of potential additional Swiss real estate investments
- Review of hedging transactions in the equities mandates
- Review of the investment structure of the individual GEMINI pools
- In-depth analysis of the exercise of voting rights in the foreign equities mandates

The objectives of the Investment Committee remained basically unchanged in 2020: consistent implementation of the core-satellite approach within the fund organisation, index-oriented implementation in the main categories and strategy-oriented implementation with few tactical positionings. On top of this, the Investment Committee continuously monitors the individual asset managers.

ADMINISTRATIVE OFFICE

Avadis Vorsorge AG manages the administrative office of the GEMINI Collective Foundation. Its tasks include management, administration, consulting, accounts, communication, distribution and coordination of the operational implementation of the investment of assets.

The core team of the administrative office consists of more than 30 pension specialists. It receives support from other Avadis specialists for various tasks concerning the day-to-day running of the Collective Foundation. Avadis has a further office in Lausanne which is responsible for client and broker support in French-speaking Switzerland.

During the financial year, the administrative office successfully launched the ISAE 3402 certification process. The objective of this certification is the audit of the internal control system (ICS) at the administrative office including the auditor's reporting. Avadis is responsible for providing the description of the relevant processes, which also involves the service-related and accounting-relevant elements of the internal control system.

On top of this, the administrative office was closely involved in the group of experts working on measures to improve the financial equilibrium of the employee benefits unit Pensions. In the reporting year, Avadis was also actively working with the Investment Committee and the Foundation Board on various investment topics and the establishment of the new investment categories and mandates.

EMPLOYEE BENEFITS UNITS

The employee benefits units of the clients affiliated with the Foundation are managed separately. They have their own coverage ratio and are responsible for determining the interest on their members' savings capital in consideration of their respective reserve situation.

COVERAGE RATIO AND INVESTMENT STRATEGY

Thanks to excellent returns, all active employee benefits units reported positive coverage ratios for 2020. As at the end of the year, none of the employee benefits units reported a coverage ratio below 100%. Three quarters of all employee benefits units reported a coverage ratio of 110% or above.

INTEREST

In line with their financial situation, most of the employee benefits units decided on a 2020 interest rate on savings capital that is higher than the BVG minimum rate of 1.0%. The average of the interest rate decisions taken was 2.47%. The development shows that the reserves of the employee benefits units continue on a high level and that the employee benefits units are assuming their responsibility within the challenging model of the GEMINI Collective Foundation.

INVESTMENT RESULTS OF THE GEMINI POOLS

In 2020, GEMINI's four investment pools achieved results in line with the industry average. The most popular pool, Pool 20, achieved a result of 3.81% in December 2020. Pool 35 achieved a result of 4.34% and Pool 50 of 5.57%. Despite the fact that returns at the start of the year were negative due to the Covid-19 pandemic, the stock market situation recovered substantially towards the end of the year. These figures refer to the time-weighted rates of return in the GEMINI pools. The capital gains of the respective employee benefits units are calculated individually according to their money-weighted rate of return.

EMPLOYEE BENEFITS UNIT PENSIONS 1

Employee benefits unit Pensions 1 manages the recipients of retirement and survivors' pensions and the coverage capital of the disability pensioners of the GEMINI Collective Foundation. On retirement, members' capital from the affiliated employee benefits units is transferred to the employee benefits unit Pensions together with their share in the value fluctuation reserve.

Subsequently, all benefits will be provided by this employee benefits unit. The financial situation of employee benefits unit Pensions 1 is subject to ongoing monitoring by the administrative office and the Foundation Board. In the annual financial statements, 0.1% of the average savings capital was charged to each active employee benefits unit and credited to the value fluctuation reserve of employee benefits unit Pensions 1. The active employee benefits units' cost sharing mechanism in favour of employee benefits unit Pensions 1 did not apply in 2020 since the coverage ratio exceeded the defined threshold of 98.5% (coverage ratio as at 31 Dec. 2020 104.05%).

EMPLOYEE BENEFITS UNIT PENSIONS 2

As at the balance sheet date, an employee benefits unit Pensions 2 was established for pensioners without employer. This unit now manages all recipients of retirement and survivors' pensions and the coverage capital of the disability pensioners of the GEMINI Collective Foundation that are no longer linked with an active affiliation. Employee benefits unit Pensions 2 is calculated according to the same actuarial parameters, albeit at a lower actuarial interest rate. As at 31 December 2020, the coverage ratio amounted to 103.58%.

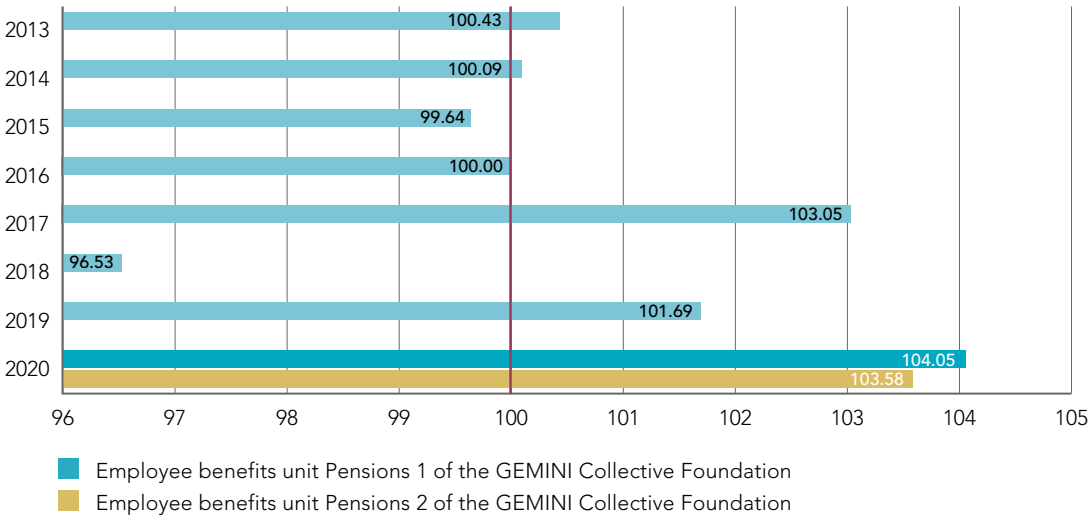
Coverage ratio of employee benefits units

%	2020	2019	2018	2017	2016
<90	–	–	4	–	1
90	–	–	1	–	–
95	–	–	8	2	4
100	9	23	43	33	38
105	29	43	95	52	75
110	65	80	74	72	80
115	86	69	37	65	55
>120	115	88	34	92	67

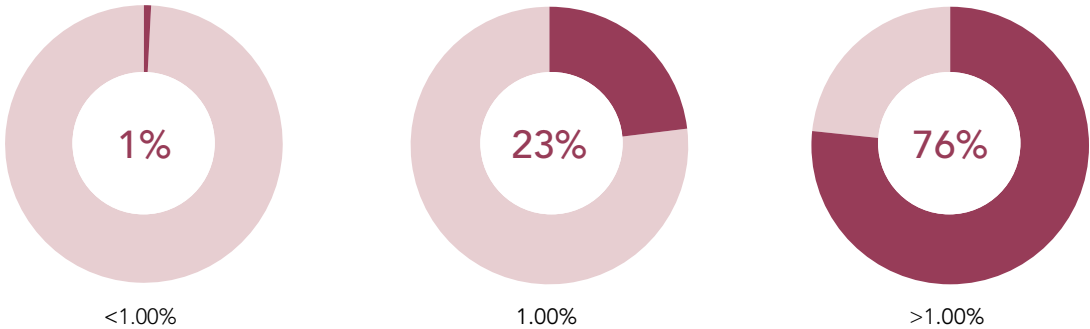
Selection of investment strategy in %

	2020	2019	2018	2017	2016
GEMINI Pool 0	3	3	4	3	3
GEMINI Pool 20	64	69	66	71	76
GEMINI Pool 35	19	15	17	12	12
GEMINI Pool 50	2	1	2	1	1
Individual	12	12	11	13	8

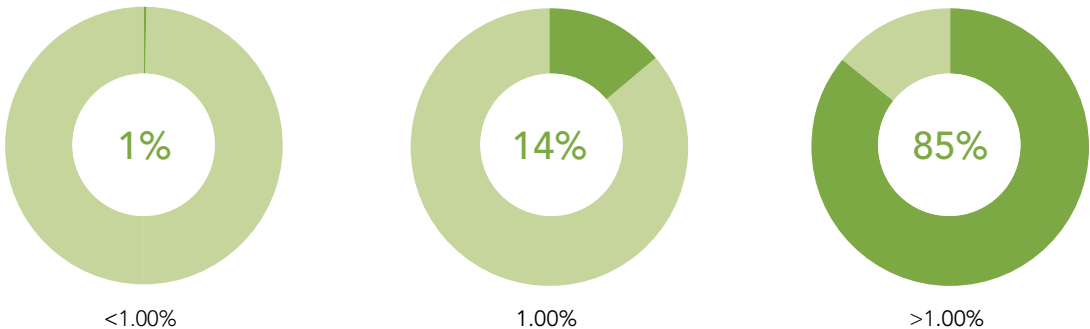
Coverage ratio of the employee benefits unit Pensions in %



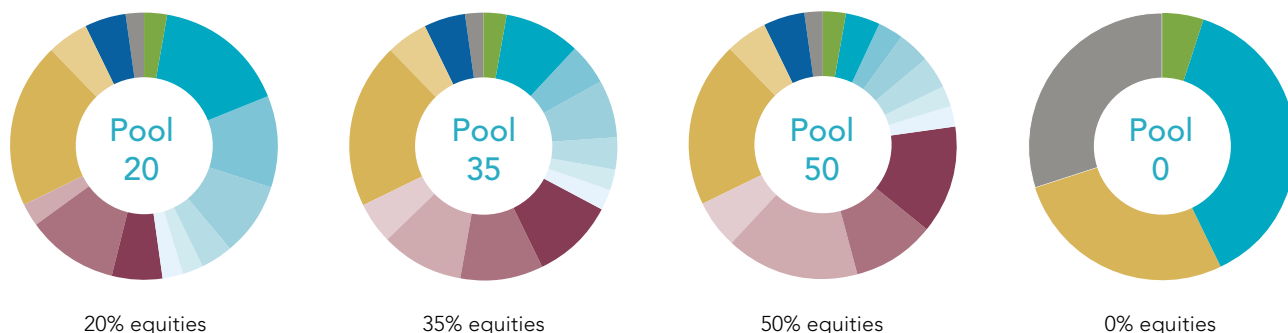
Interest rate decisions in 2020



Interest rate decisions in 2019



GEMINI'S FOUR INVESTMENT STRATEGIES



GEMINI strategies in %	Pool 20	Pool 35	Pool 50	Pool 0
Liquidity	3	3	3	5
Bonds CHF	16	9	4	38
Foreign currency government bonds hedged	11	5	3	–
Foreign currency corporate bonds hedged	9	7	4	–
Convertible bonds	4	4	4	–
Global high yield hedged	2.5	2.5	2.5	–
Emerging markets debt hard currency hedged	2.5	2.5	2.5	–
Swiss equities	6	10	13	–
Foreign equities	11	10	10	–
Foreign equities hedged	–	10	16	–
Emerging markets equities	3	5	6	–
Swiss real estate	20	20	20	27
Foreign real estate	5	5	5	–
Infrastructure	5	5	5	–
Mortgages Switzerland	2	2	2	30

Investment result in %

	Pool 0	Pool 20	Pool 35	Pool 50
GEMINI ¹⁾	2.11	3.81	4.32	5.54
Benchmark ¹⁾	1.69	3.60	4.71	5.35
Pictet BVG 25/40/60	–	3.26	3.46	3.60

¹⁾ GEMINI including asset management costs, benchmark excluding costs

Return of investment categories in %

Investment category	GEMINI ¹⁾	Benchmark ¹⁾
Bonds CHF	0.72	0.96
Foreign currency bonds	4.02	4.20
Convertible bonds	15.20	5.83
Swiss equities	3.76	3.82
Foreign equities	6.37	6.87
Swiss real estate	4.17	4.17
Foreign real estate	-0.62	-0.62
Alternative investments ²⁾	4.49	4.49

¹⁾ GEMINI including asset management costs, benchmark excluding costs

²⁾ Being wound down, no strategic component since 2010

MARKET REVIEW AND OUTLOOK

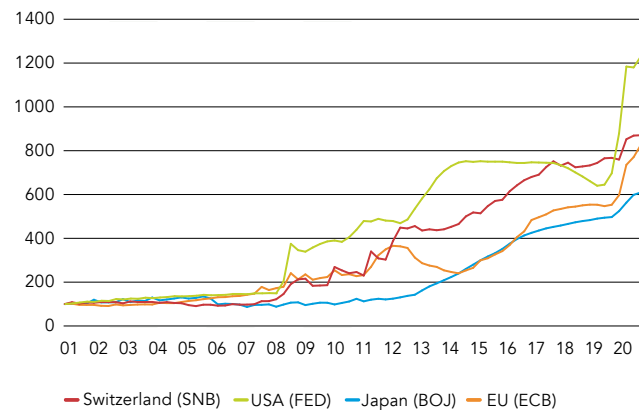
2020 review

In early 2020, industrial production growth slowed down considerably around the world. However, in contrast to the subdued mood among (industrial) enterprises, the majority of consumers appeared to be confident. Central banks played a big part in the global economic stabilisation. Until mid-February 2020, the MSCI World Index climbed by a further 4% before it became clear that the biggest global health crisis since the Spanish flu, and the accompanying sharpest economic downturn since the post-war period, had only just begun. Although the Chinese province of Hubei and the city of Wuhan already imposed lockdowns in late January, it took almost a month until the western hemisphere realised that the spread of Covid-19 was not exclusively a Chinese phenomenon.

In the period March to May, the epicentre of the pandemic and the associated economic slump shifted from Asia to Europe and subsequently to North and South America. Economic disruption due to the restrictive official measures taken in response to the spread of the coronavirus took on gigantic proportions. The severity of the global demand and supply shock pushed central banks and governments around the world to deliver unprecedented aid programmes. Interventions aimed to mitigate the loss of income experienced by households and companies, prevent bankruptcies wherever possible and minimise any permanent increase in unemployment.

After global growth had reached a historic low point in April, economic activity gradually picked up again. From today's perspective, the path towards normality will be long and rocky since the virus has not disappeared and is currently spreading rapidly in a third wave. Nevertheless, progress on the vaccine front has given rise to first glimmers of hope. Improving capacity utilisation in the economy will take a lot of time and require a continuous and coordinated monetary and fiscal policy. Further increased volatility can be expected on the financial markets.

Normalised trend in the central bank balance sheets of selected countries over the last 20 years



Source: Bloomberg

Bonds and currencies

In calendar year 2020, the Swiss National Bank (SNB) once again left its key interest rate at -0.75%. In the context of an extraordinary pandemic-related refinancing facility, the banking system received a generous influx of liquidity. The foreign exchange market also required further intervention to prevent a substantial revaluation of the Swiss franc. Nevertheless, virtually all of the four main currencies declined in the year under review, especially the USD (-8.4%) and the British pound (-5.6%), with the latter remaining under pressure due to difficult Brexit negotiations. This time, even the normally crisis-resistant Japanese yen (-3.7%) failed to hold up against the Swiss franc. Declining only marginally (-0.2%), the euro was the only currency that kept up with the Swiss franc.

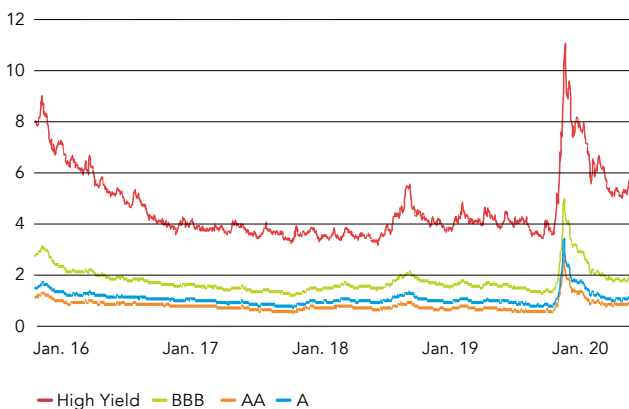
On the international capital markets, yields remained under pressure. Ten-year yields on government bonds converged towards zero on the developed markets. This trend is particularly notable among US government bonds which still delivered attractive yields of around 3% in early 2019.

In March 2020, the FED lowered the key interest range on two occasions from 1.5%–1.75% to 0.0%–0.25%. As a result, the yield curve for USD bonds declined, which had a particularly positive effect on the valuation of bond indices in USD.

On 31 December 2020, Swiss Federal bonds recorded a ten-year yield of -0.55%, which was slightly lower than the figure 12 months ago. Although the yield curve at the short end remained virtually unchanged due to stable key interest rates, the curve at the long end with durations above 20 years flattened further and has now fallen entirely below zero. The value of CHF bonds with long durations was thus benefiting from declining interest rates for another year. This is specifically true for the domestic debt segment of the Swiss Bond Index (SBI) which has a particularly long duration or, respectively, a high level of interest rate sensitivity.

Benefiting from the central banks' bond buying programmes, the higher-risk government bond segment also followed a positive trend. Credit spreads have returned to pre-crisis levels and inflation-adjusted yields on US corporate bonds are negative for the first time ever.

Credit spreads of US corporate bonds (in %)



Source: Federal Reserve Economic Data

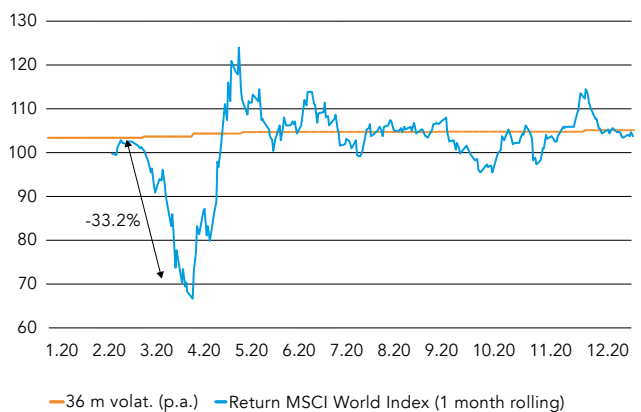
Equities

Financial market theory refers to multiple sigma events in cases where an index crashes by a multiple of its historical volatility. Between 24 February and 24 March 2020, the MSCI World Index lost over 33%. Given a monthly volatility of 3.8%, this is close to a tenfold sigma event!

Central banks worldwide thus took coordinated support measures and interventions on the markets. In just a few weeks, the extent of this monetary action exceeded the interventions and measures taken during the entire financial crisis. This finally calmed the markets, which subsequently embarked on an impressive countermovement. Thanks to a further expansion of the support programmes, another glut of liquidity swamped the markets in the second half of the year, ensuring that the recovery continued.

Big cap technology stocks and e-commerce equities, such as Apple, Microsoft, Google and Amazon, even reached new peaks and unprecedented levels of market capitalisation. In this context, the performance of the different sectors varied substantially. While technology stocks continued their successful run, defensive value equities brought substantially lower returns.

Percentage yield, MSCI World Index (1 month rolling) vs. sigma (monthly volatility above 36 months)



Source: Bloomberg

Real estate

High-quality Swiss real estate investments remained a popular investment class in 2020. Covid-19 acted as a catalyst for existing market trends, with investors' preferences focussing even more on the already popular residential segment. While vacancy rates and rent arrears remained largely at pre-crisis levels, owners of commercial properties, especially in the retail, hotel and leisure segments, were confronted with declining rental income and re-letting difficulties. This ambivalent trend was also reflected in the real estate valuations: While the overall residential real estate segment reported further gains, commercial properties recorded stable or slightly declining market values, depending on their location and sector, due to varying levels of rental income security in this segment.

2021 outlook

Despite the ongoing difficult situation caused by the corona crisis in many parts of the world, the outlook for 2021 is optimistic: The development of a number of effective vaccines should make a significant contribution to the fight against the pandemic. Available volumes of vaccines should be sufficient to vaccinate particularly vulnerable people, their immediate environment and healthcare professionals who are in contact with patients in a relatively short period of time.

Increasing immunisation of the population is likely to result in a gradual return to a more normal economic and social life. Buoyed up by consistently expansive monetary and fiscal policies, the economic recovery will pick up substantial speed in the course of the year. The central banks have recently confirmed their promise of long-term ultra-expansionary monetary policies and have carried out massive securities purchases to boost their quantitative easing measures even further.

Economic optimism for the year 2021 is also reflected in current financial market surveys: Expectations regarding the economy among investors and financial market experts have recently improved significantly across all regions. Companies are also looking to the future with confidence, with business expectations in purchasing manager surveys (PMI) clearly trending upwards. High savings rates among private households should form a solid basis for strong growth in consumer spending, especially in sectors that were hard hit by the pandemic such as tourism, hotels and catering, leisure facilities and events.

Yields may rise slightly in the course of the recovery. In the future, central banks worldwide are expected to keep interest rate levels low in general. Corporate profits should benefit from a significant rebound in 2021, adding some perspective to the high stock market valuations. All in all, 2021 is unlikely to offer many alternatives to equities. Nevertheless, this should not obscure the fact that the performance of the financial markets will remain bumpy as long as the coronavirus has not been brought under control. The recent emergence of highly contagious virus mutations in the UK and South Africa has put a slight dampener on the initial euphoria.

SUSTAINABILITY OF THE PORTFOLIO OF THE GEMINI COLLECTIVE FOUNDATION

Sustainability is an important topic at the GEMINI Collective Foundation. On the one hand, the Foundation is committed to fulfilling its responsibility towards the environment and society. On the other hand, risk and return considerations support sustainable investments. The GEMINI Collective Foundation therefore includes internationally recognised environmental, social and governance (ESG) criteria in its investment decision-making processes.

Our principles

- Sustainability is an important criterion in the selection of our asset managers, provided this does not impair the achievement of our investment goals.
- As a collective foundation, GEMINI’s sustainability activities in the field of sustainability comply with the generally accepted standards, in particular the relevant Swiss laws and international conventions supported by Switzerland.
- Sustainability activities are implemented after a thorough examination of their impact on the classic factors that determine the attainment of the objectives of occupational benefits provision such as returns, risks, diversification and investment universe.

Previous activities

- Whenever possible, the Gemini Collective Foundation avoids investing in companies that are on the exclusion list issued by the Swiss Association for Responsible Investments (SVVK). The SVVK list has been fully implemented in all equities investments and at least partially in the bond segment.
- With very few exceptions, the asset managers have signed the United Nations’ Principles for Responsible Investment (UN PRI), thereby committing to comply with the responsible investment guidelines.
- When selecting asset managers, the GEMINI Collective Foundation prefers partners that commit to the inclusion of ESG aspects in their activities.
- GEMINI already bases certain investments on ESG scores, for instance in the foreign equities and foreign real estate categories. In the foreign real estate segment, solutions have an above-average GRESB score.

The Global Real Estate Sustainability Benchmark (GRESB) is a widely used sustainability score in the real assets segment (especially real estate and infrastructure) that comprises over 50 criteria in the ESG categories.

- In the foreign equities category, which is managed on an indexed basis, the benchmarks, and hence the implementation of the two sub-categories, were replaced with the respective ESG versions in mid-2020. The switch to the ESG benchmarks results in closer integration of the ESG criteria. These index versions give companies with robust ESG profiles and a positive ESG trend higher weightings compared to the regular MSCI World Index. Some exclusions have been introduced in the ESG Index. The conversion took the following form:

Old benchmark	New ESG benchmark
MSCI WORLD EX CH NET USD	MSCI WORLD EX CH ESG UNIVERSAL NET USD
MSCI WORLD EX CH NET HDG CHF	MSCI WORLD EX CH ESG UNIVERSAL NET USD (HDG INTO CHF)

Next steps

The Foundation’s responsible bodies address the issue at regular intervals since the perception of sustainability, the product range and the investment portfolio are in constant flux at the GEMINI Collective Foundation. GEMINI thus perceives sustainable investment as an ongoing long-term process. As part of the process, the activities undertaken within the respective environment are closely monitored and potential development steps are systematically and thoroughly evaluated. The affiliated companies can trust the GEMINI Collective Foundation to implement sustainability in its investments in a rational, considered manner and in the interests of its members.

		31.12.2020	31.12.2019	Annex
		CHF	CHF	digit
Assets				
A	Capital investments	5 880 018 251	5 506 675 852	
	Cash and cash equivalents and money market investments	186 416 828	150 921 089	
	Current account with the employer	22 195 539	21 182 875	6.9
	Premium accounts with insurance companies	263 169	139 972	7.1
	Other receivables	26 881 127	9 738 954	7.1
	Assets of individual pools	5 644 261 587	5 324 692 962	6.4
	Asset Pool 0	50 933 046	46 269 083	
	Asset Pool 20	2 031 806 070	2 005 925 836	
	Asset Pool 35	805 347 678	547 271 192	
	Asset Pool 50	56 595 519	53 899 364	
	Asset Pool Pensions 1	1 258 699 053	1 178 351 346	
	Asset Pool Pensions 2	–	–	
	Individual strategies	1 393 148 540	1 443 647 847	
	Pool Employer contribution reserves Pool 0 to 50	46 039 212	47 751 892	
	Pool Employer contribution reserves money market fund	1 692 469	1 576 403	
B	Prepaid expenses	260 440	12 773 430	7.2
	Total assets	5 880 278 691	5 519 449 282	

		31.12.2020	31.12.2019	Annex
		CHF	CHF	digit
Liabilities and equity				
D	Liabilities	158 576 270	99 540 149	7.3
	Vested benefits and pensions	147 966 241	93 340 081	
	Current account with the employers	2 460 106	1 550 744	
	Other liabilities	8 149 923	4 649 324	
E	Passive accruals and deferrals	20 720 539	15 138 373	7.4
F	Employer contribution reserve	72 860 955	72 677 723	6.9
	Employer contribution reserve with right of usage	72 860 955	72 677 723	
	Employer contribution reserve without right of usage	–	–	9.2
H	Pension plan capital and actuarial reserves	4 868 120 652	4 689 792 411	
	Pension plan capital of active members	3 499 905 831	3 411 464 988	5.2
	Pension plan capital of pensioners	1 322 930 520	1 173 210 174	5.4
	Actuarial reserves	45 152 013	105 084 710	5.6
	Surplus funds	132 288	32 539	
I	Value fluctuation reserve of employee benefits units	431 680 192	368 999 416	
	Value fluctuation reserve of employee benefits units	380 556 783	349 145 212	
	Value fluctuation reserve of employee benefits unit Pensions 1	39 058 821	19 854 204	
	Value fluctuation reserve of employee benefits unit Pensions 2	12 064 587	–	
J	Disposable assets of employee benefits units	308 797 104	254 197 458	
	Surplus of employee benefits units	308 797 104	254 197 458	
J2	Disposable assets of the Foundation (compensation fund)	19 522 978	19 103 752	5.1
	Figures at beginning of period	19 103 752	20 402 477	
Z	Expenditure (-) / income (+) surplus	419 226	-1 298 724	
	Total liabilities and equity	5 880 278 691	5 519 449 282	

INCOME STATEMENT

		2020	2019	Annex
		CHF	CHF	digit
Insurance activities				
K	Ordinary and other contributions and deposits	334 431 383	352 144 602	
	Employee contributions	124 552 324	119 370 046	
	Employer contributions	155 869 218	158 410 867	
	Financial restructuring contributions employees	23 942	21 801	
	Financial restructuring contributions employers	23 942	21 772	
	Withdrawal from employer contribution reserve for contribution funding	-9 925 826	-4 065 186	
	Single premiums and buy-in sums	38 513 188	39 952 025	
	Solidarity contribution to employee benefits unit Pensions	-	-37 940	
	Deposits to pension plan capital of pensioners	16 978 640	34 246 108	
	Deposits to employer contribution reserve	7 971 189	3 858 860	
	Guarantee Fund subsidies	424 767	366 248	
L	Entry benefit deposits	414 316 435	476 937 190	
	Vested benefit deposits	397 088 801	450 702 492	
	Deposit upon takeover of member portfolios in value fluctuation reserve	12 780 888	20 455 253	
	Deposits for advance withdrawals for home ownership/divorces	4 446 746	5 779 445	
(K-L)	Inflow from contributions and entry benefits	748 747 818	829 081 792	
M	Benefits under pension plan regulations	-190 356 440	-147 565 834	
	Retirement pensions	-80 283 749	-66 345 803	
	Survivors' pensions	-6 869 134	-6 585 256	
	Disability pensions	-9 634 710	-8 989 454	
	Other benefits under pension plan regulations	-10 658 277	-6 929 183	
	Lump-sum benefits on retirement	-67 044 184	-54 943 833	
	Lump-sum benefits on death/disability	-15 866 387	-3 772 304	
N	Supplementary benefits	-1 468 376	-1 161 640	
O	Termination benefits	-486 290 329	-382 769 101	
	Vested benefits on departure	-437 426 888	-362 589 773	
	Transfer of additional funds on collective departure	-33 737 186	-9 187 724	
	Advance withdrawals for home ownership/divorces	-15 126 255	-10 991 604	
(M-O)	Outflow for benefits and advance withdrawals	-678 115 145	-531 496 575	
P/Q	Release (+) / formation (-) of pension plan capital active members, actuarial reserves and contribution reserves	-215 084 213	-487 056 206	
	Release (+) / formation (-) of pension plan capital active members	-39 340 569	-200 849 070	
	Release (+) / formation (-) of pension plan capital pensioners	-155 919 395	-137 891 961	5.4
	Release (+) / formation (-) actuarial reserves	59 932 697	-34 798 158	5.6
	Expenditure (-) / income (+) from partial liquidation	-2 636 147	-596 127	
	Release (+) / formation (-) of surplus fund	-99 749	10 634 264	5.1
	Interest on savings capital	-79 588 373	-123 988 650	
	Release (+) / formation (-) of contribution reserves	2 567 324	433 496	6.9
R	Income from insurance benefits	22 659 805	13 403 742	
	Insurance benefits	22 628 568	13 403 742	
	Bonus shares from insurance policies	31 237	-	
S	Insurance expenses	-1 930 507	-1 949 242	
	Insurance premiums	-404 939	-479 060	
	Guarantee Fund contributions	-1 525 568	-1 470 182	
K-S	Net result from insurance activities	-123 722 242	-178 016 489	

		2020	2019	Annex
		CHF	CHF	digit
	Investment result and other income			
T	Net result from investment of assets	216 163 533	460 860 041	6.7
	Asset income of individual pools	245 789 862	489 833 519	
	Pool 0	1 075 060	1 386 609	
	Pool 20	83 560 452	159 069 373	
	Pool 35	36 174 423	57 931 114	
	Pool 50	3 084 391	6 409 262	
	Pool Pensions 1	53 827 550	117 848 416	
	Pool Pensions 2	–	–	
	Pool individual	66 492 295	143 037 335	
	Pool Employer contribution reserves Pool 0 to 50	1 584 661	4 161 095	
	Pool Employer contribution reserves money market fund	-8 970	-9 685	
	Income from securities lending	–	–	6.6
	Interest income on other capital transfers	-470 004	-510 127	
	Asset management expenses	-26 416 551	-24 282 800	6.8
	Interest on employer contribution reserves	-2 750 556	-4 180 551	6.7
V	Other income	36 327 777	29 491 065	
	Appropriated subsidies from employers and third parties	32 910 819	22 392 023	
	Other receivables	3 416 958	7 099 042	
W	Other expenses	-266 242	-11 061 365	
X	Administrative expenses	-10 803 178	-11 054 298	
	General administrative expenses	-4 963 589	-5 197 350	
	Marketing and advertising expenses	-1 006 358	-1 064 518	
	Brokerage activities	-4 542 178	-4 576 309	
	Auditor and occupational benefits expert	-269 073	-223 349	
	Supervisory authorities	-21 981	7 228	
K–X	Expenditure/income surplus prior to the release of value fluctuation reserve	117 699 648	290 218 954	
Y	Release (+) / formation (-) of value fluctuation reserves of the employee benefits units	-62 680 775	-115 601 411	5.8
	Release (+) / formation (-) of disposable assets of the employee benefits units	-54 599 647	-175 916 267	5.8
Z	Income (+) / expenditure surplus (-) for disposable assets of the Foundation	419 226	-1 298 724	5.1

1. PRINCIPLES AND ORGANISATION

1.1 Legal form and purpose

The GEMINI Collective Foundation is a foundation governed by private law. It is intended for the employees of the affiliated companies and their dependents and survivors. The Foundation offers protection against the economic consequences of old age, death and disability.

1.2 BVG registration and Guarantee Fund

The GEMINI Collective Foundation covers the BVG mandatory pension requirements and is registered in the Cantonal Register of Supervised Institutions of the Canton of Schwyz under the number SZ-0072. It pays the Guarantee Fund the individual contributions of the affiliated employee benefits units after offsetting against the individually calculated subsidies.

1.3 Foundation Charter and regulations

Document	created	valid from
Framework Regulations ¹⁾	15.10.2020	01.01.2021
Regulations on Partial Liquidation	27.11.2019	31.12.2019
Investment Regulations	09.03.2020	01.01.2020
Voting Regulations	02.11.2015	02.11.2015
Reserve Regulations ¹⁾	15.10.2020	15.10.2020
Organisational Regulations	26.11.2013	01.01.2014
Foundation Charter	27.06.2012	23.08.2012
Regulations on the stabilisation of employee benefits unit Pensions ¹⁾	15.10.2020	31.12.2020

¹⁾ Decision of the supervisory authority still pending

1.4 Joint management body / signing authority

Any two of the members of the Foundation Board, general management and other authorised signatories have joint signatory power.

Foundation Board (Term of office 2019–2021)

Employer representatives

Vital G. Stutz, Advozug GmbH (Chairman)
 Marianne Fassbind, Dynamics Group AG
 Hans Roth, Hans Roth Unternehmensberatung GmbH

Employee representatives

Anita Auf der Maur, Mercedes-Benz Automobil AG (until 30/06/2020), as of 01/07/2020 independent (Vice Chairwoman)
 Markus Burri, Arbenz + Partner AG
 Rolf Schneider, independent Consultant

General Management

Christoph Oeschger, Managing Director
 Stefan Sadler, Deputy Managing Director

Other authorised signatories of the administrative office

Jacky Baula, Western Switzerland Client Management
 Nadine Devaux, Customer Advisor
 Alain Grand, Head of Sales
 Fabian Hauenstein, Sales Advisor
 Elvira Hauser, Customer Advisor
 Helga Hentsch, Head of Customer Service
 Gottfried Herger, Quality Manager
 Christoph Hilti, Investment Specialist
 Collective Foundation
 Benjamin Hürzeler, Head of Foundation Accounting
 André Lehmann, Head of Western Switzerland Avadis
 Vorsorge AG
 Sabine Nossa, Head of Benefits Service
 Roger Rüfenacht, Foundation Accounts
 Peter Vogt, Customer Advisor
 Alexander Wyss, Customer Advisor

**1.5 Expert, auditor, consultant,
supervisory authority**

Occupational benefits expert

Allvisa AG, Zurich, contractual partner

René Zehnder, executive expert

Auditor

Patrik Schaller, Ernst & Young AG, Basel

Investment Controlling

UBS Fund Management (Switzerland) AG, Basel

Consultant

Complementa AG, St. Gallen

Supervisory authority

Zentralschweizer BVG- und Stiftungsaufsicht (ZBSA),

Lucerne

Affiliated employee benefits units

As at 31 December 2020, 304 employee benefits units of independent companies were affiliated, which represents an increase of 1 employee benefits unit in the reporting year. The number of members per employee benefits unit increased further from an average of 90 to 92.

2. EMPLOYEE BENEFITS UNITS, ACTIVE MEMBERS AND PENSIONERS

Portfolio of employee benefit units

Portfolio	31.12.2019	Additions	Departures	31.12.2020	Change
Active employee benefits units	303	11	-10	304	1

Portfolio of active members and pensioners ¹⁾

Portfolio	31.12.2019	Additions	Departures	31.12.2020	Change
Active members	27 359	5 357	-4 811	27 905	546
Recipients of a retirement pension	2 961	415	-179	3 197	236
Disability pensioners ²⁾	517	39	-8	548	31
Partner's pensions	382	77	-20	439	57
Children's/orphan's pensions	259	35	-43	251	-8
Total	31 478	5 923	-5 061	32 340	862

¹⁾ Of the total number of 4,435 pensioners, 4,136 are managed by the employee benefits units Pensions and 299 directly by several employee benefits units.

²⁾ This figure includes 29 (previous year 29) disability pensioners for whom GEMINI is currently not required to pay benefits due to coordination with an accident insurance company.

By providing the salary reports as at 1 January, each affiliated company confirms to the GEMINI Collective Foundation that all members, their effective annual AHV salaries and all changes have been properly reported and that the employees are paying no more than 50% of the contributions to the respective employee benefits unit. This guarantees the completeness of the member data base and the accurate recording of contributions.

3. IMPLEMENTATION OF PURPOSE

3.1 Pension plan

The Collective Foundation operates one mandatory and one supplementary savings scheme for each employee benefits unit with supplementary risk insurance. One pension plan or several pension plans are defined for each employee benefits unit by the responsible pension fund committee. The benefits and their financing are freely definable within the scope of the BVG. The retirement and termination benefits comprise defined contribution plans and a universal conversion rate is applied to the entire savings capital. The risk benefits in the event of death and

disability normally comprise defined benefit plans on the basis of the insured salary. Individual employee benefits units define the amount of the benefits according to the BVG regulations. The risk benefits as per the regulations are autonomously borne by the GEMINI Collective Foundation. A reinsurance policy is held with Zürich Lebensversicherungsgesellschaft AG, Zurich, to cover the peak risks in individual cases.

3.2 Financing, financing method

The GEMINI Collective Foundation is financed by contributions from employers and employees. The average share of employer companies is 56% and that of employees 44%. Financing is governed in such a way as to ensure that the Collective Foundation is able to meet its regulatory obligations at all times.

3.3 Further information about pension fund activities

The pension fund committees of the affiliated employee benefits units can decide to provide discretionary benefits. Corresponding actuarial reserves for these are formed. Insured members and employers can purchase benefits for early retirement; these are paid to the beneficiaries via the GEMINI Collective Foundation.

4. VALUATION AND ACCOUNTING PRINCIPLES, CONSISTENCY

4.1 Confirmation of accounting in accordance with Swiss GAAP FER 26

The provisions of Swiss GAAP FER 26 were applied to the annual financial statements as at 31 December 2020 (main items with letters A–Z).

4.2 Accounting and valuation principles

The accounting and valuation principles comply with the provisions of Art. 47, 48 and 48a–c BVV 2 as well as Swiss GAAP FER 26. The current and actual values as at the reporting date are posted as follows:

- Currency conversion: exchange rate on reporting date
- Cash and cash equivalents, receivables, liabilities: nominal value
- Securities (including units of investment funds and investment foundations): market value
- Deferrals, pension plan capital and non-actuarial reserves: nominal value
- Actuarial reserves: calculation by occupational benefits expert
- Target value of value fluctuation reserves: financial economic approach

5. ACTUARIAL RISKS / RISK COVERAGE / COVERAGE RATIO

5.1 Risk coverage, reinsurance

GEMINI has autonomously borne the risks of disability and death since 1 January 2011. A reinsurance policy is held with Zürich Lebensversicherungsgesellschaft AG, Zurich, to cover the peak risks in individual cases (excess of loss). Current retirement pensions and survivors' pensions resulting therefrom that were incurred before 1 January 2005 are reinsured with Swiss Life, Zurich.

The redemption values of the pensions purchased from Swiss life insurance companies amount to CHF 70,346,898 (previous year CHF 76,670,119).

Since 1 January 2005, the GEMINI Collective Foundation has autonomously managed newly incurred retirement pensions in the employee benefits unit Pensions. The necessary actuarial reserves for the longevity and interest rate risk are calculated by the occupational benefits expert and managed separately in the employee benefits unit Pensions.

The Foundation Board has decided to outsource the Foundation's so-called pension recipients without employer to a new employee benefits unit Pensions 2 with a different actuarial interest rate as of 31 December 2020. The previous employee benefits unit Pensions has been renamed employee benefits unit Pensions 1.

Due to these changes, in accordance with the expert's calculations and recommendations, the Foundation Board has released various provisions at the Foundation level and allocated them to the two employee benefits units Pensions (see digit 5.6). It also manages surplus funds. The surplus corresponds to the income surplus of the Foundation's income statement following the formation of actuarial reserves and reserves in accordance with the Reserve Regulations as well as the formation of value fluctuation reserves and disposable assets of the employee benefits units.

Disposable assets of the Foundation (compensation fund)

	2020 CHF	2019 CHF
Balance of compensation fund on 1 Jan.	19 103 752	20 402 477
Income (+) / Expenditure surplus (-) of disposable assets of the Foundation	419 226	-1 298 725
Total compensation fund on 31 Dec.	19 522 978	19 103 752

5.2 Performance and interest on savings assets in defined contribution plan

	2020 CHF	2019 CHF
Balance of savings assets on 1 January	3 411 464 988	3 050 418 039
Less termination of internal transfers at end of previous year on 1 January	-36 908 718	-698 862
Employee savings contributions	108 035 216	102 578 349
Employer savings contributions	135 129 450	135 337 663
Other contributions and deposits ¹⁾	38 970 421	40 322 349
Vested benefit deposits	213 497 183	312 059 602
Vested benefit deposits from new contracts	183 591 619	138 642 890
Repayments of advance withdrawals for home ownership/divorces	4 446 746	5 779 445
Vested benefits on departure	-255 989 707	-352 544 196
Vested benefits on contract termination	-182 331 890	-7 616 738
Advance withdrawals for home ownership/divorces	-15 126 255	-10 991 604
Lump-sum benefit due to retirement, death ²⁾ and disability	-70 650 578	-59 271 515
Termination due to retirement, death: transfer to employee benefits unit Pensions of GEMINI Collective Foundation	-117 542 913	-102 410 515
Termination due to retirement, death: transfer to Foundation (autonomous)	-2 688 721	-1 036 661
Internal transfers at year-end	6 420 619	36 908 718
Interest on savings capital	79 588 373	123 988 023
Total savings assets on 31 December	3 499 905 831	3 411 464 988

¹⁾ Includes CHF 32,465 (previous year CHF 4,076) for increase to BVG minimum benefit on departure and security fund subsidies of CHF 424,767 (previous year CHF 366,248).

²⁾ The additional autonomously borne lump-sum death benefit of CHF 11,881,691 (previous year CHF 3,127,672) is not included here.

The interest rate paid on the savings capital is determined following the disclosure of the net income generated by an employee benefits unit as at the end of October by the pension fund committees of the employee benefits units comprising equal numbers of employer and employee representatives. The statutory BVG minimum interest rate, Art. 46 BVV 2 on benefit increases for collective and communal institutions when value fluctuation reserves are not fully accrued and the guidelines on the formation of value fluctuation reserves are taken into account. The BVG minimum interest rate has also been applied to mid-year departures, provided no other resolution has been passed by the employee benefits unit.

5.3 Total BVG retirement assets

The BVG retirement assets of all insured members as at 31 December 2020 totalled CHF 1,654,191,675 (previous year CHF 1,507,332,645).

5.4 Trend in pension capital of pensioners

The coverage capital of the autonomously managed pensions is recalculated annually by the occupational benefits expert on the basis of the prevailing portfolio of pensioners. The BVG 2015 technical principles apply (2015 period life table). An actuarial interest rate of 2.0% applies to the employee benefits unit Pensions 1 (previous year 2.0%). An actuarial interest rate of 0.0% applies to the newly established employee benefits unit Pensions 2 (for the Foundation's pensioners without employer).

Coverage capital of employee benefits unit Pension 1	31.12.2020	31.12.2019
Retirement pensions	792 322 723	976 106 624
Retired person's child benefits	1 430 722	2 140 731
Total coverage capital of retirement benefits	793 753 445	978 247 355
Partner's pensions of insured members	23 471 213	27 899 021
Partner's pensions of pensioners	22 695 294	32 075 279
Total coverage capital of partner's pensions	46 166 507	59 974 300
Orphan's pensions of insured members	2 569 148	3 012 481
Orphan's pensions of pensioners	308 805	439 198
Total coverage capital of orphan's pensions	2 877 953	3 451 679
Coverage capital of disability pensions	72 102 351	75 506 998
Coverage capital of disabled person's child benefits	3 357 518	3 515 657
Coverage capital of savings contribution exemptions	20 383 124	21 699 291
Total coverage capital of disability benefits	95 842 993	100 721 946
Total coverage capital of AHV bridging pensions	760 591	1 474 177
Total coverage capital of employee benefits unit Pensions 1	939 401 489	1 143 869 457
Coverage capital of employee benefits unit Pension 2	31.12.2020	31.12.2019
Retirement pensions	284 635 258	–
Retired person's child benefits	558 887	–
Total coverage capital of retirement benefits	285 194 145	–
Partner's pensions of insured members	13 374 135	–
Partner's pensions of pensioners	12 804 236	–
Total coverage capital of partner's pensions	26 178 371	–
Orphan's pensions of insured members	1 728 021	–
Orphan's pensions of pensioners	86 130	–
Total coverage capital of orphan's pensions	1 814 151	–
Coverage capital of disability pensions	7 880 399	–
Coverage capital of disabled person's child benefits	648 077	–
Coverage capital of savings contribution exemptions	1 632 079	–
Total coverage capital of disability benefits	10 160 555	–
Total coverage capital of AHV bridging pensions	379 852	–
Total coverage capital of employee benefits unit Pensions 2	323 727 074	–
Coverage capital of the employee benefits units	31.12.2020	31.12.2019
Retirement pensions	46 350 030	23 028 738
Retired person's child benefits	21 267	23 056
Total coverage capital of retirement benefits	46 371 297	23 051 794
Partner's pensions of insured members	10 006 668	4 745 119
Total coverage capital of partner's pensions	10 006 668	4 745 119
Orphan's pensions of insured members	83 667	45 005
Total coverage capital of orphan's pensions	83 667	45 005
Coverage capital of disability pensions	2 610 194	1 266 132
Coverage capital of disabled person's child benefits	169 512	38 346
Coverage capital of savings contribution exemptions	560 619	194 321
Total coverage capital of disability benefits	3 340 325	1 498 799
Total coverage capital of employee benefits units	59 801 957	29 340 717
Total pension plan capital	1 322 930 520	1 173 210 174

Portfolio development of pensioners

Number of pensioners managed in employee benefits unit Pensions 1

Portfolio	31.12.2019	Additions	Departures	31.12.2020	Change
Recipients of a retirement pension	2 664	291	-701	2 254	-410
Partner's pensions	230	28	-69	189	-41
Disability pensioners	511	27	-35	503	-8
Children's/orphan's pensions	242	31	-66	207	-35
Total	3 647	377	-871	3 153	-494

Number of pensioners managed in employee benefits unit Pensions 2

Portfolio	31.12.2019	Additions	Departures	31.12.2020	Change
Recipients of a retirement pension	0	553	0	553	553
Partner's pensions	0	63	0	63	63
Disability pensioners	0	27	0	27	27
Children's/orphan's pensions	0	29	0	29	29
Total	0	672	0	672	672

Total pensions reinsured with insurance company

Portfolio	31.12.2019	Additions	Departures	31.12.2020	Change
Recipients of a retirement pension	226	0	-31	195	-31
Partner's pensions	123	2	-14	111	-12
Disability pensioners	0	0	0	0	0
Children's/orphan's pensions	10	1	-6	5	-5
Total	359	3	-51	311	-48

Number of pensioners managed in individual employee benefits units

Portfolio	31.12.2019	Additions	Departures	31.12.2020	Change
Recipients of a retirement pension	71	124	0	195	124
Partner's pensions	29	47	0	76	47
Disability pensioners	6	12	0	18	12
Children's/orphan's pensions	7	3	0	10	3
Total	113	186	0	299	186

Total pensioners	4 119	1 238	-922	4 435	316
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The pension plan capital of pensioners corresponds to the coverage capital calculated with the applicable principles and is comprised as follows:

The portfolio of retirement and partner's pensions remains in the development phase, which is reflected in the growth of coverage capital. The so-called group method is applied to the coverage capital of prospective partner's pensions.

The savings capital of the disability pensioners continues to be managed by the employee benefits units in accordance with the applicable pension plan and is included in the pension plan capital of active members.

Pensioners are managed at employee benefits unit level at a total of four employee benefits units. Their coverage capital is reported separately but allocated to the pension capital of pensioners in the consolidated analysis.

5.5 Result of the last actuarial report

An actuarial audit of the Collective Foundation was carried out at the end of 2020 in accordance with Art. 52e BVG. The result of the audit is as follows:

- The Collective Foundation is well placed financially (average of affiliated employee benefits units) and has good structural risk tolerance.
- All actuarial reserves at the Collective Foundation level are sufficient.
- Based on past experience, the contributions are sufficient to finance the anticipated occupational benefits.
- With an average coverage ratio of all affiliated employee benefits units of 115.61%, the Collective Foundation was attested the security to meet its benefit obligations.
- The actuarial principles of BVG 2015 reflect updated empirical data on the life expectancy of pensioners. The actuarial interest rate is 2.0% (previous year 2.0%) for employee benefits unit Pensions 1 and 0.0% for employee benefits unit Pensions 2 (low risk). At 1.52%, the average weighted actuarial interest rate for the two employee benefits units is below the upper threshold published by the Swiss Chamber of Pension Actuaries in its professional guideline DTA 4.

	31.12.2020	31.12.2019
Employee benefits unit Pensions 1	CHF	CHF
Provision conversion rate	-	-
Provision variations in death and disability risks	-	-
Provision increase of life expectancy	23 466 029	22 847 906
Total managed in the employee benefits unit Pensions 1	23 466 029	22 847 906
	31.12.2020	31.12.2019
Employee benefits unit Pensions 2	CHF	CHF
Provision conversion rate	-	-
Provision variations in death and disability risks	-	-
Provision increase of life expectancy	8 083 681	-
Total managed in the employee benefits unit Pensions 2	8 083 681	-
	31.12.2020	31.12.2019
Individual employee benefits units	CHF	CHF
Provision conversion rate	6 804 045	3 211 585
Provision retirement losses	1 142 950	1 189 637
Provision early retirement	724 081	-
Provision development members	2 094 262	2 046 026
Provision increase of life expectancy	-	149
Provision solidarity contribution	2 836 964	2 836 964
Other actuarial reserves	-	270 000
Total managed in individual employee benefits units	13 602 303	9 554 361
	31.12.2020	31.12.2019
Foundation	CHF	CHF
Provision conversion rate	-	49 582 143
Provision variations in death and disability risks	-	23 100 300
Total managed in the Foundation	-	72 682 443
Overall total	45 152 013	105 084 710

5.6 Composition of actuarial reserves

The actuarial reserves are formed in accordance with the Regulations on the formation of reserves and provisions valid as of 31 December 2020. The following breakdown is based on the envisaged regulatory structure. The reserves are composed as follows:

Provisions in employee benefits unit Pensions 1 (at Foundation level)

Since 2016, the provision for increase of life expectancy has been raised annually by 0.5% of the pension plan capital of pensioners.

Provisions in employee benefits unit Pensions 2 (at Foundation level)

The provision for increase of life expectancy was calculated for the first time as of 31 December 2020.

Reserves at employee benefits unit level

Some employee benefits units make use of the possibility of setting up actuarial reserves in accordance with the Reserve Regulations. A total of four employee benefits units manage their pensioners themselves, which is why in this case the provisions are formed and reported at employee benefits unit level. As at the end of 2020, all provisions of these employee benefits units were in line with the target.

Coverage ratio including employer contribution reserve without usage restrictions in %	No. of employee benefits units	Employee benefits units %	Savings/coverage capital ¹⁾ CHF	Target value fluctuation reserves CHF	Underfunding/overfunding CHF
100–104.99	9	2.96	1 417 769 953	13 059 736	56 636 130
105–109.99	29	9.54	299 728 259	26 327 108	21 107 217
110–114.99	65	21.38	492 757 235	46 358 896	61 397 290
115–119.99	86	28.29	1 313 583 348	146 700 111	228 438 598
120 and above	115	37.83	1 343 704 299	162 947 280	372 898 060
Total	304	100,00	4 867 543 094	395 393 130	740 477 296
Terminated contracts from previous years ²⁾			445 270		
Grand total ³⁾			4 867 988 364		

¹⁾ Including actuarial reserves

²⁾ Several contracts that were terminated before 31/12/2020, which still report savings capital.

³⁾ Overall total does not include reserves at Foundation level in the amount of CHF 19,655,266.

5.7 Actuarial principles

As in the previous year, the actuarial principles apply to the 2020 annual financial statements in compliance with BVG 2015 (2015 period life table). The 2020 actuarial interest rate for employee benefits unit Pensions 1 is 2.0% (previous year 2.0%). At similar conditions, an actuarial interest rate of 0.0% applies to employee benefits unit Pensions 2.

5.8 Coverage ratio in accordance with Art. 44 BVV 2

The value fluctuation reserves and disposable assets are managed separately for each affiliated employee benefits unit. An individual coverage ratio is therefore calculated for each employee benefits unit.

The total pension plan capital of the active members of CHF 3,499,905,831 includes technical transfers of CHF 6,420,619. Vested benefits and deposits for the following year in the amount of CHF 2,960,353 as well as pending payments amounting to CHF 10,301 have been eliminated and reported as liabilities.

As at 31 December 2020, the coverage ratio in employee benefits unit Pensions 1, which manages the pensioners of the employee benefits units affiliated with the Foundation, amounted to 104.05% (previous year 101.69%).

The coverage ratio in employee benefits unit Pensions 2, which manages the so-called pensioners without employer, amounted to 103.58% as at 31 December 2020.

Underfunding/ overfunding %	Reserve deficit incl. underfunding CHF	Balance sheet total CHF	Balance sheet total %	Number of active members	Number of disability pensioners	Number of members Total
7.65	7 555 197	1 474 406 084	26.29	846	45	891
2.85	6 941 847	320 835 476	5.72	2 249	20	2 269
8.29	–	554 154 525	9.88	4 020	42	4 062
30.85	342 195	1 542 021 946	27.50	9 118	171	9 289
50.36	–	1 716 602 360	30.61	11 672	270	11 942
100.00	14 839 238	5 608 020 390	100.00	27 905	548	28 453
		445 270				
		5 608 465 660				

6. NOTES ON THE INVESTMENT OF ASSETS AND THE NET RESULT FROM THE INVESTMENT OF ASSETS

6.1 Organisation of investment activities, investment regulations

Investment committee

The Investment Committee elected by the Foundation Board monitors the asset managers in collaboration with the independent investment controller UBS Fund Management (Switzerland) AG, Basel. Complementa AG, St. Gallen, advises the Investment Committee in its capacity as consultant. The Foundation Board is kept up to date about the overall performance of asset investments, the achievement of objectives and investment-specific aspects.

Members

Wilfred Stoecklin (Chairman), independent
 Felix Kottmann, Kottmann Advisory AG
 Ueli Mettler, c-alm AG
 Beatrice Wyssmann Jenni,
 Patrimonium Asset Management AG

Investment pools

In 2020, the assets of the GEMINI Collective Foundation were invested in the five investment strategies GEMINI Pool 0, GEMINI Pool 20, GEMINI Pool 35, GEMINI Pool 50 and GEMINI Pool Pensions 1 in accordance with the Investment Regulations in force since 1 January 2020. A portion of the assets from Pool Pensions 1 was transferred to Pool Pensions 2 as of 31 December 2020. The Investment Committee decided to introduce the mortgages Switzerland asset class at the end of 2020. A 2% quota will be established over the next few months.

Asset managers

The Foundation Board has delegated the asset management of each investment class to specialised asset managers (see table below). All asset managers are banks and investment firms licensed by FINMA (Swiss Financial Market Supervisory Authority).

Investment class	Asset managers
Liquidity	Pictet Asset Management SA, Geneva Syz Asset Management SA, Geneva
Bonds CHF	Syz Asset Management SA, Geneva UBS AG, UBS Asset Management, Zurich
Foreign currency government bonds hedged	BlackRock Advisors (UK) Limited, London
Foreign currency corporate bonds hedged	BlackRock Advisors (UK) Limited, London
Convertible bonds hedged	RWC Asset Management LLP, London Lombard Odier Asset Management (Switzerland) SA, Petit Lancy Jupiter Asset Management Limited, London
Global high yield hedged	Principal Global Investors (Switzerland) GmbH, Zurich Schroders Investment Management (Switzerland) AG, Zurich
Emerging markets debt hard currency hedged	Ashmore Group plc, London Global Evolution, Kolding (DEN) Pictet Asset Management, London
Swiss equities	Credit Suisse Asset Management (Schweiz) AG, Zurich
Foreign equities	Credit Suisse Asset Management (Schweiz) AG, Zurich
Foreign equities hedged	Credit Suisse Asset Management (Schweiz) AG, Zurich
Emerging markets equities	Credit Suisse Asset Management (Schweiz) AG, Zurich
Infrastructure	Brookfield Infrastructure Partners, Canada IFM Investors, Australia J.P. Morgan, USA
Mortgages Switzerland	Swisscanto Investment Foundations, Zurich UBS Anlagestiftung, Zurich VZ Vermögenszentrum, Zurich

The assets of the following investment classes are managed by the Foundation itself: Swiss real estate unlisted, foreign real estate and alternative investments. In these investment classes, the Foundation invests exclusively in professionally managed funds and investment foundations. The operational funds were managed by the administrative office of the GEMINI Collective Foundation.

Custody

Global custody is assumed by UBS Switzerland AG, Zurich, which manages the individual client accounts and custody accounts.

Disclosure of voting rights behaviour

The Regulation against Excessive Compensation for Listed Corporations (VegüV) determines the exercise of voting rights of Swiss corporations listed in Switzerland or abroad. The GEMINI Collective Foundation has been following the voting recommendation of Ethos for a number of years and has exercised its voting rights accordingly. The Foundation Board is basing the exercise of its voting rights on the long-term interest of the Foundation's members. As regards the individual votes, the Board may alter the recommendations made by Ethos if it holds a different opinion. Details regarding the voting behaviour are published every quarter on the website of the GEMINI Collective Foundation.

6.2 Utilisation of expansions with conclusive statement of compliance with security and risk diversification

Art. 50 BVV 2 governs the security and risk diversification of investments. It requires the asset investments to be carefully selected, administered and monitored. The Foundation Board regularly reviews the investment strategy and added the mortgages Switzerland investment category at the end of the financial year. The quota of 2% has been established at the expense of Swiss bonds.

The same statement likewise applies to the 27 investment strategies separately managed per individual client as to the assets of the GEMINI Collective Foundation. These investment strategies partially contain higher contingents of non-traditional investments and real estate than the GEMINI pools, thereby exerting an impact on the consolidated figures of the Foundation.

UBS Switzerland AG prepares a separate monthly report for these strategies and Complementa AG monitors compliance with the strategies and reports to the Foundation Board.

6.3 Target size and calculation of value fluctuation reserves

The value fluctuation reserves are formed for each employee benefits unit from the revenue surplus. The amount of reserves required depends on the investment strategy selected by the pension fund committee of the affiliated employee benefits unit. The required target size of the value fluctuation reserve and the value of the recommended higher value fluctuation reserve are calculated with the help of the concept of Complementa AG that has been commissioned by the Foundation Board to carry out this calculation.

Both values are recalculated annually for each client as a percentage of the committed funds. Together with the four GEMINI investment pools, investment assets as at 31 December 2020 came to CHF 5,644,261,587 (previous year CHF 5,324,692,962).

Target value fluctuation reserve

	Mandatory	Supplementary (executive and supplementary funds)
	%	%
GEMINI Pool 0	4.3	3.3
GEMINI Pool 20	9.6	8.5
GEMINI Pool 35	13.0	11.9
GEMINI Pool 50	15.7	14.5

In accordance with the principle of prudence, it has been recommended that the employee benefits units establish further reserves to place them in a position where they can compensate for several years of market setbacks.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

6.4 Presentation of investment of assets by investment category per investment pool

The market value presented in the following tables is consistent with the reporting values as at 31 December 2020 and deviates from the values in the securities accounting of the balance sheet.

Investment category	Strategy in %	Fluctuation margins in % min.	Fluctuation margins in % max.	Market value CHF	Effective share ¹⁾ %
GEMINI Pool 0 (7 employee benefits units)					
Liquidity	5.0			1 234 958	2.4
Bonds CHF	38.0			20 387 105	39.62
Foreign currency government bonds hedged in CHF	0.0			859 325	1.67
Mortgages Switzerland	30.0			14 562 218	28.3
Swiss real estate	27.0			14 412 994	28.01
Total	100.0			51 456 601	100.0

GEMINI Pool 20 (195 employee benefits units)					
Liquidity	3.0	0	15.0	120 416 043	5.81
Bonds CHF	16.0	12.0	20.0	348 490 754	16.83
Foreign currency bonds	25.0	12.0	40.0	571 883 153	27.61
of which foreign currency government bonds hedged	(11.0)	(7.0)	(16.0)	237 660 452	11.47
of which foreign currency corporate bonds hedged	(9.0)	(5.0)	(14.0)	201 188 617	9.71
of which emerging markets debt bonds	(2.5)	(0.0)	(5.0)	66 478 970	3.21
of which global high yield bonds	(2.5)	(0.0)	(5.0)	66 555 114	3.21
Convertible bonds	4.0	2.0	6.0	108 772 547	5.25
Swiss equities	6.0	4.0	8.0	126 200 301	6.09
Foreign equities	11.0	7.0	15.0	229 805 185	11.10
Emerging markets equities	3.0	1.0	5.0	63 612 606	3.07
Alternative investments	0.0	0.0	2.0	2 176 460	0.11
Infrastructure	5.0	0.0	7.0	0	0.00
Swiss real estate	20.0	15.0	25.0	432 690 862	20.89
Foreign real estate	5.0	1.5	7.0	40 428 765	1.95
Mortgages Switzerland	2.0	0.0	4.0	26 700 000	1.29
Total	100.0			2 071 176 676	100.0

GEMINI Pool 35 (59 employee benefits units)					
Liquidity	3.0	0	13.5	63 727 377	7.76
Bonds CHF	9.0	5.5	13.0	81 618 723	9.94
Foreign currency bonds	17.0	5.0	31.0	160 001 740	19.49
of which foreign currency government bonds hedged	(5.0)	(1.5)	(9.0)	44 632 438	5.44
of which foreign currency corporate bonds hedged	(7.0)	(3.5)	(12.0)	60 973 031	7.43
of which emerging markets debt bonds	(2.5)	(0.0)	(5.0)	26 985 630	3.29
of which global high yield bonds	(2.5)	(0.0)	(5.0)	27 410 641	3.34
Convertible bonds	4.0	2.0	6.0	42 630 794	5.19
Swiss equities	10.0	8.0	12.0	82 822 829	10.09
Foreign equities	10.0	8.0	12.0	82 199 687	10.01
Foreign equities hedged	10.0	8.0	12.0	83 866 168	10.22
Emerging markets equities	5.0	3.0	7.0	41 715 487	5.08
Alternative investments	0.0	0	2.0	418 407	0.05
Infrastructure	5.0	0	7.0	0	0.00
Swiss real estate	20.0	15.0	25.0	159 351 065	19.41
Foreign real estate	5.0	1.5	7.0	12 195 206	1.49
Mortgages Switzerland	2.0	0	4.0	10 400 000	1.27
Total	100.0			820 947 483	100.0

Investment category	Strategy in %	Fluctuation margins in % min.	Fluctuation margins in % max.	Market value CHF	Effective share ¹⁾ %
GEMINI Pool 50 (7 employee benefits units)					
Liquidity	3.0	0	12.5	7 194 814	12.60
Bonds CHF	4.0	1.0	9.0	2 212 007	3.87
Foreign currency bonds	12.0	1.0	24.0	6 824 959	11.96
of which foreign currency government bonds hedged	(3.0)	(0.0)	(5.0)	1 698 129	2.97
of which foreign currency corporate bonds hedged	(4.0)	(1.0)	(9.0)	2 216 489	3.88
of which emerging markets debt bonds	(2.5)	(0.0)	(5.0)	1 454 244	2.55
of which global high yield bonds	(2.5)	(0.0)	(5.0)	1 456 097	2.55
Convertible bonds	4.0	2.0	6.0	2 262 461	3.96
Swiss equities	13.0	11.0	15.0	6 989 637	12.24
Foreign equities	10.0	8.0	12.0	5 345 667	9.36
Foreign equities hedged	16.0	14.0	18.0	9 034 109	15.83
Emerging markets equities	6.0	4.0	8.0	3 334 676	5.84
Alternative investments	0.0	0	2.0	25 441	0.04
Infrastructure	5.0	0.0	7.0	0	0.00
Swiss real estate	20.0	15.0	25.0	11 811 216	20.69
Foreign real estate	5.0	1.5	7.0	1 036 598	1.82
Mortgages Switzerland	2.0	0.0	4.0	1 015 000	1.78
Total	100.0			57 086 585	100.0

¹⁾ Including liquidity on the managed account (not included in the fact sheet)

36 employee benefits units with a total of 30 investment strategies individually define and monitor their investment strategies. Together they manage overall assets amounting to CHF 1,393,148,540 (previous year CHF 1,443,647,847).

CHF 1,692,469 (previous year CHF 1,576,403) are invested in the Pool Employer contribution reserves money market fund.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

BV 2 Report 2020	31.12.2020 CHF		31.12.2019 CHF		Change CHF	
Money market	316 094 094	5.63%	262 310 952	4.93%	53 783 142	20.50%
Account CHF	85 781 347		175 210 328		-89 428 981	
Money market fund CHF	7 577 740		29 965 766		-22 388 026	
Short duration bond fund	30 851 337		27 178 657		3 672 680	
MAC liquidity management	185 908 488		24 251 297		161 657 191	
Foreign currency accounts	5 975 183		5 704 904		270 279	
Currency hedges	–	0.00%	936 986	0.02%	-936 986	-100.00%
Total bonds	1 995 024 620	35.51%	2 027 898 573	38.08%	-32 873 953	-1.62%
Bonds CHF	832 336 154		885 296 155		-52 960 002	
Foreign currency bonds hedged	82 354 818		77 566 340		4 788 479	
Foreign currency bonds	26 268 028		37 483 796		-11 215 768	
Foreign currency government bonds hedged	409 551 998		424 411 330		-14 859 331	
Foreign currency corporate bonds hedged	392 927 862		411 758 292		-18 830 430	
Global high yield bonds hedged	124 444 856		92 621 456		31 823 400	
Emerging markets debt bonds hedged	122 291 266		98 761 205		28 379 699	
Emerging markets debt	4 849 638		–		–	
Total convertible bonds	228 912 444	4.07%	187 304 117	3.52%	41 608 327	22.21%
Foreign currency convertible bonds hedged	227 181 334		181 926 633		45 254 701	
Foreign currency convertible bonds	1 731 110		5 377 484		-3 646 374	
Mortgages Switzerland	77 145 152	1.37%	33 089 876	0.62%	44 055 276	133.14%
Real estate	1 230 887 878	21.91%	1 130 651 235	21.23%	100 236 643	8.87%
Swiss real estate listed	42 964 319		19 851 731		23 112 588	
Swiss real estate unlisted	1 064 299 209		996 125 106		68 174 103	
Foreign real estate listed	4 827 071		8 335 186		-3 508 115	
Foreign real estate unlisted	118 797 279		106 339 212		12 458 067	
Total equities	1 604 143 713	28.55%	1 529 367 959	28.72%	74 775 754	4.89%
Swiss equities	506 117 357		511 848 007		-5 730 650	
Foreign equities	704 567 804		668 009 945		36 557 859	
Foreign equities hedged	204 539 235		169 512 634		35 026 601	
Emerging markets equities	188 919 318		179 997 374		8 921 944	
Alternative investments	166 441 735	2.96%	153 133 263	2.88%	13 308 472	8.69%
Foreign currency money market investments ¹⁾	118 358		2 549 913		-2 431 555	
Structured products	1 536 828		1 240 290		296 538	
Senior loans hedged	10 088 340		12 439 764		-2 351 424	
Senior loans	4 626 671		4 278 974		347 697	
Microfinance	720 870		1 248 900		-528 030	
Commodities	1 770 215		257 810		1 512 405	
Commodities hedged	2 261 156		2 673 275		-412 119	
Insurance-linked securities	14 188 646		15 709 356		-1 520 710	
Hedge funds	46 572 008		29 150 558		17 421 449	
Private equity	74 084 858		72 114 365		1 970 493	
Infrastructure hedged	10 473 785		11 470 058		-996 273	
Total	5 618 649 637	100.00%	5 324 692 962	100.00%	293 956 675	5.52%

¹⁾ Only includes funds managed in connection with callable private equity in the money market.

BVV 2 Report 2020

	31.12.2020	Maximum BVV 2	31.12.2019
Limitation in accordance with Art. 55 BVV 2	%	%	%
Mortgage securities	1,37	50	0
Equities	28,55	50	28,72
Real estate	21,91	30	21,23
Alternative investments	2,96	15	2,88
Foreign currencies without currency hedging	20,52	30	24,42

6.5 Pending capital commitments

The following various capital commitments were pending at the end of the 2020: USD 100 million had not yet been called in for the scheduled infrastructure investments at the Foundation level. The pending capital commitments of the Foundation as well as three employee benefits units with individual investment in assets amounted to CHF 11,377,347, EUR 2,119,114 and USD 3,940,183 in 2020 (previous year CHF 27,865,496).

6.6 Securities lending

Securities lending is generally permitted for improving the investment return and is carried out exclusively via the global custodian. As in the previous year and in accordance with a resolution of the Foundation Board, securities lending was not carried out in the 2020 financial year

6.7 Net result from investment of assets

Return on overall assets

	2020 CHF	2019 CHF
Sum of all assets at the start of the financial year	5 519 449 282	4 790 830 845
Sum of all assets at the end of the financial year	5 880 278 691	5 519 449 282
Average portfolio of assets (unweighted)	5 699 863 987	5 155 140 064
Net result from investment of assets prior to interest payment on employer contribution reserves	218 914 090	465 040 592
Less/plus interest on employer contribution reserves ¹⁾	-2 750 556	-4 180 551
Effective net result	216 163 533	460 860 041
Unweighted return generated on overall assets in %	3.79	8.94

¹⁾ As GEMINI credits/debits the capital gains in Swiss francs to the employer contribution reserves, they are included here following deduction in the income statement from the net result in accordance with Swiss GAAP FER 26.

The capital gains are calculated individually for each employee benefits unit. The employee benefits units base the interest paid on the savings capital of their members on this. For the employer contribution reserve accounts, the employer has the choice of investing these assets in the same way as the pension plan capital or placing them in a money market fund held with Bank Pictet & Cie, which generated a return of -0.69% in 2020.

Return generated

	2020 %	2019 %
GEMINI Pool 0	2.11	2.49
GEMINI Pool 20	3.81	8.21
GEMINI Pool 35	4.32	11.54
GEMINI Pool 50	5.54	13.40

These figures refer to the time-weighted rates of return in the GEMINI pools. The capital gains of the respective employee benefits units are calculated individually according to their money-weighted rate of return.

For the unpaid costs of the Foundation, 0.15% of the average savings capital, CHF 4,937,235 (previous year CHF 4,594,532), was debited in the reporting year.

Moreover, at the end of 2020, a deduction of 0.10%, CHF 3,162,210, was debited in favour of employee benefits unit Pensions 1 for the first time.

6.8 Asset management costs

	31.12.2020	31.12.2019
	CHF	CHF
Pools of the Foundation		
Pool 0	50 933 046	46 269 083
Pool 20	2 031 806 070	2 005 925 836
Pool 35	805 347 678	547 271 192
Pool 50	56 595 519	53 899 364
Pool Pensions 1	1 258 699 053	1 178 351 346
Pool Pensions 2	–	–
Pool Employer contribution reserves Pool 0 to 50	46 039 212	47 751 892
Pool Employer contribution reserves money market fund	1 692 469	1 576 403
Total transparent investments of assets	4 251 113 047	3 881 045 115
Non-transparent investments of assets in accordance with Art. 48a para. 3 BVV 2	–	–
Total investments of assets of pools of the Foundation	4 251 113 047	3 881 045 115
Share of transparent investments (cost transparency ratio)	100%	100%
Clients with individual asset investments		
Total transparent investments of assets	1 364 863 571	1 407 605 332
Non-transparent investments of assets in accordance with Art. 48a para. 3 BVV 2	28 284 969	36 042 515
Total investments of assets of clients with individual investments of assets	1 393 148 540	1 443 647 847
Share of transparent investments (cost transparency ratio)	97.97%	97.50%
Overall total investments of assets	5 644 261 587	5 324 692 962
Share of transparent investments (cost transparency ratio)	99.50%	99.32%
Directly recognised asset management costs		
Fees investment committee	110 791	104 548
Complementa AG (consultant)	215 944	158 593
General asset consulting and management	54 783	34 002
Bank fees	655 853	831 191
Total directly recognised asset management costs	1 037 371	1 128 333
Sum of all key cost figures for collective investments	25 379 180	23 154 467
TER Pool 0	0,50%	0,48%
TER Pool 20	0,41%	0,39%
TER Pool 35	0,40%	0,40%
TER Pool 50	0,40%	0,40%
TER Pool Pensions	0,37%	0,38%
TER employer contribution reserves money market fund	0,09%	0,08%
Average TER of all pools directly managed by GEMINI	0,36%	0,36%
Average TER of all clients with individual investments of assets	1,98%	1,56%
Total asset management costs recognised in the income statement	26 416 551	24 282 800
Total asset management costs as % of transparent investments of assets	0.47%	0.46%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

List of non-transparent investments as at the balance sheet date (clients with individual asset investments) ¹⁾

ISIN ²⁾	Provider	Product name	No. of units	Market value		
				Market value CHF	as at balance sheet date in CHF	as % of pension assets
LU1728564896	Partners Grp GI	PARTNERS GRP GL PC	4 000.000	928.75	3 714 994	13.134%
BMG706131072	PG3 Trd Fin Fd	PG3 SPCLT USD PNV-A	1 898.974	1 079.13	2 049 233	7.245%
ZZ302_617163 ³⁾	Hermes World USD	HERMES WORLD USD	271.563	0.00	0	0.000%
QT0316441226	PG3 Trd Fin Fd	PG3 SPECIALT FIN-S1	39.860	173.55	6 918	0.024%
ZZ302_PG_PK_2020 C	PARTNERS GROUP PK L.P. INC.	PARTNERS GROUP PK L.P. INC.	31 422 919.170	1.35	42 314 103	149.599%
ZZ302_PG_PK_2020 CUC	PARTNERS GROUP PK L.P. INC./UNF	PARTNERS GROUP PK L.P. INC./UNF	-22 372 383.390	1.00	-22 372 383	-79.096%
ZZ302_MEIF1	MACQUARIE EUROP. INFRASTR. FDS MEIF1	MACQUARIE EUROP.INFRASTR. FDS MEIF1	2 164 489.000	0.00	77	0.000%
ZZ302_MEGG-CIF-COM	MACQUARIE EVERBR.G.CHINA INFRASTR. LP COM	MACQUARIE EVERBR.G.CHINA INFRASTR.LP COM	1 000 000.000	0.68	681 509	2.409%
ZZ302_MEGG-CIF-UCO	MACQUARIE EVERBR.G.CHINA INFRASTR. LP UCO	MACQUARIE EVERBR.G.CHINA INFRASTR.LP UCO	-82 259.040	0.88	-72 713	-0.257%
ZZ302_MIGS II - COM	MIRA Infrastructure Gl. Sol. II LP - COM	MIRA Infrastructure Gl. Sol. II LP - COM	6 000 000.000	0.90	5 373 444	18.998%
ZZ302_MIGS II - UCO	MIRA Infrastructure Gl. Sol. II LP - UCO	MIRA Infrastructure Gl. Sol. II LP - UCO	-3 857 923.980	0.88	-3 410 212	-12.057%

¹⁾ The listed products are new investments for which a revised TER is not yet available.

²⁾ ISIN no. partially unknown

³⁾ This product is a product from a bankruptcy for which a bankruptcy dividend can be expected at the most.

6.9 Investments in the employer and employer contribution reserves

The receivables from employers comprise short-term current account balances (accounts receivable accounts) totalling CHF 22,195,539 that are balanced in the first quarter of the following year. The limit of 20% of the total assets of the employee benefits unit is not exceeded in each case. The employer companies make monthly contribution payments to prevent larger outstanding amounts. The employer contribution reserves are comprised only by employer contribution reserves with right of usage.

	2020 CHF	2019 CHF
Employer contribution reserves on 1 January	72 677 723	68 930 656
Allocation ¹⁾	8 376 355	3 870 638
Usage ¹⁾	-10 943 678	-4 304 123
Interest	2 750 556	4 180 551
Total employer contribution reserve on 31 December	72 860 955	72 677 723

¹⁾ Also includes various internal transfers of capital as well as transfers to the value fluctuation reserve

7. NOTE ON FURTHER ITEMS IN THE BALANCE SHEET AND INCOME STATEMENT

7.1 Receivables

	31.12.2020	31.12.2019
	CHF	CHF
Premium balance with Swiss Life	115 353	139 972
Premium balance with Zurich	147 817	–
Total	263 169	139 972
Balance with Swiss Life from special contract of an employee benefits unit	5 749 976	6 893 010
Balance of new affiliations from their former employee benefits institution	2 630 793	2 630 479
Reclaim of pension benefits	98 488	45 915
Accounts payable (short-term liabilities)	–	–
Receivables from contributions and benefits that can only be settled in the following year	18 374 891	–
Receivable from a client	15 300	–
Other short-term receivables	11 679	169 551
Total	26 881 127	9 738 954

7.2 Prepaid expenses

All prepaid expenses were liquidated again as of 1 January 2021. The following items resulted in deferrals/accruals:

	31.12.2020	31.12.2019
	CHF	CHF
Contributions and benefits that cannot be settled until the following year	108 571	12 621 561
Expenses for the following year and income in the following year for the closing year already booked at Foundation and employee benefits unit level	151 869	151 869
Total	260 440	12 773 430

7.3 Liabilities

	31.12.2020	31.12.2019
	CHF	CHF
Assets transferred from new contracts as at 1.1. of the following year	19 798 555	9 399 987
Pending payments of termination benefits	86 083 035	67 724 257
Pending payments of lump-sum benefits on retirement or death	34 185 777	12 059 138
Current account balances of affiliated employers held at the Foundation	2 460 106	1 550 744
Vested benefits and deposits in previous year that cannot be booked to savings capital until following year	2 960 353	4 808 011
Balance of BVG Guarantee Fund	1 100 801	1 079 609
Liabilities to brokers	2 290 473	2 330 092
Liabilities to the administrative office	3 202 320	–
Liabilities arising from partial liquidations	2 669 838	–
Other liabilities	3 825 015	588 311
Total	158 576 272	99 540 149

7.4 Passive accruals and deferrals

All passive accruals and deferrals were liquidated as of 1 January 2021. The following items resulted in deferrals/accruals:

	31.12.2020	31.12.2019
	CHF	CHF
Foundation level: insurance benefits of the following quarter already received	1 834 514	1 930 395
Employee benefits unit level: occupational benefits not yet settled	18 804 227	12 852 565
Foundation level: various short-term liabilities	33 000	60 700
Foundation level: securities transactions booked from securities accounting	48 798	294 713
Total	20 720 539	15 138 373

8. REQUIREMENTS OF THE SUPERVISORY AUTHORITY

Retrocessions

The asset managers undertake in the agreements with the GEMINI Collective Foundation to report of their own accord all retrocessions received for the past year no later than by the end of February of the new year and to remunerate the GEMINI Collective Foundation accordingly. The review carried out among all asset managers (including clients with individual investment strategies) has revealed that retrocessions totalling CHF 741,279 were directly credited to the individual investment categories within the GEMINI Collective Foundation in the form of cost discounts, distribution remunerations and portfolio commissions in 2020.

9. FURTHER INFORMATION CONCERNING THE FINANCIAL SITUATION

9.1 Underfunding/note concerning measures taken (Art. 44 BVV 2)

As at 31 December 2020, no employee benefits unit reported underfunding.

9.2 Employer waiver of right of usage to employer contribution reserves

There are currently no employer contribution reserves with a waiver of right of usage.

9.3 Partial liquidations/contract terminations

Partial liquidations were pending at eight employee benefits units as at 31 December 2020.

Due to contract terminations in 2019, pension plan capital totalling CHF 195,948,371 was transferred in early 2020.

9.4 Fees of the Foundation Board and Investment Committee

	31.12.2020	31.12.2019
	CHF	CHF
Foundation Board	232 917	233 806
Investment Committee	110 791	104 548

9.5 Ongoing legal proceedings

One employee benefits unit has contested the partial liquidation of the former employee benefits institution together with the employer. The case is still pending and does not entail any costs for the Foundation.

10. EVENTS AFTER THE BALANCE SHEET DATE

None



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To the Foundation Board of
GEMINI Collective Foundation, Schwyz

Basle, 28.04.2021

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of GEMINI Collective Foundation, which comprise the balance sheet, operating accounts and notes (pages 17 to 42), for the year ended 31 December 2020.

Foundation Board's responsibility

The Foundation Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and with the foundation's deed of formation and the regulations. This responsibility includes designing, implementing and maintaining an internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Foundation Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the expert in occupational benefits

In addition to the auditor, the Foundation Board appoints an expert in occupational benefits to conduct the audit. The expert regularly checks whether the occupational benefit scheme can provide assurance that it can fulfil its obligations and that all statutory insurance-related provisions regarding benefits and funding comply with the legal requirements. The reserves necessary for underwriting insurance-related risks should be based on the latest report provided by the expert in occupational benefits in accordance with article 52e paragraph 1 of the Occupational Pensions Act (OPA) and article 48 of the Occupational Pensions Ordinance 2 (OPO 2).

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation of the financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and with the foundation's deed of formation and the regulations.

Report on additional legal and other requirements

We confirm that we meet the legal requirements on licensing (article 52b OPA) and independence (article 34 OPO 2) and that there are no circumstances incompatible with our independence.

Furthermore, we have carried out the audits required by article 52c paragraph 1 OPA and article 35 OPO 2. 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 assessed whether:

- ▶ 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 foundation
- ▶ funds are invested in accordance with legal and regulatory requirements
- ▶ the occupational pension accounts 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 fund managers fulfill their duties of loyalty and disclosure of interests
- ▶ the available 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 given to the supervisory authority
- ▶ the pension fund's interests are safeguarded in disclosed transactions with related entities

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

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

Ernst & Young Ltd

 Patrick Schaller
(Qualified
Signature)
Licensed audit expert
(Auditor in charge)

 Pascal Nikles
(Qualified
Signature)
Licensed audit expert

