



## Key figures

	2024	2023
Number of active participants	19 833	18 984
Number of pensioners	9 087	9 077
Total participants	28 920	28 061
Affiliated employers	212	211
Balance sheet total (in CHF million)	12 106	11 267
Coverage ratio	120.3%	113.9%
Performance	8.0%	4.8%

## A good year for the second pillar

Following on from 2023, 2024 was another good year for pension funds. With a return of 8.0%, PKE was able to increase its coverage ratio from 113.9% to 120.3%.

This pleasing performance has made it possible to apply interest of 4% to insured members' retirement savings assets in 2025. This far exceeds the minimum pension interest rate stipulated by the federal government of 1.25% and the interest awarded to savings accounts with banks. It also means that two-part pensions can be increased by 5% for one year from 1 April 2025, which is already the second increase since their introduction in 2014. Evidently, the decision we made at the time to adopt two-part pensions was correct and to the benefit of PKE's pensioners.

Swiss voters' rejection of the BVG reform has no consequences for insured members of PKE. We have long since done our homework and reduced the conversion rates to a correct level.

PKE's Foundation Board and Executive Board remain positive as they look to the future of the second pillar. The second pillar is and shall remain a strong component of retirement provision in Switzerland. Equally, PKE shall remain a reliable, sustainable pension fund for all insured members, pensioners and companies.

### **PKE Energy Pension Foundation**



**Christophe Grandjean**



**Ronald Schnurrenberger**



**Christophe Grandjean**  
President of the Foundation Board



**Ronald Schnurrenberger**  
Chairman of the Executive Board

## Pension coverage

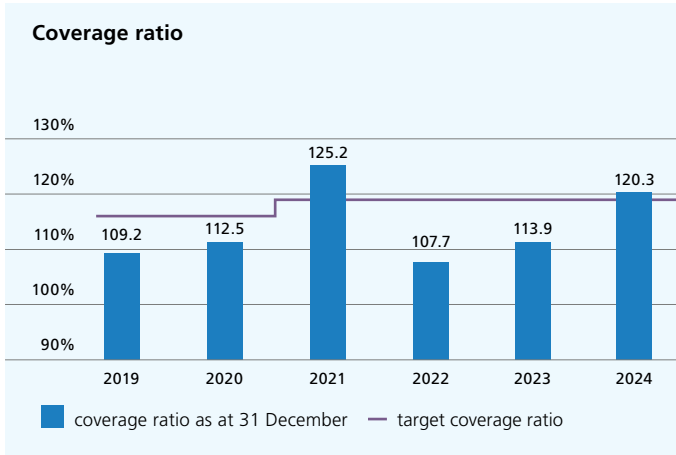
PKE offers various pension plans, tailored to meet the diverse needs of the affiliated companies. All pension plans work on the basis of defined contributions for pension payments and of defined benefits for risk benefits.

The benefits are significantly higher than the minimum stipulated by the federal government. Companies have the option to insure variable salary components by means of a shift allowance and bonus plan. Furthermore, "Saving 60" enables insured members to pre-finance pension reductions that would otherwise ensue from early retirement.

For those retiring at the age of 65, the conversion rate will be 5.0% as of 1 October 2024.

Over the course of the reporting year, our coverage ratio was increased to 120.3%. This is thanks to a return of 8.0% and sees the 119% target coverage ratio surpassed by a small margin.

In the insurance-related report dated 31 December 2024, our external occupational pension expert confirms that PKE provides sufficient security to cover its obligations.



### Interest of 4% for 2025

In 2025, interest of 4% will be applied to our active participants' retirement savings assets. Having awarded interest of 7% in 2022, this is already the second increase beyond the long-term desired interest rate of 2%.

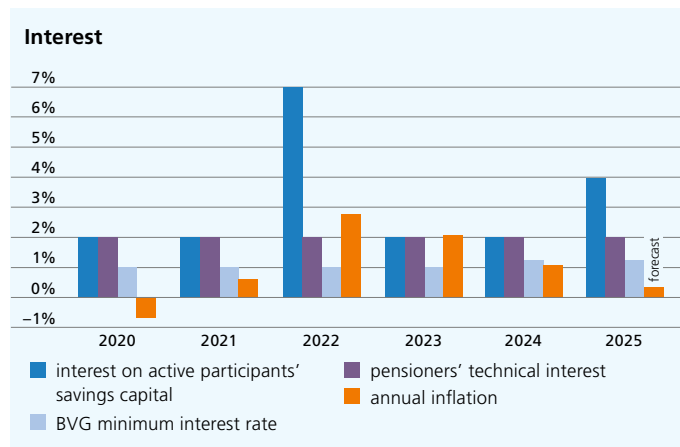
For many years, PKE's interest rate policy has been guided by the principles of consistency and sustainability. With this in mind, rates are not set in alignment with the annual return, but with PKE's coverage ratio. This policy enables the Foundation Board to apply interest of 2% to retirement savings assets even in years with a negative return.

### Adjusting two-part pensions

As the coverage ratio had risen to just over 120% as at the end of 2024, two-part pensions will be increased by 5% for one year as of 1 April 2025. Being able to increase two-part pensions again so soon after 2022/2023, making this the second time since their introduction in 2014, and the payment target of 100% never having been undershot, proves that the decision taken at the time to adopt two-part pensions was correct and to the benefit of PKE's pensioners.

### Inflation

Once again, the Foundation Board deliberated intensely over potential inflation compensation. Based on the respective analyses, the Board decided back in 2023 to consistently consider inflation as it relates to all issues of fairness between the generations represented among PKE's insured members. The results of these analyses show that no general



inflation compensation can be granted for 2025 either. Pensioners on a fixed pension continue to be at a slight advantage compared with active participants and those receiving two-part pensions.

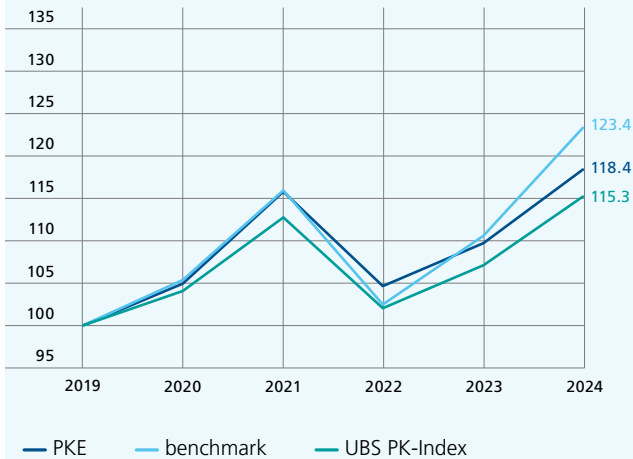
### Number of beneficiaries

As at 31 December 2024, 19833 active participants and 9087 pensioners were registered with PKE (18984 and 9077 respectively the previous year). With a total of 28920 insured members, the proportion of pensioners is therefore 31.4% (32.3% the previous year).

## Asset investments

### Cumulative performance

2020–2024 development  
Indexed (31 December 2019 = 100)



### Interest rate reductions and the re-election of Donald Trump uplifting markets

2024 was another good year for investors. Despite many uncertainties, shares performed impressively again in 2024. Although robust growth and persistent inflation led to a correction of expectations in terms of the speed of interest rate reductions in the US in particular, central banks started to normalise their monetary policy in 2024.

The economic impetus triggered by Donald Trump's re-election was an additional driver. The announcement of "reindustrializing America", in particular, stirred optimism among investors. In this environment, shares from industrialised countries delivered a total return of 29% (in CHF). In addition, in Switzerland, the real estate market and bonds benefitted from the National Bank's interest rate reductions.

### All asset classes positive – shares making extraordinary contribution to return

In the past year, all asset classes recorded positive return contributions. Thanks to an allocation of 39%, the return contribution from shares was extraordinarily high, coming in at 7.6%. Return contributions from CHF bonds, FX bonds and real estate were very pleasing at 0.8% each. Conversely, the strategic currency hedge had a negative effect at -3.3%.

## Performance clearly above target return and UBS pension fund index

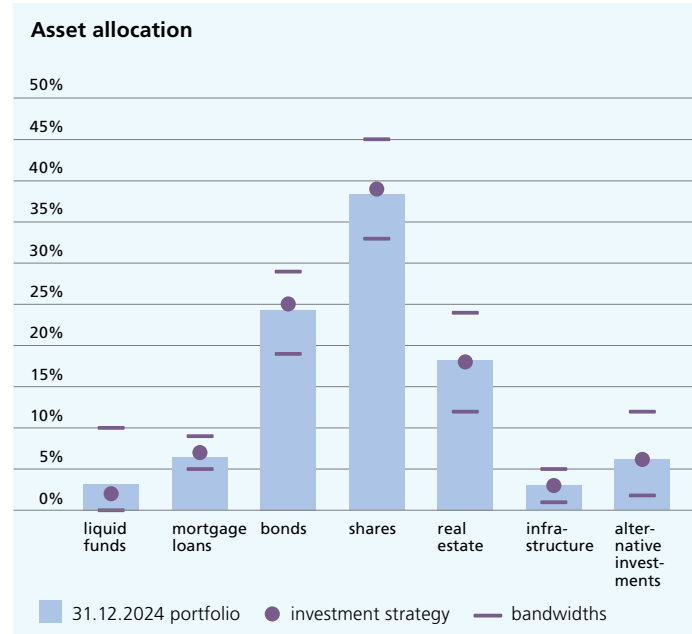
PKE recorded a return of 8.0%. This exceeded both the target return of 2.1% and the UBS pension fund index (PK-Index, 7.7%). The return fell short of the benchmark by 3.6%. Around half originates from the "global shares" asset class, in which we were able to benefit only in part from the extraordinary performance among a few securities following the election of Donald Trump. The other half is attributable to the measurement method used for the private market investment categories of private equity, infrastructure and foreign real estate, which we compare against a listed equity index.

## Investment activities

PKE invests the retirement savings assets that insured members contribute monthly to their retirement along with their employers in a return-oriented, responsible and long-term manner.

Our investment decisions are guided by our fundamental goal to safeguard insured members' retirement, invalidity and death benefits in the long term. We seek to strike a balance between return, risk and sustainability.

In this context, PKE takes "sustainable investing" to mean bearing in mind environmental and social criteria as well as considerations of corporate governance (ESG criteria) during decision-making, alongside the usual financial indicators, whenever possible.



# Balance sheet

as per 31 December in CHF million

<b>Assets</b>	<b>2024</b>	<b>2023</b>
Liquid funds	474.0	378.4
Bonds	2 918.0	2 701.1
Mortgage loans	782.8	759.3
Shares	4 575.9	4 142.8
Real estate	2 192.6	2 235.2
Infrastructure	361.8	342.3
Alternative investments	744.8	647.0
<b>Investments</b>	<b>12 049.9</b>	<b>11 206.1</b>
Accrued income and accounts receivable	56.4	60.4
<b>Total assets</b>	<b>12 106.3</b>	<b>11 266.5</b>
<b>Liabilities</b>	<b>2024</b>	<b>2023</b>
<b>Liabilities, employer-paid contribution reserve</b>	<b>109.6</b>	<b>91.5</b>
Active participants' liabilities	5 274.8	5 079.4
Pensioners' liabilities	4 281.8	4 306.5
Actuarial reserves	415.9	448.0
<b>Pension liabilities and actuarial reserves</b>	<b>9 972.5</b>	<b>9 833.9</b>
Reserve for fluctuations in asset value	1 855.1	1 341.1
Non-committed funds	169.1	–
<b>Total liabilities</b>	<b>12 106.3</b>	<b>11 266.5</b>

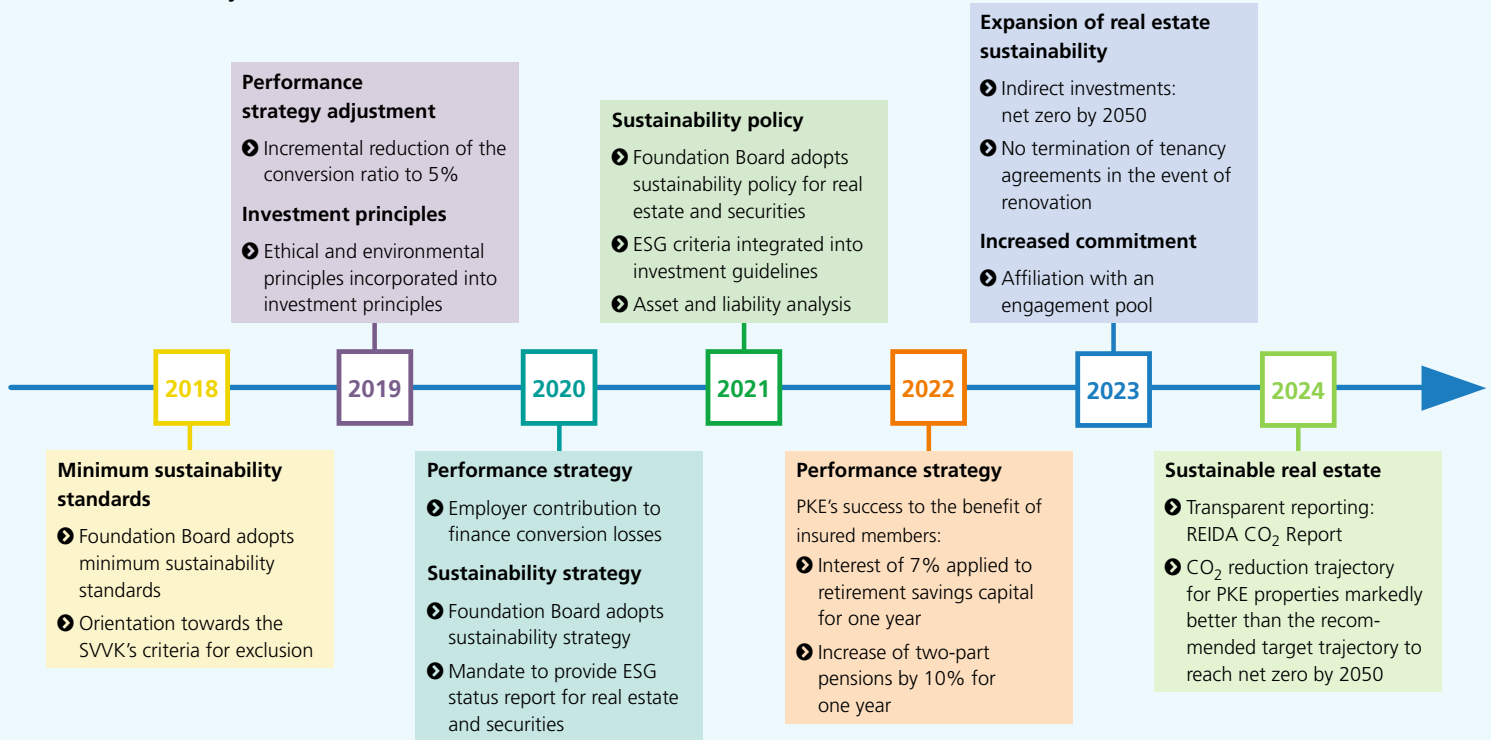
# Operating account

from 1 January to 31 December in CHF million

	2024	2023
Ordinary and other contributions and transfers-in	441.0	422.4
Entry lump-sum transfers	239.1	263.3
<b>Inflow from contributions and entry lump-sum transfers</b>	<b>680.1</b>	<b>685.7</b>
Regulatory benefits	-486.5	-475.7
Termination benefits	-248.7	-221.7
<b>Outflow for benefits and withdrawals</b>	<b>-735.2</b>	<b>-697.4</b>
Decreases (+)/increases (-) in pension liability, actuarial reserves and contribution reserves; interest; security fund	-141.2	93.2
<b>Net result of insurance activities</b>	<b>-196.3</b>	<b>81.5</b>
Investment income	925.9	543.0
Asset management costs	-40.0	-30.8
<b>Net return on investments</b>	<b>885.9</b>	<b>512.2</b>
Administrative expenses	-6.5	-7.6
<b>Income surplus / expense surplus (-) before adding to or releasing from reserves for fluctuations in asset value</b>	<b>683.1</b>	<b>586.1</b>
Decrease (+)/increase (-) in reserve for fluctuation in asset value	-514.0	-586.1
<b>Income surplus / expense surplus (-)</b>	<b>169.1</b>	<b>-</b>
Decrease (+)/increase (-) in non-committed funds	-169.1	-
<b>Income surplus / expense surplus</b>	<b>-</b>	<b>-</b>

# We work in a sustainable and responsible manner

## PKE's sustainability milestones



## The four pillars of PKE's sustainability strategy



### Sustainable pension provision

We aim to provide above-average performance, safeguarding fair pensions for future generations too.

- Our pensions are based on financial market returns that can be sustained over the long term. Active participants should not have to subsidise benefits for pensioners. In the long run, the same interest is applied to insured members' retirement savings capital as to current pensions.



### Securities

Alongside financial aspects, we consider environmental, social and leadership criteria.

- We are guided by the recommendations for exclusion issued by the Swiss Association for Responsible Investments (SVVK). In addition, we invest less in entities with high CO<sub>2</sub> emissions, instead giving preference to "sustainability bonds", increasing the quality of our portfolio in terms of sustainability.



### Real estate

We will halve our real estate's CO<sub>2</sub> emissions by 2030, reaching carbon neutrality by 2050.

- For our direct real estate investments, which account for approximately 15% of our portfolio, we have defined an emissions reduction plan with the aim of halving CO<sub>2</sub> emissions by 2030 and reaching carbon neutrality by 2050.



### Commitment

We take our responsibility towards insured members, society and the environment seriously.

- PKE stands for sustainably financed benefits. Sustainable behaviour within the context of a pension fund primarily means providing fair pensions for all generations. We invest sustainably and take our ethical, ecological and socio-political responsibility seriously.

## Basic principles and organisation

### Resignation of Martin Schwab and election of Christophe Grandjean as President

After over ten years on the Foundation Board, of which seven as President, having been elected President of the Association of Swiss Electricity Companies (VSE), Martin Schwab decided to step down from the Foundation Board as of 31 December 2024.

On 20 January 2025, the Foundation Board elected Christophe Grandjean, employee representative on behalf of Groupe E SA, to be the new President. Christophe Grandjean has been a member of the Foundation Board for over nine years, serving as Vice President since autumn 2021.

PKE is a foundation in accordance with the Swiss Civil Code (ZGB) and the Swiss federal law on occupational retirement, survivors' and disability pension plans (BVG). It insures both mandatory and non-mandatory occupational pension benefits. The foundation is an independent, all-inclusive pension fund and carries all of its own insurance-related risks. Contributions and benefits exceed the legal minimums. Benefits are financed through employer contributions, contributions from active participants and capital income.

PKE features on the canton of Zurich's register of occupational pension providers and is affiliated to the BVG security fund.

### Foundation Board

The twelve members of the Foundation Board have been elected for the period ending in 2025. It is self-constituting. Its members are (as of 31 Dec 2024):

#### Employer representatives

Martin Schwab, President (until 31 Dec 2024)	CKW AG, Lucerne
Luca Baroni	Alpiq AG, Olten
Alain Brodard	Groupe E Connect SA, Granges-Paccot
Gian Domenico Giacchetto	Ofima e Ofible, Locarno
Yannick Hanselmann	Elektrizitätswerke des Kantons Zürich, Zurich
Philip Janssen	Axpo Services AG, Baden

#### Employee representatives

Christophe Grandjean, Vice President	Groupe E SA, Granges-Paccot
Marco Balerna	Azienda Elettrica Ticinese, Monte Carasso
Monika Lettenbauer	Axpo Services AG, Baden
Peter Oser	Elektrizitätswerke des Kantons Zürich, Zurich
Adrian Schwammberger	AEW Energie AG, Aarau
Mike Weidner	Axpo Solutions AG, Baden

## **Committees**

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PKE has formed committees comprised of equal numbers of Foundation Board employer and employee representatives. These are:

- the Investment Committee
- the Human Resources Committee

In addition, an external member is represented in the Investment Committee.

## **Executive Board**

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Ronald Schnurrenberger, Chief Executive Officer and Insurance Team Leader

Marcel Jörger, Chief Investment Officer

Stephan Voehringer, Chief Operating Officer

## **Auditors, experts, supervisory authority**

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### **Auditors**

KPMG AG, Zurich

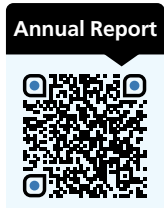
### **Occupational pension experts**

Libera AG, Zurich

### **Supervisory authority**

BVG- und Stiftungsaufsicht des Kantons Zürich (BVS), Zurich

## Further information



### Annual Report

You can find the detailed 2024 Annual Report in German at [www.pke.ch](http://www.pke.ch) under → “Über uns” → “PKE auf einen Blick” → “Geschäftsberichte” or the equivalent tabs.



### Sustainability Report

In our 2024 Sustainability Report and on our website, we document our activities and our commitment to sustainable pension provision and sustainable asset investment. You can find the Sustainability Report in German, French and Italian at [www.pke.ch](http://www.pke.ch) under → “Über uns” → “PKE auf einen Blick” → “Geschäftsberichte” or the equivalent tabs.

Please feel free to visit our website, the current and contemporary information platform for employees, pensioners and employers. You can find explanatory videos, information sheets, forms and regulations on our website. Have your benefits and contributions calculated any time at [www.pke.ch/online](http://www.pke.ch/online). Should you have any questions, we would be happy to help you.

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