

Interview with Christophe Grandjean

In conversation with Ronald Schnurrenberger, PKE's Chief Executive Officer, Christophe Grandjean talks about his motivation to take on the role of President, his experience on the Foundation Board and the challenges facing occupational pension provision.

Ronald Schnurrenberger:
Christophe, what motivated you to take on the role of President?

Cristophe Grandjean: I started thinking about it back in 2022 when I took on the Vice Presidency. Given the principle of rotation that has been followed thus far in order to ensure parity between employee and employer representation, it was clear to me that the Presidency was highly likely to be the next step. At the same time, I am convinced: The Swiss three-pillar principle is key in ensuring stability and good quality of life in our country. The second pillar is the most robust of the three. It contributes to people being able to continue to enjoy the same standard of living when they retire and provides a strong safeguard in the event of invalidity or death. It's a real motivation to me to uphold this system and get the best possible out of it for our insured members. This also applies to the special atmosphere that carries through all levels of PKE. I absolutely want to preserve the PKE spirit.

How have you found your work on the Foundation Board to date?

Very professional! And always focussed on standing up for the interests of PKE and its insured members. This attitude enables us to work within a healthy culture of debate. What's more, the Foundation Board can count on the dedication of the Executive Board and the employees. Each dossier is prepared exceptionally well, so that we can make well-founded decisions. I would like to take this opportunity to thank my colleagues on the Foundation Board for their active commitment and their contribution to PKE's success.

“ I want to preserve the PKE spirit. ”

Where do you believe the major challenges will lie for PKE over the next few years?

After an eleven-year transition period as a collective foundation, into which the companies of the former PKE Energy Pension Fund Cooperative were incorporated, PKE is now a foundation proper once again. Over the next few years, what will matter is the digitalisation of



Christophe Grandjean, the new President of the Foundation Board

our processes and the ability to remain agile. This will be a prerequisite for us being able to accompany developments on the labour market and to offer services that align with the needs and specifics of our affiliated companies.

And where do you believe the major challenges will lie for occupational pension provision in Switzerland?

Although the second pillar is a significant component of pension provision in Switzerland, it continues to be under political attack. The most considerable challenge will inevitably be successfully reforming the three-pillar system to ensure it meets the needs of an evolving society. Its basic principles must be retained, however: intergenerational solidarity in the first pillar, mandatory savings contributions from employees and employers in the second pillar, and individual savings in the third pillar. Our pension provision system needs to respond to the fact that people are living longer, changing their working habits and increasingly embracing digitalisation – while always remaining within the framework of these three principles. PKE has done its homework and already offers retirement solutions that align with current needs and are sustainably financed.

I think there is another challenge the second pillar will face, namely increasing regulatory pressure and sustainability demands. Foundation Board members here and elsewhere work according to the militia principle and have to grapple with ever more complex rules and procedures. This doesn't make their job any easier.

What do you appreciate as an insured member of PKE?

I very much appreciate the fact that fairness between generations is a core consideration at PKE. The solutions are sustainably financed – so not only we benefit but the next generation, too.

To conclude: What advice would you like to give our insured members and pensioners?

Above all, I would encourage insured members to show an interest in occupational pension provision as early on as possible and to gain an understanding of the mechanisms of the second pillar. Every franc they put into PKE is at least doubled by their employer – that's a unique opportunity to accrue solid personal savings for retirement. As for our pensioners, I don't feel I'm in any position to give them advice! They have long since made the most important decisions, and I hope that they are benefitting accordingly today. I can assure them, however: the Foundation Board values their interests just as highly as those of active participants.

Change to the Foundation Board

After Martin Schwab's resignation, a new employer representative has been elected to the Foundation Board. In addition, the Foundation Board was reconstituted on 20 January 2025, with a new President and Vice President having been elected.

The Foundation Board elected its member Christophe Grandjean, employee representative on behalf of Groupe E SA, to be its new President. Christophe Grandjean has been a member of the Foundation Board for over nine years, serving as Vice President since autumn 2021.

Luca Baroni, Group CFO at Alpiq AG, was elected the new Vice President. He has acted as an employer representative on the Board since 2022.

New Foundation Board members

Michael Sieber has been elected to the Foundation Board as a replacement member. As an employer representative, he is joining during the current term, which lasts until September 2025. He has been CFO and a member of executive management at CKW AG since 2020.



Michael Sieber
CFO | CKW AG, Lucerne

Michael Sieber has been following developments at PKE as an active participant and member of Apxo's Pension Committee for more than 20 years. During this time, in Sieber's opinion, PKE has made several intentional decisions that have put it on the path to the healthy finances and modern, future-proof orientation it enjoys today, offering insured members attractive benefits.

For more information on the Foundation Board and its current composition, please visit our website at www.pke.ch: "Über uns" or the equivalent tabs.

Renovation without termination: Fribourg's success story

Terminating residential tenancy agreements for the purpose of renovation is controversial. Currently, a complex of apartment buildings in Zurich called "Sugus" is drawing attention. Just before Christmas, its inhabitants were given just three months' notice to vacate, triggering protest and media interest across Switzerland.

This is not the only way. Take the recently completed renovation project run by PKE in Fribourg: this project demonstrated that comprehensive modernisation can be successful for both tenants and landlords without having to terminate tenancy agreements.

As a pension fund, PKE owns several properties, often inhabited by long-term tenants. Termination can cause existential problems for tenants in the current market environment. This is why PKE pursues the goal to carry out renovation work without terminating tenancy agreements wherever possible in technical and organisational terms.

Renovating without vacating is a considerable planning and implementation challenge. Construction work can be done more quickly and flexibly in an empty property, because no occupants need to be taken into consideration. Terminating tenancy agreements harbours risks, though: delays due to legal disputes, resistance from tenants and the public, and reputation damage.

With this in mind, PKE makes the conscious decision to avoid termination. All its reconstruction projects rely on careful planning and close communication with the tenants to ensure renovation is as seamless and palatable as possible.

In Fribourg, 140 apartments were renovated in under two years. An extra floor added 18 new units and the entire building shell



Renovated and extended upwards: PKE property in Fribourg, Rue Jacques-Vogt 1–3 and Boulevard de Pérolles 32–34

was insulated. During building work, tenants were provided with alternative apartments within the complex, support with their temporary move, or they were allowed to terminate their agreements with less notice than usual if they did want to leave their apartments. Despite the significant challenges of renovating with tenants in place, the project was completed six months ahead of schedule.

Fribourg's example shows emphatically that it is indeed possible to renovate in a palatable way, with a successful outcome for both tenants and landlords.



Video on the renovation (in German)



Retiring? Take the lump sum!

Have you also had the pleasure of joining a free retirement seminar held by a major insurance company, bank or financial services provider? With a free drinks reception afterwards, perhaps?

And did you go home after the seminar feeling certain that it would be best to withdraw your assets from your pension fund as a lump sum? So that you could invest the funds with the bank, insurer or financial services provider who kindly invited you to come along? Because you would save on taxes, because your children would inherit your money in the event of your death and you would receive a much higher pension than you might get from your pension fund? Because the organisers would invest your money on the stock market so much more profitably than your pension fund?



Pension or lump-sum withdrawal? A decision worth making carefully!

Then the organisers did a good job. But in their own interests, not yours. Because they can then manage your assets and charge you 1% or more per year for the privilege. This would give them 20% of your assets over 20 years. Irrespective of how successfully they invested your money. Because there's no guarantee of a positive return. Losses can happen on the stock market, that's just the way it is. Even 25% in a single year on occasion. And if you need the money at that time, you have no other option than to stomach the losses.

Your pension fund, however, will pay you a pension for the rest of your life. Taxes do apply, and your children have to earn their own livelihoods. But, in return, you can rely

on your pension being credited to your account on time every month. And when you pass away, your wife or husband will also receive a guaranteed pension for the rest of their life. PKE's pensions also include an additional 2% interest per year. This is also guaranteed for a lifetime.

If you and your spouse will still have an appetite for risk when you're 90, if you want to save on taxes, pass on your pension fund assets to your children, and you are willing to pay your bank, insurer or financial services provider 1% of your assets each year, then you should withdraw a lump sum when you retire.

If you want to enjoy your retirement with a secure, lifetime-guaranteed pension, how-

ever, resting assured that your wife or husband will also receive a secure, guaranteed pension after you pass away, with guaranteed interest of 2% no less, then you should opt for a pension.

Ronald Schnurrenberger
Chairman of the Executive Board

P.S.: Of course, you might also gain 25% on the stock market. And your pension fund pension is not protected against inflation. You can find all of the pros and cons of drawing a pension versus withdrawing a lump sum on our website.

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