

# Occupational pension benefits

## 2024 – Information for insured employees

Dear Madam, Dear Sir,

**Groupe Mutuel Prévoyance-GMP** has been entrusted with the management of your occupational pension plan and we are pleased to count you among our insured members. Below you will find key information about your pension fund. Your pension certificate contains details of your insured benefits in the event of retirement, death or disability. Please do not hesitate to contact us should you require any further information.

### 🔗 A new organisation, a new IT application

On 1 January 2024, your pension fund has become the Fondation Collective Groupe Mutuel, broadening its range of products to include other pension models. Existing contracts will remain unchanged and will be grouped together within the joint fund Groupe Mutuel Prévoyance-GMP, together with all assets. This new organisation does not entail any changes for you.

During the year, the customers of the Fondation Collective Opcion will join our foundation through a merger process. You will be able to consult the merger documents at the administrative headquarters at 5, rue des Cèdres in Martigny, from 21 April to 20 May 2024.

To support these structural changes, the Foundation's statutes and various regulations have been updated. Do you wish to find out more? Please go to [www.groupemutuel.ch/regulationsipp](http://www.groupemutuel.ch/regulationsipp)

Finally, 2024 got off to a flying start with a new IT application, making our pension management more modern and flexible. The content of your pension certificate has been slightly adapted, but always with the same objective in mind: your satisfaction! If you had made a purchase, you used to receive two certificates. Now, all your assets are grouped together in a single document.

### 🔗 Well-established security

#### **Coverage ratio: 109% at the end of 2023 (estimate before the closing of accounts)**

After the turmoil of 2022, the 2023 financial year saw a return to a positive performance of 5% (estimate before closing). This solid result has allowed us to strengthen our financial position and partially rebuild the value fluctuation reserve. The value fluctuation reserve had fully served its purpose in 2022, protecting the Foundation against sharp fluctuations in the markets. At the end of 2023, the coverage ratio is estimated at 109%, and the Foundation has consolidated its financial security, which allows it to meet its commitments.

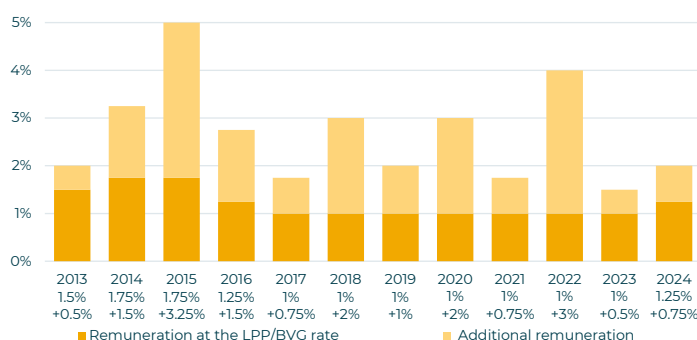
### 🔗 Higher returns for insured employees

#### **2024 interest rate: 2.0% on insured members' assets held in account**

In 2023, your savings accounts received a return of 1.5%, i.e. the minimum LPP/BVG interest rate of 1%, plus an additional return of 0.5%. For 2024, the Federal Council has decided to increase the minimum LPP/BVG interest rate to 1.25%. The interest charged on your assets has been increased again for the current year to 2.0%. This rate includes the 1.25% minimum LPP/BVG interest, plus an excess interest of 0.75%.

The allocation of this additional interest against a backdrop of highly fluctuating financial markets was made possible by GMP's healthy financial situation and by provisions set aside for the regular allocation of interest to insured members. The allocation of the 2024 surplus concerns all employees of companies affiliated in 2023. Each year, Groupe Mutuel Prévoyance-GMP has increased the interest allocated to its insured members, in some cases significantly, thereby allowing you to benefit from an average return of 2.68% over a ten-year period.

#### **Interest rate allocated to insured persons' total savings:**



## ESG Charter: a focus on responsible investment

Groupe Mutuel Prévoyance-GMP's investment policy integrating environmental, social and corporate governance considerations continued to progress in 2023 towards improving the Foundation's positioning in responsible investments. The carbon footprint of the portfolio has once again been significantly reduced and impact investments have increased significantly to reach 10% of the investment portfolio. The voting rights of companies listed in Switzerland are exercised in accordance with clear guidelines, and the initial results of the shareholder dialogue with certain foreign companies are conclusive.

In 2024, a special effort will be made to renovate the energy efficiency of certain buildings owned by the Foundation. The assessment by our independent partner Conser SA has confirmed our efforts, and the ESG quality of the investment portfolio is rated „A“, despite a stricter monitoring methodology.

In 2023, Groupe Mutuel Prévoyance-GMP also received an assessment of its investment policy from the Climate Alliance, with a “light green” rating, which corresponds to one of the best ratings in the field of sustainable investment among Swiss pension funds.

We are extremely pleased with these results and will continue to pursue our commitment to continuously improving the environmental and social quality of our investments.

## Conversion rates for new pensions

The rates used for converting the accumulated lump-sum into a life annuity when you retire are set by the Foundation Board. They are based on various parameters, in particular life expectancy after retirement, as defined by the „Actuarial provisions LPP/BVG 2020“, and the technical rate of 2.0%. To ensure a fair balance between active and retiring members, conversion rates are reviewed periodically.

Conversion rates in force as of 1 January 2024:

Men 65 years old Women 64 years old	2024
LPP/BVG minimum assets	6%
Supplemental retirement assets	5%

Men 65 years old Women 65 years old	2025
Total assets	5,6%

From 1 January 2025, a system of uniform conversion rates, applicable to total assets, will come into force for calculating retirement pensions. This will make the calculation of retirement benefits more transparent. In all cases, the total pension paid will be at least equivalent to 6.8% of the minimum LPP/BVG assets. These rates apply to new pensions starting in the years indicated above. Current pensions are not affected by this change.

Of course, for active insured members, the choice of retirement benefit in the form of a lump-sum amount or a pension remains possible, under the same conditions. A combination of pension and lump-sum capital by splitting the amount available at the time of retirement can also allow you to organise your benefits according to your needs and wishes. Your choice must be communicated no later than one month before you become entitled to retirement benefits.

## Do not forget!

Surviving partner's benefits may be granted under certain conditions. In order to qualify, the cohabitation giving rise to an entitlement must have been announced in writing before the death. Otherwise, no benefit can be paid.

Furthermore, if you are not married or cohabiting and have no dependent children, you can change the order of the beneficiaries of the lump-sum amount upon death, as well as the distribution of this lump-sum amount among the designated beneficiaries. This announcement must be sent to us before the death. Otherwise, the order of beneficiaries and the distribution are defined by the pension fund regulations.

## We are here for you!

If you have any questions about this document or your 2024 pension certificate, please contact us at [lpp@groupemutuel.ch](mailto:lpp@groupemutuel.ch).

We will be happy to help you!