

GEMINI COLLECTIVE FOUNDATION

ANNUAL REPORT 2021



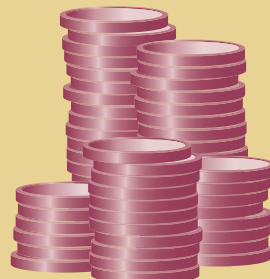
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44

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



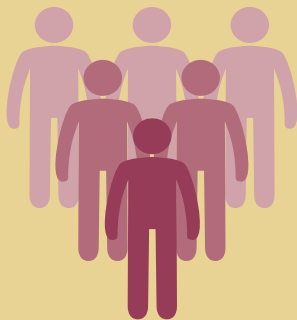
6.5

billion CHF in assets, a 10.5% increase over 2020



302

employee benefits units trust GEMINI's pension and investment solutions



31,999

beneficiaries, a -1.1% decline compared to 2020

0.82%

return Pool 0

4.66%

return Pool 20

119.47%

is the average coverage ratio of all employee benefits units



8.05%

return Pool 35

10.54%

return Pool 50

113.76%

is the coverage ratio of employee benefits unit Pensions 1

4,500

pensioners, including 493 recipients of disability pensions

110.51%

is the coverage ratio of employee benefits unit Pensions 2

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 accordingly.

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.

Financial year 2021 started with a degree of uncertainty as the previous year's Covid 19 pandemic dragged on and continued throughout the whole year. All in all, GEMINI's affiliated employee benefits institutions handled the situation very well (in many cases they even expanded) and the 2021 returns did not hint at a crisis. Most stock exchanges closed the year clearly in the positive range, resulting in high interest rates on savings capital. Every tenth client earned 10% interest on savings capital or higher in 2021, a truly exceptional situation!

All in all, the GEMINI Collective Foundation fared rather well in this market environment. The individual coverage ratio per employee benefits institution is highly appreciated, and many clients also opt for individual investments with their own investment strategy. The number of affiliated employee benefit institutions remained unchanged as the number of members across the entire Foundation declined only marginally.

In the reporting year, the regulation-based cost sharing mechanism in favour of employee benefits unit Pensions 1 proved to be an advantage for the affiliated employee benefits units in a good investment year: For the first time, a share of 0.6% was credited to the reserves of the affiliated employee benefit institutions, thanks to a strong 7.47% return on Pool Pensions 1 and a highly satisfactory coverage ratio after distribution of 113.76%. We are delighted that this credit fulfils the Foundation's promise of a two-way benefit of the cost sharing mechanism, depending on the financial situation of employee benefits unit Pension 1.

The Foundation Board elections for the period 2022 to 2024 were held in the fourth quarter. On the employer side, Hans Roth was not seeking re-election after more than 20 years on the Foundation Board and a stint on the Investment Committee of the GEMINI Collective Foundation. Rolf Schneider, who had served on the Foundation Board as an employee representative since 2013, also left the Board at the end of 2021. We would like to thank both gentlemen for their long-term commitment and their valuable contribution to the success of the Foundation. The new members of the Foundation Board as of 1 January 2022 are Jaap van Dam (employer representative) and Emanouil Varouxis (employee representa-

tion), both employed by affiliated employee benefit institutions. We extend a warm welcome to the new members of the Foundation Board and wish them every success! The other four members of the Foundation Board all received good results and were confirmed in office.

At the end of 2021, Wilfred Stoecklin also stepped down as a long-standing member and most recently Chairman of the Investment Committee. We would also like to thank him for his efforts and commitment. In his place, the Foundation Board has elected Markus Hübscher as Chairman of the Investment Committee. Our best wishes go out to him as he takes up his new position.

The topic of sustainability illustrates the importance of effective cooperation between the Foundation Board and the Investment Committee. It is only by working together that goals and values can be established and efforts towards sustainability advanced. The GEMINI Collective Foundation will continue to pursue this topic as a priority in the future.

The Foundation Board approved the 2021 annual accounts on 18 May 2022.

Once again, the Annual Report is available for download in pdf format at www.gemini.ch in German, French and English.

The Foundation Board would like to take this opportunity to express its gratitude to its clients. We greatly appreciate your loyalty and the trust you place in us. As we look forward to our continuing collaboration, we once again wish you good health.

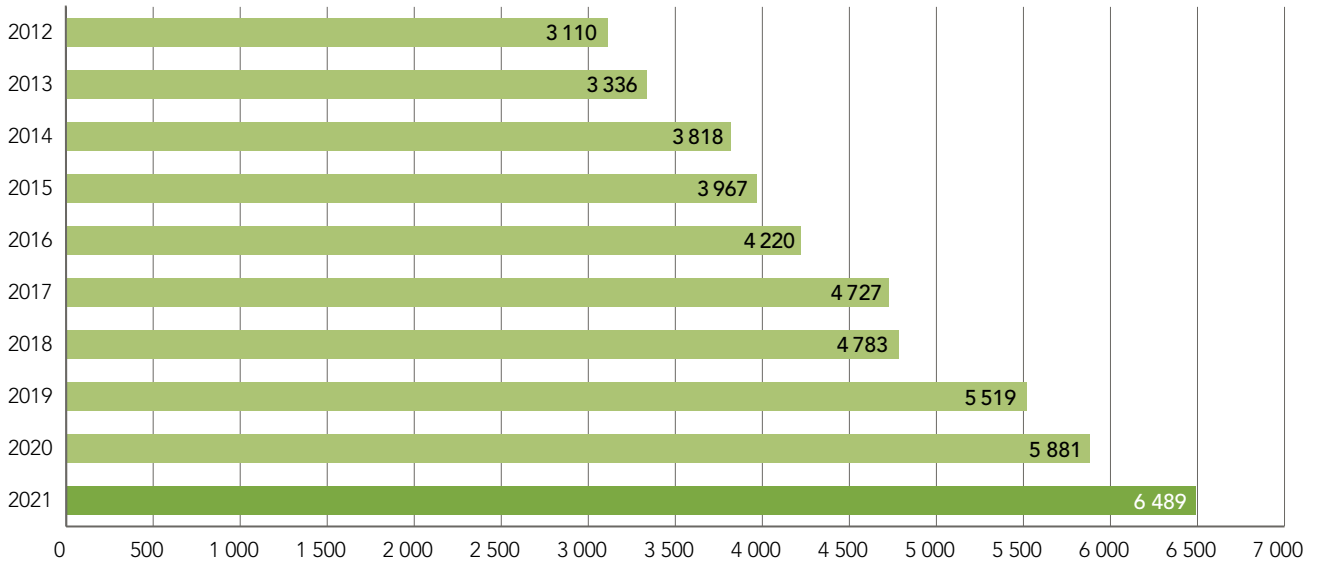


Vital G. Stutz
Chairman of the
Foundation Board

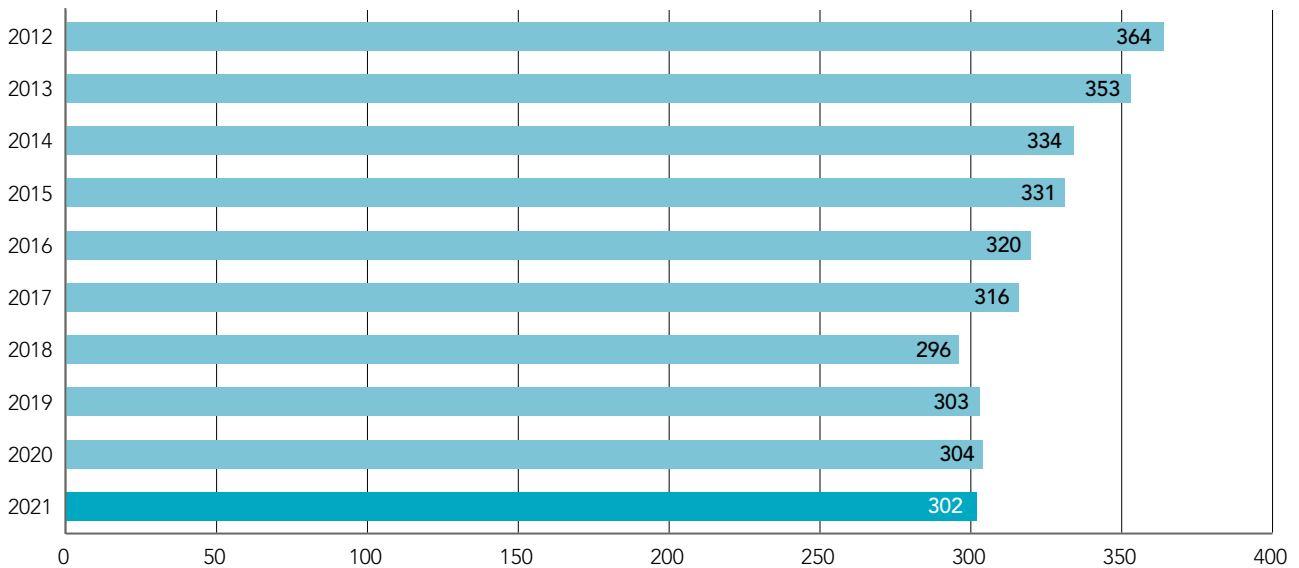


Christoph Oeschger
Managing Director

Assets in mCHF

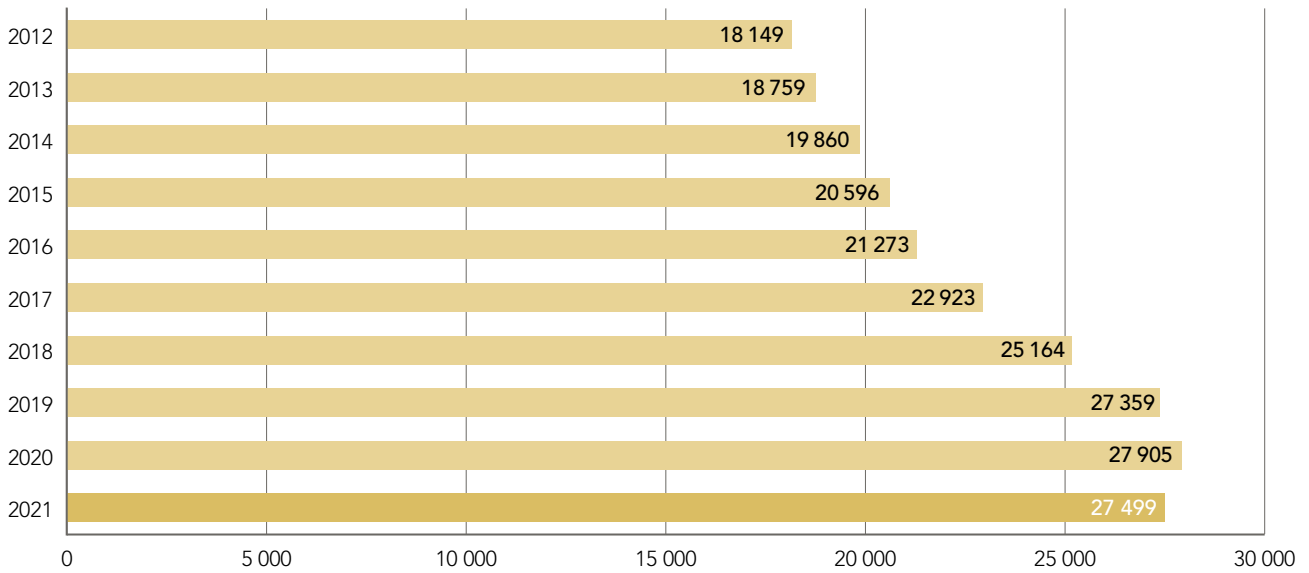


Employee benefits units

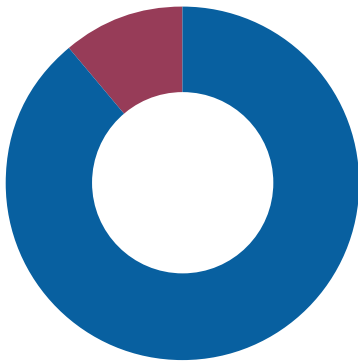


While the number of employee benefits units has declined over the last ten years, the average number of members per affiliated employee benefits unit has risen steadily. This is due to the fact that the GEMINI Collective Foundation is focusing on larger employee benefits units.

Active members



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



- 26,488 active members (89.0%)
- 3,292 pensioners (11,0%)

The graph shows the number of pensioners attributable to the active employee benefits units.

FOUNDATION BOARD

The Foundation Board held five regular meetings throughout the year, addressing a large number of topics and a diverse range of subjects. Various contracts with service providers were renegotiated and concluded, as required by the Foundation's Code of Conduct.

A raft of measures developed by a special working group in the previous year was introduced and the pool for the newly established employee benefits unit Pensions 2 was launched in February 2021. This pool, which has been set up for the Foundation's pensioners without employers, is managed exclusively on the basis of a low strategic equity quota due to its respective risk capacity. In line with all other GEMINI pools, a monthly factsheet is produced and published on the website.

A topic that recurs on a regular basis is the revision of the Foundation's numerous regulations. In addition to the Framework Regulations, the Partial Liquidation Regulations and the Regulations on the Stabilisation of employee benefits unit Pensions 1 were also revised and put into effect. However, some regulations are still awaiting the decision of the supervisory authority as of the end of the financial year.

As regards the BVG tariff principles, which are published every five years, GEMINI switched from the BVG 2015 tariff to the BVG 2020 tariff for the 2021 financial statements on the recommendation of the occupational benefits expert; the actuarial interest rate remains unchanged.

The Foundation Board discussed in detail the directive on "Requirements for transparency and internal control for competing employee benefits units", which was published at the beginning of the year by the Occupational Pension Supervisory Commission (OAK). It emerged that many of the requirements set out in the directive have already been implemented at the GEMINI Collective Foundation.

Once again, the Investment Committee proposed numerous items for discussion and decision in the year under review. The topics of sustainability and climate policy were addressed further and a new course was set. In addition, mandates were re-tendered and a change of provider was resolved in individual cases.

The Foundation Board elections for the period 2022 to 2024 were held in the fourth quarter. Several candidates stood for election for the vacant seats (one each on the employer and employee side). The outcome of the elections is described in greater detail on page 5.

INVESTMENT COMMITTEE

In 2021, the investment committee held five regular meetings. The meetings mainly focused on the following topics:

- Periodic review of the exclusion list in relation to the defined ESG criteria
- Review and development of potential applications in relation to ESG at the GEMINI pools
- Review of the application of CLS for the equity and bond mandates
- Change of manager for convertible bonds
- Change of manager for fixed-income mandates
- Investigation of potential further Swiss real estate investments
- Review of the investment structure of the individual GEMINI pools

The objectives of the Investment Committee for the year 2021 were principally the same: 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.

Due to the high degree of complexity and diversity of the Foundation and the affiliated employee benefits units, the core team of the administrative office now consists of more than 40 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 was once again certified according to ISAE 3402 Type 2. The objective of this certification is the audit of the internal controls 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.

In addition, a large number of staff from the office were closely involved in the project concerning the replacement of the administration software at Avadis Vorsorge AG. This will be the case for the GEMINI Collective Foundation as of 1 January 2023.

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

Primarily thanks to excellent returns, the active employee benefits units reported positive coverage ratios throughout for 2021. As at the end of the year, none of the employee benefits units had a coverage ratio below 100%. 88% of all employee benefits units reported a coverage ratio above 110%, 38% even a ratio of 120% or higher.

INTEREST

In line with their favourable financial situation, very few of the employee benefits units paid interest on their savings capital at the BVG minimum interest rate of 1.0 % in 2021. The average of the interest rate decisions taken was 4.73%, with close to one tenth of the employee benefits institutions paying interest of 10% or higher. The development shows that the reserves of the employee benefits units continue to be at a high level and that the units are assuming their responsibility within the challenging model of the GEMINI Collective Foundation.

INVESTMENT RESULTS OF THE GEMINI POOLS

In 2021, GEMINI's four investment pools achieved returns in line with the industry average. The most popular pool, Pool 20, achieved a result of 4.66% in December 2021. Pool 35 achieved a result of 8.05% and Pool 50 of 10.54%. Although, in terms of returns, the year was very successful, negative returns were also posted for a few months in 2021. This was particularly true for Pool 0 (no equity quota) with an annual return of 0.82%. All 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 1 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 cost sharing mechanism pursuant to the "Regulations on the Stabilisation of employee benefits unit Pensions 1" stipulates that a solidarity bonus is credited to the fluctuation reserve of the affiliated active employee benefits units if the funding ratio exceeds 112.5%.

As at 31 December 2021, the coverage ratio amounted to 113.76% (previous year: 104.05%). Hence, according to the Regulations, 0.6% of the coverage capital of employee benefits unit Pensions 1 will be distributed.

EMPLOYEE BENEFITS UNIT PENSIONS 2

Pensioners without employer are managed in a separate employee benefits unit Pensions 2. This unit 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 2021, the coverage ratio amounted to 110.51% (previous year: 103.58%).

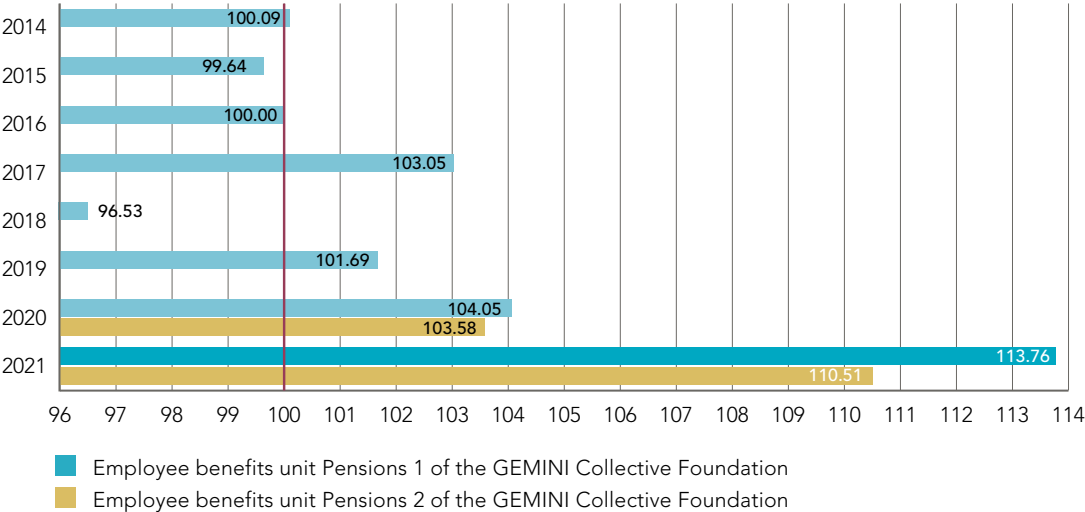
Coverage ratio of employee benefits units

%	2021	2020	2019	2018	2017
<90	–	–	–	4	–
90	–	–	–	1	–
95	–	–	–	8	2
100	6	9	23	43	33
105	24	29	43	95	52
110	59	65	80	74	72
115	82	86	69	37	65
>120	131	115	88	34	92

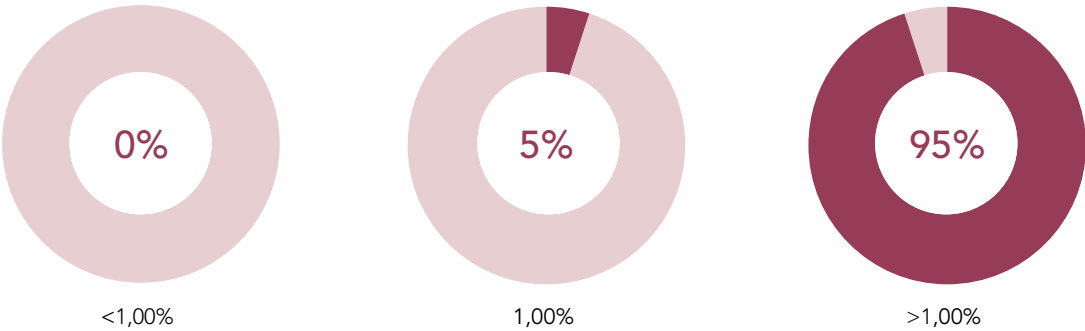
Selection of investment strategy in %

	2021	2020	2019	2018	2017
GEMINI Pool 0	3	3	3	4	3
GEMINI Pool 20	60	64	69	66	71
GEMINI Pool 35	22	19	15	17	12
GEMINI Pool 50	3	2	1	2	1
Individual	12	12	12	11	13

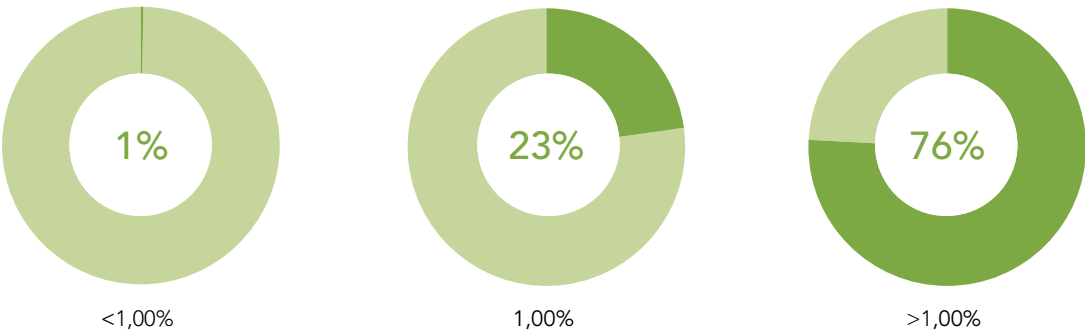
Coverage ratio of the employee benefits unit Pensions in %



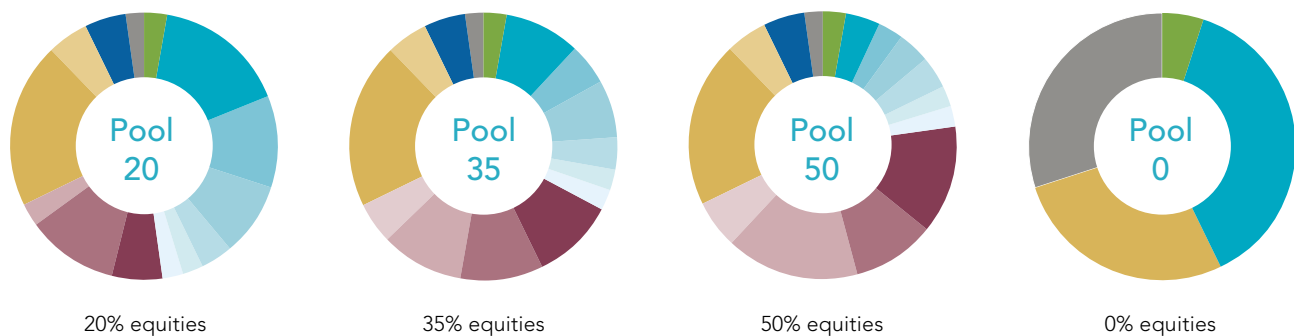
Interest rate decisions in 2021



Interest rate decisions in 2020



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⁾	0.82	4.66	8.05	10.54
Benchmark ¹⁾	0.61	4.86	8.20	10.60
Pictet BVG 25/40/60	–	3.47	7.06	11.99

¹⁾ GEMINI including asset management costs, benchmark excluding costs

Return of investment categories in %

Investment category	GEMINI ¹⁾	Benchmark ¹⁾
Bonds CHF	-2.12	-2.07
Foreign currency bonds	-2.25	-2.22
Convertible bonds	-1.92	0.73
Swiss equities	23.41	23.38
Foreign equities	20.89	20.66
Swiss real estate	5.14	5.14
Foreign real estate	8.45	8.45
Alternative investments ²⁾	-5.63	-5.63
Mortgages Switzerland	-0.15	-0.15

¹⁾ GEMINI including asset management costs, benchmark excluding costs

²⁾ Phase-out, no strategic component since 2010

MARKET REVIEW AND OUTLOOK

2021 review

After the markets bottomed out in March 2020 as a result of the Covid-19 pandemic, global economic growth and the financial markets continued to make a spectacular recovery in 2021. However, the rebound has lost some of its momentum. The principal reasons are the spread of the delta variant after the summer months, the omicron variant spreading rapidly towards the end of the year, and the persistent global supply bottlenecks.

Inflation has reached very high levels worldwide, causing central banks to move away from ultra-expansionary monetary policy and taper bond purchases faster and more significantly than previously expected. Despite these unpredictable factors, estimates of global economic growth for 2021 are very high at 5.9%. A consistent decline in unemployment figures also reflects the altogether positive development.

In the USA, both the industrial and service sectors have picked up steam and the return of large numbers of people to the labour market has further supported the economy. At 5.6%, the economic growth estimates for 2021 are therefore also high.

In Europe, Germany has formed its new government, which is more open-minded when it comes to fiscal discipline and has also shown a willingness to discuss more flexible budget rules in the EU. The European economy continued to recover in the fourth quarter, unemployment was lower in October than at the beginning of February 2020 and only a few employees are still affected by short-time work. Estimated 2021 economic growth in the Eurozone is 5.1%.

In Asia, the focus continues to be on China, the world's second largest economic power. Thanks to fewer energy shortages in industry, economic activity has picked up from a low level. The service sector, however, repeatedly faltered due to the fresh virus outbreaks and remains below pre-pandemic levels. On the real estate market, the situation of highly indebted real estate developers has become more acute. This crisis has led to a decline in construction activity and residential property prices. Estimates of 2021 economic growth stand at 8.1%.

Interest rate development

Bond markets continued to feel the presence of the central banks – following the peak of the crisis, key interest rates have remained at all-time lows. Inflation has reached a high 6.8% in the US (highest figure since the early 1980s) and 4.9% in the Eurozone (all figures as at the end of November). This has driven central banks worldwide to move away from ultra-expansionary monetary policy and to taper bond purchases faster and more significantly than previously expected.

In the wake of the European Central Bank (ECB), Switzerland's expansive monetary policies continued for another year. Although the Swiss National Bank (SNB) refrained from lowering the key interest even further, the rate remained at a record low negative level of -0.75%.

Bonds and currencies

2021 was dominated by the central banks' massive purchasing programmes, which led to a collapse in the volatility of credit spreads. Credit curves flattened with minimal dispersion along the risk and duration axes. Soaring inflation has also been reflected in rising interest rates. After a dip in the middle of the year, the rates have risen again since the beginning of September, contributing to the significantly negative bond performance across almost all segments in 2021.

Both the foreign currency corporate bonds hedged (-1.90%) and the better-rated foreign currency government bonds hedged (-2.31%) closed the year in the negative range.

Moreover, the global rise in interest rates and widening credit spreads had a negative impact on bonds denominated in Swiss francs, which also saw their prices fall (-0.21%).

Only the high yield asset class, which made a positive contribution of +4.09% last year, was able to resist this trend.

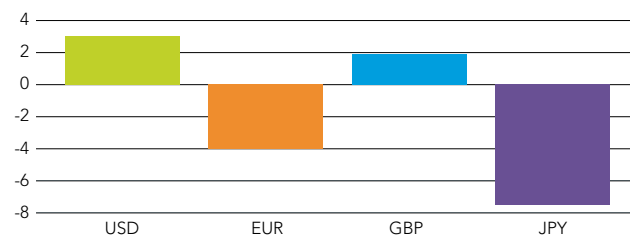
Returns at 31 December 2021

Figures as at	31.12.2020	31.12.2021
USA	0,91%	1,51%
Switzerland	-0,55%	-0,14%
Japan	0,02%	0,07%
UK	0,20%	0,97%
Germany	-0,57%	-0,18%

Source: Bloomberg

In terms of currencies, the Swiss franc remains firm. Due to higher interest rates, the US dollar (+3.1%) and the British pound (+1.9%) gained against the Swiss franc. As a result of the larger interest rate differential against the US dollar, the euro and the Japanese yen have become less attractive and have lost value against the Swiss franc (euro -4.0%; Japanese yen -7.5%). For the Japanese yen, this is compounded by the fact that the economy of China, its most important trading partner, has slowed down slightly.

Currency trend against the Swiss franc in the reporting year (in %)



Source: Bloomberg

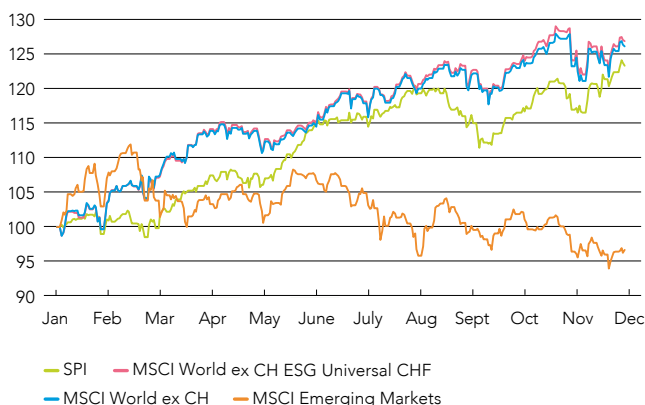
Equities

Equities had an above-average year in 2021. Compared to 2020, thanks to the more stable environment, corporate profits increased significantly last year, buoying up markets on a global scale. Reasons for increased volatility at the end of the year included uncertainty regarding cen-

tral bank measures to curb stubbornly high inflation, rising corona case numbers and the simmering conflict in Ukraine. Nevertheless, the stock market rebounded from the corrections in September and November, which had been caused by uncertainties surrounding the impending bankruptcy of one of the largest real estate groups in China, and more than made up for the Corona slump.

At the end of 2021, the SPI and the S&P were up on their pre-crisis level (February 2020), the SPI by 22.5% and the S&P by 41.9%. Both indices thus reached new all-time highs.

Price trend in 2021



Source: Bloomberg

Real estate

The deterioration of the epidemiological situation caused by the omicron variant has prompted many research institutes to revise their economic forecasts downwards within a short period of time. Nevertheless, the outlook for the Swiss economy remains positive. The KOF Swiss Economic Institute expects GDP growth of 2.9% for 2022. At the same time, the Swiss National Bank continues to maintain its expansionary monetary policy. In this context, real estate investments – especially residential real estate – remain in demand. In contrast, for some time now many investors have been highly selective when it comes to investments in commercial real estate. Their main focus is on core properties in urban locations and logistics properties with excellent access.

A moderate reduction in market rents for rental flats is expected for 2022. Brisk housing demand coincides with a slight increase in the construction of new buildings. The trend towards working from home is placing greater demands on flat size. Our housing portfolio has also seen lower vacancy rates for larger flat formats since the onset of Covid-19. In the medium term, working from home is reducing the demand for office space, causing vacancies to rise and rents to fall. However, it is too early to declare offices redundant. Attractive offices will remain a key factor helping employers attract their employees back to the office, which has a positive impact on company productivity. Central locations and inspiring office layouts are the key to success. With online retail gaining further ground on the retail market, demand for retail space is expected to remain under pressure. Consequently, we anticipate lower rents and higher vacancy rates, at least for retail space outside the prime locations.

2022 outlook

The KOF Swiss Economic Institute's global barometers have declined sharply again since mid-2021, but were still in the positive range at the end of December. Overall, the economic picture has become gloomier while market uncertainties have increased.

In the **USA**, economic momentum seems to have passed its peak. The biggest challenge will be winding down expansionary monetary and fiscal policy. While this will reduce inflationary pressures to some extent, it is also likely to make the economy more susceptible to shocks.

Economists expect the US Federal Reserve to make two to three interest rate hikes in 2022. This could slow down the current economic strength which would have a negative impact on the stock markets.

In **Europe**, leading indicators remain in the positive range. Given the healthy economic situation and high inflation, the ECB announced in December that it would discontinue securities purchases under the emergency PEPP programme at the end of the first quarter of 2022.

Furthermore, the regular APP purchase programme is expected to expire at the end of 2022, paving the way for subsequent interest rate hikes. The purchasing managers' indices acting as leading indicators show positive signals for 2022.

In **Asia**, the focus is currently on China where investors' demand in the real estate sector remained low. As a result, there will be a noticeable impact on growth and domestic consumption in 2022. Growth drivers from the foreign trade sector are having a positive effect. Risks include pandemic risks as well as a prospective temporary decline in production during the Olympic Games.

Overall, companies are mostly confident when it comes to the year 2022. Furthermore, the factors impacting on inflation are expected to be of a temporary nature, at least to some extent, and are likely to return to normal in the course of the second quarter of 2022 due to the base effect.

As regards the stock markets, the diminishing liquidity support from central banks should stay manageable and a robust economic environment should support the markets. In addition, a lot of money is still available for yield opportunities which will remain invested in equities due to a lack of alternatives.

Similarly, corporate bonds remain popular on account of the higher yield, which is also true for government bonds as a hedging instrument. However, due to reduced intervention by the central banks, greater susceptibility to fluctuation must be expected.

SUSTAINABILITY OF THE PORTFOLIO OF THE GEMINI COLLECTIVE FOUNDATION

The GEMINI Collective Foundation perceives sustainable investment as an ongoing long-term process and has based its activities on the principles set out below. Internationally recognised environmental, social and governance (ESG) criteria are integrated into the Foundation's investment and decision-making processes. Sustainability efforts are regularly reviewed and optimised.

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 are guided by generally recognised standards, in particular 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.

Steps taken so far

- Whenever possible, GEMINI 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 mostly in the bond segment.
- With the exception of a few real estate asset managers, all asset managers have signed the United Nations' Principles for Responsible Investment (UN PRI), thereby committing to comply with the responsible investment guidelines.
- Swiss real estate investment foundations are also focusing more on sustainability, with the emphasis being placed on eco-friendly construction and ecological building refurbishment.
- GEMINI already bases its decisions on ESG scores for certain asset classes such as foreign equities and foreign real estate. In the foreign real estate and the infrastructure segments, the investment solutions have above-average GRESB scores. The Global Real Estate Sustainability Benchmark (GRESB) is a widely used sustainability score for real estate and infrastructure that comprises over 50 ESG criteria.

- Foreign equities are managed on the basis of sustainable indices (MSCI World ESG Universal). These indices give companies with a robust ESG profile and positive ESG trend a higher weighting than the parent index. Alongside the SVVK exclusions, these indices also include additional exclusions.
- The active asset managers in the convertible bonds, emerging markets debt and high yield categories are consistently refining their own ESG strategies and processes, thereby raising the sustainability focus of their portfolios. 2021 also saw a greater emphasis placed specifically on the decarbonisation of portfolios, promoting alignment with the Paris climate targets. In addition to ESG integration, commitment is generally a further key sustainability instrument.
- Moreover, GEMINI regularly reviews the topics relating to sustainability and constantly optimises its focus. In the summer and autumn of 2021, the Investment Committee and the Foundation Board also devoted special attention to climate risks. To strengthen the sustainable approach and promote dialogue with companies, for instance, the decision was made to become a member of the Ethos Foundation.
- In the Swiss equities category, GEMINI has been following Ethos' recommendations on voting rights for some time.

Next steps

The Foundation's responsible bodies address the issue at regular intervals to take account of the fact that the portfolio of the GEMINI Collective Foundation and its product range are in constant flux. Our understanding of various aspects of sustainability is also evolving rapidly. 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.

		31.12.2021	31.12.2020	
		CHF	CHF	Notes
Assets				
A	Capital investments	6 487 599 651	5 880 018 251	
	Cash and cash equivalents and money market investments	72 923 410	186 416 828	
	Current account with the employer	22 362 084	22 195 539	6.9
	Premium accounts with insurance companies	240 853	263 169	7.1
	Other receivables	31 834 534	26 881 127	7.1
	Assets of individual pools	6 360 238 770	5 644 261 587	6.4
	Assets Pool 0	111 064 644	50 933 046	
	Assets Pool 20	2 010 098 547	2 031 806 070	
	Assets Pool 35	1 061 862 415	805 347 678	
	Assets Pool 50	85 131 568	56 595 519	
	Assets Pool Pensions 1	1 121 541 946	1 258 699 053	
	Assets Pool Pensions 2	318 811 551	–	
	Individual strategies	1 604 305 185	1 393 148 540	
	thereof assets Pool 20	1 621 280	1 471 783	
	Pool Employer contribution reserves Pool 0 to 50	45 224 145	46 039 212	
	thereof assets Pool 0	–	494 641	
	thereof assets Pool 20	29 364 950	32 116 348	
	thereof assets Pool 35	15 859 194	13 428 223	
	Pool Employer contribution reserves money market fund	2 198 769	1 692 469	
B	Prepaid expenses	1 539 101	260 440	7.2
	Total assets	6 489 138 751	5 880 278 691	

		31.12.2021	31.12.2020	
		CHF	CHF	Notes
Liabilities and equity				
D	Liabilities	124 272 907	158 576 270	7.3
	Vested benefits and pensions	114 847 420	147 966 241	
	Current account with the employers	3 158 521	2 460 106	
	Other liabilities	6 266 966	8 149 923	
E	Passive accruals and deferrals	4 863 688	20 720 539	7.4
F	Employer contribution reserve	52 710 264	72 860 955	6.9
	Employer contribution reserve with right of usage	52 710 264	72 860 955	
	Employer contribution reserve without right of usage	–	–	9.2
H	Pension plan capital and actuarial reserves	5 279 186 057	4 868 120 652	
	Pension plan capital of active members	3 880 988 895	3 499 905 831	5.2
	Pension plan capital of pensioners	1 373 722 073	1 322 930 520	5.4
	Actuarial reserves	24 466 057	45 152 013	5.5
	Surplus funds	9 031	132 288	
I	Value fluctuation reserve of employee benefits units	540 130 686	431 680 192	
	Value fluctuation reserve of employee benefits units	447 993 546	380 556 783	
	Value fluctuation reserve of employee benefits unit Pensions 1	77 272 070	39 058 821	
	Value fluctuation reserve of employee benefits unit Pensions 2	14 865 070	12 064 587	
J	Disposable assets of employee benefits units	468 452 171	308 797 104	
	Surplus of employee benefits units	388 153 741	308 797 104	
	Surplus of employee benefits units Pensions 1	64 544 175	–	
	Surplus of employee benefits units Pensions 2	15 754 255	–	
J2	Disposable assets of the Foundation (compensation fund)	19 522 978	19 522 978	5.1
	Figures at beginning of period	19 522 978	19 103 752	
Z	Expenditure (-) / income surplus (+)	–	419 226	
	Total liabilities and equity	6 489 138 751	5 880 278 691	

INCOME STATEMENT

		2021	2020	
		CHF	CHF	Notes
Insurance activities				
K	Ordinary and other contributions and deposits	381 896 411	334 431 383	
	Employee contributions	131 012 482	124 552 324	
	Employer contributions	164 504 547	155 869 218	
	Financial restructuring contributions employees	26 826	23 942	
	Financial restructuring contributions employers	26 809	23 942	
	Withdrawal from employer contribution reserve for contribution funding	-5 622 906	-9 925 826	
	Single premiums and buy-in sums	40 419 267	38 513 188	
	Solidarity contribution to employee benefits unit Pensions	-	-	
	Deposits to pension plan capital of pensioners	48 629 236	16 978 640	
	Deposits to employer contribution reserve	2 429 782	7 971 189	
	Guarantee fund subsidies	470 369	424 767	
L	Entry benefit deposits	634 735 770	414 316 435	
	Vested benefit deposits	556 355 172	397 088 801	
	Deposit upon takeover of member portfolios in value fluctuation reserves	73 098 391	12 780 888	
	Deposits for advance withdrawals for home ownership / divorces	5 282 207	4 446 746	
(K-L)	Inflow from contributions and entry benefits	1 016 632 181	748 747 818	
M	Benefits under pension plan regulations	-207 570 430	-190 356 440	
	Retirement pensions	-84 367 038	-80 283 749	
	Survivors' pensions	-8 540 417	-6 869 134	
	Disability pensions	-11 041 834	-9 634 710	
	Other benefits under pension plan regulations	-19 507 881	-10 658 277	
	Lump-sum benefits on retirement	-71 671 289	-67 044 184	
	Lump-sum benefits on death/disability	-12 441 971	-15 866 387	
N	Supplementary benefits	-2 152 266	-1 468 376	
O	Termination benefits	-567 523 035	-486 290 329	
	Vested benefits on departure	-470 127 324	-437 426 888	
	Transfer of additional funds on collective departure	-82 214 426	-33 737 186	
	Advance withdrawals for home ownership/divorces	-15 181 284	-15 126 255	
(M-O)	Outflow for benefits and advance withdrawals	-777 245 731	-678 115 145	
P/Q	Release (+) / Formation (-) of pension plan capital active members, actuarial reserves and contribution reserves	-384 301 720	-215 084 213	
	Release (+) / formation (-) of pension plan capital active members	-194 137 834	-39 340 569	
	Release (+) / formation (-) of pension plan capital pensioners	-54 392 520	-155 919 395	5.4
	Release (+) / formation (-) actuarial reserves	20 685 956	59 932 697	5.6
	Expenditure (-) / income (+) from partial liquidation	-	-2 636 147	
	Release (+) / formation (-) of surplus fund	123 257	-99 749	5.1
	Interest on savings capital	-179 257 436	-79 588 373	
	Release (+) / formation (-) of contribution reserves	22 676 858	2 567 324	6.9
R	Income from insurance benefits	16 057 610	22 659 805	
	Insurance benefits	16 057 610	22 628 568	
	Bonus shares from insurance policies	-	31 237	
S	Insurance expenses	-1 958 760	-1 930 507	
	Insurance premiums	-389 456	-404 939	
	Guarantee Fund contributions	-1 569 304	-1 525 568	
K-S	Net result from insurance activities	-130 816 421	-123 722 242	

		2021	2020	Notes
		CHF	CHF	
	Investment result and other income			
T	Net result from investment of assets	386 539 111	216 163 533	6.7
	Asset income of individual pools	418 261 622	245 789 862	
	Pool 0	1 463 740	1 075 060	
	Pool 20	101 206 391	83 560 452	
	Pool 35	76 226 977	36 174 423	
	Pool 50	6 890 220	3 084 391	
	Pool Pensions 1	84 958 820	53 827 550	
	Pool Pensions 2	6 815 850	-	
	Individual strategies	138 170 907	66 492 295	
	Pool Employer contribution reserves Pool 0 to 50	2 542 707	1 584 661	
	Pool Employer contribution reserves money market fund	-13 991	-8 970	
	Income from securities lending	-	-	6.6
	Interest income on other capital transfers	-1 133 847	-470 004	
	Asset management expenses	-28 078 418	-26 416 551	6.8
	Interest on employer contribution reserves	-2 526 167	-2 750 556	6.7
V	Other income	22 673 584	36 327 777	
	Appropriated subsidies from employers and third parties	14 268 802	32 910 819	
	Other receivables	8 404 782	3 416 958	
W	Other expenses	-235 181	-266 242	
X	Administrative expenses	-10 055 532	-10 803 178	
	General administrative expenses	-4 349 351	-4 963 589	
	Marketing and advertising expenses	-901 360	-1 006 358	
	Brokerage activities	-4 505 190	-4 542 178	
	Auditor and occupational benefits expert	-276 976	-269 073	
	Supervisory authorities	-22 655	-21 981	
K-X	Expenditure/income surplus prior to the release of value fluctuation reserve	268 105 561	117 699 648	
Y	Release (+) / formation (-) of value fluctuation reserves of the employee benefits units	-108 450 494	-62 680 775	5.8
	Release (+) / formation (-) of disposable assets of the employee benefits units	-159 655 067	-54 599 647	5.8
Z	Income (+) / expenditure surplus (-) for disposable assets of the Foundation	-	419 226	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 ¹⁾	28.04.2021	01.01.2021
Voting Regulations	02.11.2015	02.11.2015
Reserve Regulations	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	23.11.2021	31.12.2021

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, Independent (Vice Chairwoman)
 Markus Burri, Arbenz + Partner AG
 Rolf Schneider, Independent Consultant

Administrative office

Avadis Vorsorge AG, Zurich
 Christoph Oeschger, Managing Director
 Stefan Sadler, Deputy Managing Director

Other authorised signatories of the administrative office

Jacky Baula, Client Management, Western Switzerland
 Jeannette D'Souza, Head of Customer Service
 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
 Roger Rüfenacht, Foundation Accounts
 Peter Vogt, Customer Advisor
 Andreas Wiprächtiger, Sales Consultant
 Alexander Wyss, Customer Advisor

1.5 Expert, auditor, consultant, supervisory authority

Occupational benefits expert

Allvisa AG, Zurich, contractual partner
 René Zehnder, executive expert

Auditor

Stefan Weuste, 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 2021, 302 employee benefits units of independent companies were affiliated, which represents a minor decline of two employee benefits units. At 91, the number of members per employee benefits unit is virtually unchanged (previous year: 92).

2. EMPLOYEE BENEFITS UNITS, ACTIVE MEMBERS AND PENSIONERS

Portfolio of employee benefit units

Portfolio	31.12.2020	Additions	Departures	31.12.2021	Change
Active employee benefits units	304	9	-11	302	-2

Portfolio of active members and pensioners ¹⁾

Portfolio	31.12.2020	Additions	Departures	31.12.2021	Change
Active members	27 905	5 659	-6 065	27 499	-406
Recipients of a retirement pension	3 197	278	-152	3 323	126
Disability pensioners ²⁾	548	49	-104	493	-55
Partner's pensions	439	34	-31	442	3
Childrens'/orphan's pensions	251	37	-46	242	-9
Total	32 340	6 057	-6 398	31 999	-341

¹⁾ Of the total number of 4,500 pensioners, 4,193 are managed by the employee benefits units Pensions and 307 directly by several employee benefits units.

²⁾ This figure includes 28 (previous year 29) disability benefit 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 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 2021 (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 67,068,686 (previous year CHF 70,346,898).

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's pension recipients without employer are managed in a separate employee benefits unit Pensions 2. The latter is reported at a more conservative actuarial interest rate than employee benefits unit Pensions 1 in which the pensioners of the affiliated pension funds are managed.

The Foundation holds a surplus fund. 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.

5.2 Performance and interest on savings assets in defined contribution plan

	2021 CHF	2020 CHF
Balance of savings assets on 1 January	3 499 905 831	3 411 464 988
Less termination of internal transfers at end of previous year on 1 January	-6 420 619	-36 908 718
Employee savings contributions	115 055 002	108 035 216
Employer savings contributions	143 230 741	135 129 450
Other contributions and deposits ¹⁾	40 890 142	38 970 421
Vested benefit deposits	304 692 883	213 497 183
Vested benefit deposits from new contracts	251 662 290	183 591 619
Repayments of advance withdrawals for home ownership / divorces	5 282 207	4 446 746
Vested benefits on departure	-316 484 444	-255 989 707
Vested benefits on contract termination	-151 657 565	-182 331 890
Advance withdrawals for home ownership / divorces	-15 181 284	-15 126 255
Lump-sum benefit due to retirement, death ²⁾ and disability	-75 643 560	-70 650 578
Termination due to retirement, death: transfer to employee benefits unit Pensions of GEMINI Collective Foundation	-106 098 984	-117 542 913
Termination due to retirement, death: transfer to Foundation (autonomous)	-1 609 593	-2 688 721
Internal transfers at year-end	14 108 412	6 420 619
Interest on savings capital	179 257 436	79 588 373
Total savings assets on 31 December	3 880 988 895	3 499 905 831

¹⁾ Includes CHF 507 (previous year CHF 32,465) for increase to BVG minimum benefit on departure and security fund subsidies of CHF 470,369 (previous year CHF 424,767).

²⁾ The additional autonomously borne lump-sum death benefit of CHF 8,839,282 (previous year CHF 11,881,691) 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 2021 totalled CHF 1,727,888,545 (previous year: CHF 1,654,191,675).

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 2020 actuarial principles have come into effect (2020 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 employee benefits unit Pensions 2 for the Foundation's pensioners without employer.

Coverage capital of employee benefits unit Pension 1	31.12.2021	31.12.2020
Retirement pensions	870 627 780	792 322 723
Retired person's child benefits	1 603 289	1 430 722
Total coverage capital of retirement benefits	872 231 069	793 753 445
Partner's pensions of insured members	26 516 165	23 471 213
Partner's pensions of pensioners	26 166 280	22 695 294
Total coverage capital of partner's pensions	52 682 445	46 166 507
Orphan's pensions of insured members	2 631 170	2 569 148
Orphan's pensions of pensioners	454 640	308 805
Total coverage capital of orphan's pensions	3 085 810	2 877 953
Coverage capital of disability pensions	73 123 852	72 102 351
Coverage capital of disabled person's child benefits	3 358 140	3 357 518
Coverage capital of savings contribution exemptions	19 894 080	20 383 124
Total coverage capital of disability benefits	96 376 072	95 842 993
Total coverage capital of AHV bridging pensions	791 314	760 591
Total coverage capital of employee benefits unit Pensions 1	1 025 166 710	939 401 489
Coverage capital of employee benefits unit Pension 2	31.12.2021	31.12.2020
Retirement pensions	250 302 362	284 635 258
Retired person's child benefits	494 985	558 887
Total coverage capital of retirement benefits	250 797 347	285 194 145
Partner's pensions of insured members	12 208 842	13 374 135
Partner's pensions of pensioners	12 744 288	12 804 236
Total coverage capital of partner's pensions	24 953 130	26 178 371
Orphan's pensions of insured members	1 387 504	1 728 021
Orphan's pensions of pensioners	76 380	86 130
Total coverage capital of orphan's pensions	1 463 884	1 814 151
Coverage capital of disability pensions	6 317 791	7 880 399
Coverage capital of disabled person's child benefits	608 589	648 077
Coverage capital of savings contribution exemptions	1 364 521	1 632 079
Total coverage capital of disability benefits	8 290 901	10 160 555
Total coverage capital of AHV bridging pensions	193 890	379 852
Total coverage capital of employee benefits unit Pensions 2	285 699 152	323 727 074
Coverage capital of the employee benefits units	31.12.2021	31.12.2020
Retirement pensions	47 490 288	46 350 030
Retired person's child benefits	19 696	21 267
Total coverage capital of retirement benefits	47 509 984	46 371 297
Partner's pensions of insured members	10 628 143	10 006 668
Total coverage capital of partner's pensions	10 628 143	10 006 668
Orphan's pensions of insured members	36 726	83 667
Total coverage capital of orphan's pensions	36 726	83 667
Coverage capital of disability pensions	3 483 249	2 610 194
Coverage capital of disabled person's child benefits	138 916	169 512
Coverage capital of savings contribution exemptions	844 801	560 619
Total coverage capital of disability benefits	4 466 966	3 340 325
Total coverage capital of AHV bridging pensions	214 392	0
Total coverage capital of employee benefits units	62 856 211	59 801 957
Total pension plan capital	1 373 722 073	1 322 930 520

Portfolio development of pensioners

Number of pensioners managed in employee benefits unit Pensions 1

Portfolio	31.12.2020	Additions	Departures	31.12.2021	Change
Recipients of a retirement pension	2 254	268	-78	2 444	190
Partner's pensions	189	22	-11	200	11
Disability pensioners	503	45	-103	445	-58
Children's/orphan's pensions	207	36	-40	203	-4
Total	3 153	371	-232	3 292	139

Number of pensioners managed in employee benefits unit Pensions 2

Portfolio	31.12.2020	Additions	Departures	31.12.2021	Change
Recipients of a retirement pension	553	1	-63	491	-62
Partner's pensions	63	8	-5	66	3
Disability pensioners	27	0	-1	26	-1
Children's/orphan's pensions	29	0	-4	25	-4
Total	672	9	-73	608	-64

Total pensions reinsured with insurance company

Portfolio	31.12.2020	Additions	Departures	31.12.2021	Change
Recipients of a retirement pension	195	0	-11	184	-11
Partner's pensions	111	1	-7	105	-6
Disability pensioners	0	0	0	0	0
Children's/orphan's pensions	5	1	-2	4	-1
Total	311	2	-20	293	-18

Number of pensioners managed in individual employee benefits units

Portfolio	31.12.2020	Zugänge	Abgänge	31.12.2021	Veränderung
Recipients of a retirement pension	195	9	0	204	9
Partner's pensions	76	3	-8	71	-5
Disability pensioners	18	4	0	22	4
Children's/orphan's pensions	10	0	0	10	0
Total	299	16	-8	307	8

Total pensioners	4 435	398	-333	4 500	65
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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 benefit 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 five 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 GEMINI Collective Foundation was carried out at the end of 2021 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 120.08%, the Collective Foundation was attested the security to meet its benefit obligations.
- The actuarial principles of BVG 2020 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 1.60%, 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.

	31.12.2021	31.12.2020
Employee benefits unit Pensions 1	CHF	CHF
Provision increase of life expectancy	5 121 877	23 466 029
Total managed in the employee benefits unit Pensions 1	5 121 877	23 466 029
Employee benefits unit Pensions 2	CHF	CHF
Provision increase of life expectancy	1 427 526	8 083 681
Total managed in the employee benefits unit Pensions 2	1 427 526	8 083 681
Individual employee benefits units	CHF	CHF
Provision conversion rate	8 195 184	6 804 045
Provision retirement losses	6 554 831	1 142 950
Provision early retirement	724 081	724 081
Provision development members	3 946	2 094 262
Provision solidarity contribution	–	2 836 964
Other actuarial reserves	2 438 612	–
Total managed in individual employee benefits units	17 916 654	13 602 303
Foundation	CHF	CHF
Total managed in the Foundation	–	–
Overall total	24 466 057	45 152 013

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 15 October 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)

The provision for the increase in life expectancy was eliminated due to the change to the BVG 2020 tariff and formed again at the end of 2021 in the amount of 0.5% of the pension plan capital of pensioners.

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

The provision for the increase in life expectancy was eliminated due to the change to the BVG 2020 tariff and formed again at the end of 2021 in the amount of 0.5% of the pension plan capital of pensioners.

Provisions 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 five 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 2021, all provisions of these employee benefits units were in line with the target.

5.7 Actuarial principles

For the annual financial statements 2021, the actuarial principles of BVG 2020, period life table (PT) were applied as of the base year 2020 (previous year: BVG 2015, PT). The 2021 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% (previous year 0.0%) applies to employee benefits unit Pensions 2.

Coverage ratio including employer contribution reserve without usage restrictions in %	No. of employee benefits units	Employee benefits units %	Savings/coverage capital ¹⁾ CHF	Value fluctuation reserve target CHF	Overfunding CHF
100–104,99	6	1.99	49 848 405	5 560 646	4 979 649
105–109,99	24	7.95	310 043 767	27 100 224	24 619 166
110–114,99	59	19.54	1 808 467 144	142 092 419	235 854 659
115–119,99	82	27.15	1 319 902 796	148 510 490	237 506 571
120 and above	131	43.38	1 789 310 402	224 164 432	505 622 812
Total	302	100,00	5 277 572 513	547 428 211	1 008 582 857
Terminated contracts from previous years ²⁾			1 604 512		
Grand total ³⁾			5 279 177 026		

¹⁾ Including actuarial reserves

²⁾ Several contracts that were terminated before 31/12/2021, which still report savings capital.

³⁾ Overall total does not include reserves at Foundation level in the amount of CHF 19,522,978.

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 active members of CHF 3,880,988,895 includes technical transfers of CHF 14,108,412. Vested benefits and deposits for the following year in the amount of CHF 2,479,000 as well as pending payments amounting to CHF 3,868,211 have been reported as liabilities.

As at 31 December 2021, the coverage ratio in employee benefits unit Pensions 1, which manages the pensioners of the employee benefits units affiliated with the Foundation, amounted to 113.76% (previous year: 104.05%). As a result, a solidarity bonus of 0.6% of the pension coverage capital is credited to the fluctuation reserves of the active employee benefits units in accordance with the cost sharing mechanism under the Regulations on the Stabilisation of employee benefits unit Pensions 1. This bonus amounts to CHF 6,151,000.

As at 31 December 2021, the coverage ratio in employee benefits unit Pensions 2, which manages the Foundation's pensioners without employer, amounted to 110.51% (previous year: 103.58%).

Overfunding %	Reserve deficit CHF	Balance sheet total CHF	Balance sheet total %	Number of active members	Number of disability pensioners	Number of members Total
0.49	1 025 957	54 828 054	0.87	307	5	312
2.44	4 934 359	334 662 933	5.32	2 266	18	2 284
23.38	401 860.8857	2 044 321 803	32.52	3 632	77	3 709
23.55	935 348	1 557 409 367	24.78	8 763	130	8 893
50.13	0	2 294 933 214	36.51	12 531	263	12 794
100,00	7 297 525	6 286 155 370	100,00	27 499	493	27 992
		1 604 512				
		6 287 759 883				

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 2021, the assets of the GEMINI Collective Foundation were invested in the six investment strategies GEMINI Pool 0, GEMINI Pool 20, GEMINI Pool 35, GEMINI Pool 50, GEMINI Pool Pensions 1 and GEMINI Pool Pensions 2 in accordance with the Investment Regulations in force since 1 January 2021 (date of launch: 2 February 2021).

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).

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 various professionally managed funds and investment foundations. The operational funds were managed by the administrative office of the GEMINI Collective Foundation.

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 Lazard Frères Gestion, Paris
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

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.

The same statement likewise applies to the 31 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 each of these strategies, 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 (= disposable assets) 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 six GEMINI investment pools, investment assets as at 31 December 2021 came to CHF 6,360,238,770 (previous year: CHF 5,644,261,587).

Target value fluctuation reserve

	Mandatory	Supplementary (executive and supplementary funds)
	%	%
GEMINI Pool 0	4,5	3,4
GEMINI Pool 20	9,6	8,5
GEMINI Pool 35	13,1	12,0
GEMINI Pool 50	15,8	14,7

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.

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

The market value presented in the following tables deviates from the values in the securities accounting of the balance sheet. This is due to different data sources, which are referred to at different times on operational grounds.

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			1 670 115	1.5
Bonds CHF	38.0			45 204 444	40.6
Mortgages Switzerland	30.0			32 522 704	29.21
Swiss real estate	27.0			31 943 731	28.69
Total	100.0			111 340 994	100.0

GEMINI Pool 20 (180 employee benefits units)					
Liquidity	3.0	0	15.0	84 532 694	4.14
Bonds CHF	16.0	12.0	20.0	316 322 167	15.47
Foreign currency bonds	25.0	12.0	40.0	517 786 031	25.33
of which foreign currency government bonds hedged	(11,0)	(7,0)	(16,0)	218 634 740	10.70
of which foreign currency corporate bonds hedged	(9,0)	(5,0)	(14,0)	177 594 199	8.69
of which emerging markets debt bonds	(2,5)	(0,0)	(5,0)	55 079 630	2.69
of which global high yield bonds	(2,5)	(0,0)	(5,0)	66 477 462	3.25
Convertible bonds	4.0	2.0	6.0	102 727 837	5.03
Swiss equities	6.0	4.0	8.0	137 416 735	6.72
Foreign equities	11.0	7.0	15.0	273 369 698	13.37
Emerging markets equities	3.0	1.0	5.0	62 155 559	3.04
Alternative investments	0.0	0.0	2.0	2 129 983	0.10
Infrastructure	5.0	0.0	7.0	15 099 999	0.74
Swiss real estate	20.0	15.0	25.0	414 694 199	20.29
Foreign real estate	5.0	1.5	7.0	79 545 855	3.89
Mortgages Switzerland	2.0	0.0	4.0	38 430 107	1.88
Total	100.0			2 044 210 864	100.0

GEMINI Pool 35 (67 employee benefits units)					
Liquidity	3.0	0	13.5	76 364 647	7.08
Bonds CHF	9.0	5.5	13.0	96 345 214	8.93
Foreign currency bonds	17.0	5.0	31.0	186 485 134	17.28
of which foreign currency government bonds hedged	(5,0)	(1,5)	(9,0)	54 248 710	5.03
of which foreign currency corporate bonds hedged	(7,0)	(3,5)	(12,0)	75 004 382	6.95
of which emerging markets debt bonds	(2,5)	(0,0)	(5,0)	27 241 011	2.52
of which global high yield bonds	(2,5)	(0,0)	(5,0)	29 991 031	2.78
Convertible bonds	4.0	2.0	6.0	43 009 050	3.98
Swiss equities	10.0	8.0	12.0	114 155 073	10.58
Foreign equities	10.0	8.0	12.0	110 732 871	10.26
Foreign equities hedged	10.0	8.0	12.0	113 565 532	10.52
Emerging markets equities	5.0	3.0	7.0	51 826 304	4.80
Alternative investments	0.0	0	2.0	409 472	0.04
Infrastructure	5.0	0	7.0	7 999 999	0.74
Swiss real estate	20.0	15.0	25.0	216 614 360	20.07
Foreign real estate	5.0	1.5	7.0	41 552 899	3.85
Mortgages Switzerland	2.0	0	4.0	20 217 280	1.87
Total	100.0			1 079 277 835	100.0

Investment category	Strategy in %	Fluctuation margins in % min.	Fluctuation margins in % max.	Market value CHF	Effective share ¹⁾ %
GEMINI Pool 50 (10 employee benefits units)					
Liquidity	3.0	0	12.5	7 929 781	9.26
Bonds CHF	4.0	1.0	9.0	3 305 466	3.86
Foreign currency bonds	12.0	1.0	24.0	9 814 449	11.46
of which foreign currency government bonds hedged	(3,0)	(0,0)	(5,0)	2 468 863	2.88
of which foreign currency corporate bonds hedged	(4,0)	(1,0)	(9,0)	3 285 394	3.84
of which emerging markets debt bonds	(2,5)	(0,0)	(5,0)	1 991 340	2.33
of which global high yield bonds	(2,5)	(0,0)	(5,0)	2 068 852	2.42
Convertible bonds	4.0	2.0	6.0	3 234 985	3.78
Swiss equities	13.0	11.0	15.0	11 481 527	13.41
Foreign equities	10.0	8.0	12.0	8 576 812	10.02
Foreign equities hedged	16.0	14.0	18.0	13 967 149	16.31
Emerging markets equities	6.0	4.0	8.0	4 726 839	5.52
Alternative investments	0.0	0	2.0	24 898	0.03
Infrastructure	5.0	0.0	7.0	629 999	0.74
Swiss real estate	20.0	15.0	25.0	17 052 152	19.92
Foreign real estate	5.0	1.5	7.0	3 279 599	3.83
Mortgages Switzerland	2.0	0.0	4.0	1 594 551	1.86
Total	100.0			85 618 207	100.0

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

36 employee benefits units with a total of 31 investment strategies individually define and monitor their investment strategies. Together they manage overall assets amounting to CHF 1,604,305,185 (previous year: CHF 1,393,148,540). CHF 2,198,769 (previous year: CHF 1,692,469) are invested in the Pool Employer contribution reserves money market fund.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

BV 2 Report 2021	31.12.2021 CHF		31.12.2020 CHF		Change CHF	
Money market	318 558 361	5.03%	316 094 094	5.63%	2 464 267	0.78%
Account CHF	119 742 106		85 781 347		33 960 759	
Money market fund CHF	4 538 739		7 577 740		-3 039 001	
Short duration bond fund	30 586 120		30 851 337		-265 217	
MAC liquidity management	160 225 609		185 908 488		-25 682 879	
Foreign currency accounts	3 465 788		5 975 183		-2 509 394	
Currency hedges	–	0.00%	–	0.00%	–	0.00%
Total bonds	2 142 622 100	33.82%	1 995 024 620	35.51%	147 597 480	7.40%
Bonds CHF	878 646 509		832 336 154		46 310 356	
Foreign currency bonds hedged	103 431 768		82 354 818		21 076 950	
Foreign currency bonds	21 789 732		26 268 028		-4 478 296	
Foreign currency government bonds hedged	444 298 625		409 551 998		34 746 627	
Foreign currency corporate bonds hedged	439 677 698		392 927 862		46 749 836	
Global high yield bonds hedged	131 979 709		124 444 856		7 534 854	
Emerging markets debt bonds hedged	117 459 759		122 291 266		-4 831 507	
Emerging markets debt	5 338 300		4 849 638		488 661	
Total convertible bonds	225 426 064	3.56%	228 912 444	4.07%	-3 486 380	-1.52%
Foreign currency convertible bonds hedged	223 535 468		227 181 334		-3 645 866	
Foreign currency convertible bonds	1 890 595		1 731 110		159 485	
Mortgages Switzerland	157 777 193	2.49%	77 145 152	1.37%	80 632 041	104.52%
Real estate	1 409 223 288	22.24%	1 230 887 878	21.91%	178 335 410	14.49%
Swiss real estate listed	98 165 648		42 964 319		55 201 328	
Swiss real estate unlisted	1 102 169 757		1 064 299 209		37 870 548	
Foreign real estate listed	5 397 528		4 827 071		570 458	
Foreign real estate unlisted	203 490 355		118 797 279		84 693 076	
Total equities	1 860 931 788	29.38%	1 604 143 713	28.55%	256 788 074	16.01%
Swiss equities	613 191 093		506 117 357		107 073 736	
Foreign equities	730 076 831		704 567 804		25 509 027	
Foreign equities hedged	323 492 638		204 539 235		118 953 404	
Emerging markets equities	194 171 226		188 919 318		5 251 908	
Alternative investments	220 473 806	3.48%	166 441 735	2.96%	54 032 070	32.46%
Foreign currency money market investments ¹⁾	121 873		118 358		3 515	
Structured products	1 530 943		1 536 828		-5 884	
Senior loans hedged	11 541 742		10 088 340		1 453 402	
Senior loans	1 012 075		4 626 671		-3 614 597	
Microfinance	1 238 191		720 870		517 321	
Commodities	3 261 787		1 770 215		1 491 571	
Commodities hedged	702 586		2 261 156		-1 558 569	
Insurance-linked securities	15 426 835		14 188 646		1 238 189	
Hedge funds	39 168 269		46 572 008		-7 403 739	
Private equity	95 768 145		74 084 858		21 683 287	
Infrastructure hedged	50 701 359		10 473 785		40 227 574	
Total	6 335 012 600	100.00%	5 618 649 637	100.00%	716 362 963	12.75%

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

BVV 2 Report 2021

Limitation in accordance with Art. 55 BVV 2	31.12.2021 %	Maximum BVV 2 %	31.12.2020 %
Mortgage securities	2,49	50	1,37
Equities	29,38	50	28,55
Real estate	22,24	30	21,91
Alternative investments	3,48	15	2,96
Foreign currencies without currency hedging	22,35	30	20,52
Infrastructure	0	10	–

6.5 Pending capital commitments

The following various capital commitments were pending at the end of the 2021: USD 100 million had not yet been called in for the scheduled infrastructure investments at the Foundation level and, on top of this, CHF 5.5 million and EUR 47 million for foreign real estate.

The pending capital commitments of four employee benefits units with individual investment in assets amounted to CHF 31.1 million, USD 5.3 million and EUR 6.2 million at the end of 2021.

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 2021 financial year.

6.7 Net result from investment of assets

Return on overall assets

	2021 CHF	2020 CHF
Sum of all assets at the start of the financial year	5 880 278 691	5 519 449 282
Sum of all assets at the end of the financial year	6 489 138 751	5 880 278 691
Average portfolio of assets (unweighted)	6 184 708 721	5 699 863 987
Net result from investment of assets prior to interest payment on employer contribution reserves	389 065 278	218 914 090
Less/plus interest on employer contribution reserves ¹⁾	-2 526 167	-2 750 556
Effective net result	386 539 111	216 163 533
Unweighted return generated on overall assets in %	6.25	3.79

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 per employee benefits unit. The employee benefits units base the interest paid on the savings capital of their members on this. When it comes to 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 -0.8% in 2021.

Return generated

	2021 %	2020 %
GEMINI Pool 0	0.82	2.11
GEMINI Pool 20	4.66	3.81
GEMINI Pool 35	8.05	4.32
GEMINI Pool 50	10.54	5.54

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 5,469,420 (previous year CHF 4,937,235), was debited in the reporting year.

As in the previous year, a deduction of 0.10%, or CHF 3,503,175 (previous year: CHF 3,162,210), was debited in favour of employee benefits unit Pensions 1 at the end of 2021.

The administrative office manages the cash accounts and the money market investments on the basis of the anticipated cash flows. The bank accounts held with UBS Switzerland AG had a balance of CHF 72,930,611 as at 31 December 2021 (previous year: CHF 186,380,786).

6.8 Asset management costs

	31.12.2021	31.12.2020
	CHF	CHF
Pools of the Foundation		
Pool 0	111 064 644	50 933 046
Pool 20	2 010 098 547	2 031 806 070
Pool 35	1 061 862 415	805 347 678
Pool 50	85 131 568	56 595 519
Pool Pensions 1	1 121 541 946	1 258 699 053
Pool Pensions 2	318 811 551	–
Pool Employer contribution reserves Pool 0 to 50	45 224 145	46 039 212
Pool Employer contribution reserves money market fund	2 198 769	1 692 469
Total transparent investments of assets	4 755 933 585	4 251 113 047
Non-transparent investments of assets in accordance with Art. 48a para. 3 BVV 2	–	–
Total investments of assets of pools of the Foundation	4 755 933 585	4 251 113 047
Share of transparent investments (cost transparency ratio)	100%	100%
Clients with individual asset investments		
Total transparent investments of assets	1 503 758 685	1 364 863 571
Non-transparent investments of assets in accordance with Art. 48a para. 3 BVV 2	100 546 500	28 284 969
Total investments of assets of clients with individual investments of assets	1 604 305 185	1 393 148 540
Share of transparent investments (cost transparency ratio)	97.63%	97.97%
Overall total investments of assets	6 360 238 770	5 644 261 587
Share of transparent investments (cost transparency ratio)	98.42%	99.50%
Directly recognised asset management costs		
Fees investment committee	110 799	110 791
Complementa AG (consultant)	166 461	215 944
General asset consulting and management	48 718	54 783
Bank fees	684 188	655 853
Total directly recognised asset management costs	1 010 166	1 037 371
Sum of all key cost figures for collective investments	27 068 253	25 379 180
TER Pool 0	0,53%	0,50%
TER Pool 20	0,45%	0,41%
TER Pool 35	0,45%	0,40%
TER Pool 50	0,44%	0,40%
TER Pool Pensions 1	0,37%	0,37%
TER Pool Pensions 2	0,13%	n/a
TER employer contribution reserves money market fund	0,09%	0,09%
Average TER of all pools directly managed by GEMINI	0,36%	0,36%
Average TER of all clients with individual investments of assets ¹⁾	0,42%	0,57
Total asset management costs recognised in the income statement	28 078 418	26 416 551
Total asset management costs as % of transparent investments of assets	0.44%	0.47%

¹⁾ The 2020 figure has been adjusted to the new calculation scheme for 2021..

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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

ISIN/Valor ²⁾	Provider	Product name	Portfolio units	Market value in CHF	Market value as at balance sheet date in CHF	as % of non-transparent collective investments
CH1123992021	AWI INDEHD CHF	AWi InDEHD CHF	3 030.041	990.06	2 999 922	2.984%
IE00BKQN5P27	CRO ALP CHF-I-ACC	Cro Alp LGT Mul	919.118	1 095.55	1 006 937	1.001%
ZZ302_617163 ³⁾	HERMES WORLD USD	Hermes World USD	271.563	0.00	0	0.000%
ZZ302_MEIF4-COM	MACQUARIE EUROP. INFRASTR. FDS MEIF4-COM	MACQUARIE EUROP. INFRASTR. FDS MEIF4-COM	3 000 000.000	0.75	2 243 408	2.231%
ZZ302_MEIF4-UCO	MACQUARIE EUROP. INFRASTR. FDS MEIF4-UCO	MACQUARIE EUROP. INFRASTR. FDS MEIF4-UCO	-205 964.000	1.04	-213 412	-0.212%
ZZ302_MEIF6-COM	MACQUARIE EUROP. INFRASTR. FDS MEIF6-COM	MACQUARIE EUROP. INFRASTR. FDS MEIF6-COM	3 000 000.000	1.10	3 313 481	3.295%
ZZ302_MEIF6-UCO	MACQUARIE EUROP. INFRASTR. FDS MEIF6-UCO	MACQUARIE EUROP. INFRASTR. FDS MEIF6-UCO	-992 702.540	1.04	-1 028 598	-1.023%
ZZ302_MEGG-CIF-COM	MACQUARIE EVERBR. G. CHINA INFRASTR. LP COM	MACQUARIE EVERBR. G. CHINA INFRASTR. LP COM	1 000 000.000	0.77	774 150	0.770%
ZZ302_MEGG-CIF-UCO	MACQUARIE EVERBR. G. CHINA INFRASTR. LP UCO	MACQUARIE EVERBR. G. CHINA INFRASTR. LP UCO	-82 259.040	0.91	-74 950	-0.075%
ZZ302_MIGS II - COM	MIRA Infrastructure Gl. Sol. II LP - COM	MIRA Infrastructure Gl. Sol. II LP - COM	6 000 000.000	0.95	5 714 408	5.683%
ZZ302_MIGS II - UCO	MIRA Infrastructure Gl. Sol. II LP - UCO	MIRA Infrastructure Gl. Sol. II LP - UCO	-1 696 011.180	0.91	-1 545 321	-1.537%
ZZ302_PG_PK_2020 C	PARTNERS GROUP PK L.P. INC.	PARTNERS GROUP PK L.P. INC.	64 564 270.430	1.50	96 744 136	96.218%
ZZ302_PG_PK_2020 CUC	PARTNERS GROUP PK L.P. INC./UNF	PARTNERS GROUP PK L.P. INC./UNF	-17 053 909.950	1.00	-17 053 910	-16.961%
ZZ302_210000CUC	PG SEC.2004 L.P. ZEICHNUNG: EUR UNFUNDED	Partners Gr Pr	-24 250.000	1.04	-25 127	-0.025%
ZZ302_2210000C	PG SECONDARY 2004 L.P. ZEICHNUNG: EUR	Partners Gr Pr	400 000.000	0.06	25 127	0.025%
BMG7060P1095	PG3 Ins Fin Opp CHF	AAA Alt MS Opp	4 611.808	1 113.36	5 134 618	5.107%
BMG706131072	PG3 SPCLT USD PNV-A	PG3 Trd Fin Fd	1 898.974	1 118.95	2 124 851	2.113%
CH0522933396	TC BSK CALLB LUKB	Luzerner KB	4 300.000	94.60	406 780	0.405%

¹⁾ The listed products are new investments for which a revised TER was not yet available on the balance sheet date.

²⁾ ISIN no. partially unknown

³⁾ 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 22,362,084 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, which prevents any major arrears. The employer contribution reserves are comprised only by employer contribution reserves with right of usage.

	2021 CHF	2020 CHF
Employer contribution reserves on 1 January	72 860 955	72 677 723
Allocation ¹⁾	3 249 424	8 376 355
Usage ¹⁾	-25 926 281	-10 943 678
Interest	2 526 167	2 750 556
Total employer contribution reserve on 31 December	52 710 264	72 860 955

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

	31.12.2021	31.12.2020
	CHF	CHF
Premium balance with Swiss Life	109 796	115 353
Premium balance with Zurich	131 057	147 816.8
Total	240 853	263 169
Balance with Swiss Life from special contract of an employee benefits unit	6 352 665	5 749 976
Balance of new affiliations from their former employee benefits institution	8 479 819	2 630 793
Reclaim of pension benefits	73 616	98 488
Accounts payable (short-term liabilities)	0	–
Receivables from contributions and benefits that can only be settled in the following year	16 912 999	18 374 891.45
Receivable from a client	15 300	15 300
Other short-term receivables	136	11 679
Total	31 834 534	26 881 127

7.2 Prepaid expenses

All prepaid expenses were liquidated again as of 1 January 2022. The following items resulted in deferrals/accruals:

	31.12.2021	31.12.2020
	CHF	CHF
Contributions and benefits that cannot be settled until the following year	214 839	108 571
Expenses for the following year and income in the following year for the closing year already booked at Foundation and employee benefits unit level	1 324 262	151 869
Total	1 539 101	260 440

7.3 Liabilities

	31.12.2021	31.12.2020
	CHF	CHF
Assets transferred from new contracts as at 1.1. of the following year	4 874 399	19 798 555
Pending payments of termination benefits	67 270 323	86 083 035
Pending payments of lump-sum benefits on retirement or death	31 146 969	34 185 777
Current account balances of affiliated employers held at the Foundation	3 158 521	2 460 106
Vested benefits and deposits in previous year that cannot be booked to savings capital until following year	2 479 000	2 960 353
Balance of BVG Guarantee Fund	1 098 935	1 100 801
Liabilities to brokers	2 153 358	2 290 473
Liabilities to the administrative office	–	3 202 320
Liabilities arising from partial liquidations	–	2 669 838
Other liabilities	12 091 402	3 825 015
Total	124 272 907	158 576 272

7.4 Passive accruals and deferrals

All passive accruals and deferrals were liquidated again as of 1 January 2022. The following items resulted in deferrals/accruals:

	31.12.2021	31.12.2020
	CHF	CHF
Foundation level: insurance benefits of the following quarter already received	1 780 781	1 834 514
Employee benefits unit level: occupational benefits not yet settled	3 035 975	18 804 227
Foundation level: various short-term liabilities	33 000	33 000
Foundation level: securities transactions booked from securities accounting	13 931	48 798
Total	4 863 688	20 720 539

8. REQUIREMENTS OF THE SUPERVISORY AUTHORITY

None

9. FURTHER INFORMATION CONCERNING THE FINANCIAL SITUATION

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

As at 31 December 2021, no employee benefits unit reported underfunding.

9.2 Employer waiver of right of usage of 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 2021.

Due to contract terminations in 2020, pension plan capital totalling CHF 142,639,922 was transferred in early 2021.

9.4 Fees of the Foundation Board and Investment Committee

	31.12.2021 CHF	31.12.2020 CHF
Foundation Board	213 270	232 917
Investment Committee	110 799	110 791

9.5 Ongoing legal proceedings

Proceedings are ongoing against employers of three employee benefits units. In all three cases, the Foundation does not face any cost effects.

9.6 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 786,759 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 2021.

10. EVENTS AFTER THE BALANCE SHEET DATE

None



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To the Foundation Board of
GEMINI Collective Foundation, Schwyz

Basle, 18 May 2022

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, income statement and notes (page 17 to 42), for the year ended 31 December 2021.

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 2021 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
Stefan Weuste
(Qualified
Signature)
Licensed audit expert
(Auditor in charge)

Pascal Nikles
(Qualified
Signature)
Licensed audit expert

