

GEMINI COLLECTIVE FOUNDATION 1e

ANNUAL FINANCIAL STATEMENTS **2020**



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BALANCE SHEET

		31.12.2020	31.12.2019	Annex
		CHF	CHF	digit
Assets				
A	Capital investments	41 421 968	34 717 210	
	Cash, cash equivalents and money market investments	2 244 187	2 211 565	
	Current account with employer	261 688	270 649	6.6
	Premium accounts with insurance companies	17 028	10 385	
	Other receivables	23 500	49 400	
	Assets of individual pools	38 875 565	32 175 211	6.2
	Pool GEMINI 1e	30 608 279	23 838 710	
	Individual strategies	8 267 286	8 336 500	
B	Prepaid expenses	34 786	44 828	
	Total assets	41 456 754	34 762 038	

		31.12.2020	31.12.2019	Annex
		CHF	CHF	digit
Liabilities and equity				
D	Liabilities	2 252 322	1 613 430	
	Vested benefits and pensions	1 818 236	1 160 550	
	Current account with employer	12 165	22 783	
	Other liabilities	421 921	430 097	
E	Prepaid income	11 700	27 860	
F	Employer contribution reserve	24 871	–	
G	Non-actuarial reserves	1 035 573	947 827	7.1
H	Pension plan capital and actuarial reserves	37 932 288	31 972 920	
	Pension plan capital active members	37 932 288	31 972 920	5.2
J	Foundation capital	200 000	200 000	
	Total liabilities and equity	41 456 754	34 762 038	

INCOME STATEMENT

		2020	2019	Annex
		CHF	CHF	item
Insurance activities				
K	Ordinary and other contributions and deposits	4 864 745	5 513 651	
	Employee contributions	1 588 816	1 627 769	
	Employer contributions	2 563 812	2 895 591	
	Withdrawal from employer contribution reserve for contribution funding	-16 624	–	
	Single premiums and buy-in sums	687 246	990 291	
	Contributions to employer contribution reserve	41 495	–	
L	Entry benefits	5 501 494	24 016 783	
	Vested benefits	5 501 494	23 974 783	
	Repayment of advance withdrawals for home ownership / divorce	–	42 000	
(K–L)	Inflow from contributions and entry benefits	10 366 239	29 530 434	
M	Benefits under pension plan regulations	-409 487	-174 824	
	Survivors' pensions	-33 716	-27 829	
	Lump-sum benefits on retirement	-365 321	-146 995	
	Lump-sum benefits on death/disability	-10 449	–	
N	Supplementary benefits	–	–	
O	Terminations benefits	-4 763 082	-7 883 894	
	Vested benefits on departure	-4 763 082	-7 365 980	
	Advance withdrawals for home ownership / divorce	–	-517 914	
(M–O)	Outflow for benefits and advance withdrawals	-5 172 568	-8 058 718	
P/Q	Release / formation of pension plan capital active members, actuarial reserves and contribution reserves	-5 984 238	-22 552 686	
	Release (+) / formation (-) of pension plan capital active members	-4 806 465	-21 040 755	
	Capital gains from 1e plans	-1 152 902	-1 511 931	
	Formation (-) / release (+) of contribution reserves	-24 871	–	
R	Income from insurance benefits	50 954	33 528	
	Insurance benefits	50 954	33 528	
S	Insurance expenses	-295 051	-289 661	
	Insurance premiums	-293 034	-287 672	
	Guarantee Fund contributions	-2 017	-1 989	
K–S	Net result from insurance activities	-1 034 665	-1 337 103	

INCOME STATEMENT

		2020	2019	Annex
		CHF	CHF	item
	Investment result and other income			
T	Net result from investment of assets	1 194 094	1 443 071	
	Income from cash, cash equivalents and money market investments	-324	24 652	
	Asset income of individual pools	1 347 446	1 597 435	
	Pool GEMINI 1e	998 832	939 557	
	Individual strategies	348 614	657 878	
	Interest income from receivables	-14	-2 004	
	Asset management expenses	-153 015	-177 012	6.5
U	Release / formation of non-actuarial reserves	-	-	
V	Other income	21 214	26 561	
	Other income	21 214	26 561	
W	Other expenses	-6 938	-	
X	Administrative expenses	-173 704	-132 530	
	General administrative expenses	-135 903	-79 871	
	Brokerage activities	-14 865	-23 558	
	Auditor and occupational benefits expert	-12 762	-24 152	
	Supervisory authorities	-10 174	-4 948	
K-X	Expenditure / income surplus prior to formation / release of disposable assets	-	-	
Y	Release (+) / formation (-) of disposable assets of the Foundation	-	-	
Z	Income (+) / expenditure surplus (-) from disposable assets of the Foundation	-	-	

1. PRINCIPLES AND ORGANISATION

1.1 Legal form and purpose

The GEMINI Collective Foundation 1e is a foundation as defined by Art. 80 et seq. ZGB (Swiss Civil Code) and Art. 331 OR (Swiss Code of Obligations). It was officially authenticated on 14 March 2018. The Foundation is entered in the Cantonal Index of Unregistered Employee Benefits Institutions of the Canton of Schwyz under reference no. NSZ-1161. Its purpose is non-mandatory occupational pension provision to employees and employers upon retirement and disability, or in the event of their death to their surviving dependants, pursuant to Art. 1e BVV 2. The pensions are provided in compliance with the BVG to the extent that the latter applies to unregistered employee benefits institutions in the non-mandatory field. Furthermore, the Foundation may also provide more extensive employee benefits.

1.2 Guarantee Fund

The GEMINI Collective Foundation 1e transfers the contributions for insolvency paid by the affiliated employee benefits units to the Guarantee Fund.

1.3 Foundation Charter and regulations

Document	Created	Valid from
Framework Regulations	1.3.2018	1.1.2018
Partial Liquidation Regulations	1.3.2018	1.1.2018
Investment Regulations	1.3.2018	1.1.2018
Voting Regulations	17.12.2019	1.1.2020
Organisational Regulations	24.4.2020	1.1.2020
Foundation Charter	14.3.2018	14.3.2018

1.4 Joint management body / signing authority

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

Foundation Board

Employer representatives

Pascal Renaud, independent
Vital G. Stutz, Advozug GmbH (Vice Chairman)

Employee representative

Manuel Wyss, MACON GmbH (Chairman)

Founder's representative

Albert Steiner, Avadis Vorsorge AG

General management

Christoph Oeschger, Managing Director
Stefan Sadler, Deputy Managing Director

1.5 Expert, auditor, consultant, supervisory authority

Occupational benefits expert

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

Auditor

Patrik Schaller, Ernst & Young AG, Basel

Investment controlling

UBS Fund Management (Switzerland) AG, Basel

Consultant

Complementa AG, St. Gallen

Supervisory authority

Zentralschweizer BVG- und Stiftungsaufsicht (ZBSA),
Lucerne

1.6 Affiliated employee benefits units

As at the end of the financial year, 17 employee benefits units of independent companies were affiliated.

2. ACTIVE MEMBERS AND PENSIONERS

Portfolio of active members and pensioners

Portfolio	12/31/2019	Additions	Departures	12/31/2020	Change
Active members	156	36	-38	154	-2
Disability pensioners	–	–	–	–	–
Partners' pensions	1	–	–	1	–
Children's/orphans' pensions	2	–	–	2	–
Total	159	36	-38	157	-2

3. IMPLEMENTATION OF PURPOSE

3.1 Note concerning pension plan

The Collective Foundation offers occupational pension provision in the non-mandatory field pursuant to Art. 1e BVV 2 to the affiliated employee benefits units. The benefits are defined according to the Framework Regulations enacted by the Foundation Board. One or more pension plans are defined for each employee benefits unit by the responsible pension fund committee. The retirement and termination benefits comprise defined contribution plans, the retirement benefits are paid out as a lump sum. The Foundation does not provide any retirement pensions. The risk benefits in the event of death and disability comprise defined benefit plans on the basis of the insured salary. They are congruently reinsured by Basler Leben AG by means of a 50/0.67.515 collective life insurance agreement.

3.2 Financing, financing method

The GEMINI Collective Foundation 1e is financed by contributions from employers and employees. The average share of employer companies is 62% and that of employees 38%. 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

Insured members may buy into additional retirement benefits. The maximum total buy-in amount is specified in the buy-in table of the respective pension plan.

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 of 31 December 2020 (main items with letters A–Z).

4.2 Accounting and valuation principles

The accounting and valuation principles correspond 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 rates as at balance sheet date

5. ACTUARIAL RISKS / RISK COVERAGE

5.1 Type of risk coverage, reinsurance

The risk benefits in the event of death and disability are congruently reinsured by Basler Leben AG by means of a 50/0.67.515 collective life insurance agreement. Retirement benefits are exclusively paid out as a lump sum.

5.2 Performance of savings assets

	2020 CHF	2019 CHF
Balance of savings assets on 1 January	31 972 920	9 420 235
Employee savings contributions	1 502 294	1 545 039
Employer savings contributions	2 243 835	2 519 529
Other contributions and deposits	687 246	990 291
Vested benefit deposits	5 501 494	22 725 967
Vested benefit deposits from new contracts	–	1 248 817
Repayments of advance withdrawals for home ownership/divorce	–	42 000
Vested benefits on departure	-4 756 002	-7 245 655
Advance withdrawals for home ownership/divorce	–	-517 914
Lump-sum benefit due to retirement, death and disability	-372 401	-267 320
Capital gains from 1e plans	1 152 902	1 511 931
Balance of savings assets on 31 December	37 932 288	31 972 921

5.3 Trend in pension plan capital of pensioners

Since the GEMINI Collective Foundation 1e does not pay out any pensions, it is not required to accrue any pension plan capital. The surrender values of the annuities purchased from Basler Leben AG amount to CHF 610,727 (previous year CHF 705,998).

5.4 Result of the last actuarial report

An actuarial audit of the GEMINI Collective Foundation 1e was last carried out at the end of 2018 in accordance with Art. 52e BVG. The result of the audit is as follows:

- The coverage ratio at the Collective Foundation level pursuant to Art. 44 BVV 2 amounts to 100%; the same applies to each affiliated employee benefits institution.
- The Collective Foundation offers sufficient protection to ensure its ability to meet its obligations according to Art. 52e para. 1 letter a BVG.
- The Collective Foundation has taken sufficient reinsurance measures in the sense of Art. 43 BVV 2.
- The actuarial provisions under the Regulations pertaining to benefits and financing comply with the statutory provisions pursuant to Art. 52e para. 1 letter b BVG.

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 GEMINI Collective Foundation 1e does not have a dedicated Investment Committee. In this respect, the Foundation benefits from the fact that it can participate in the fund solutions offered by the GEMINI Collective Foundation. The respective collaboration is governed by a cooperation agreement.

Investment pools

In 2020, the assets of the GEMINI Collective Foundation 1e were invested in the following six investment strategies: GEMINI 1e 10, GEMINI 1e 20, GEMINI 1e 30, GEMINI 1e 40, GEMINI 1e 50 and GEMINI 1e Money Market, in accordance with the Investment Regulations in force since 1 January 2018.

Two of the employee benefits units determine and monitor their own individual investment strategies.

Asset managers

The Foundation Board has delegated the asset management of each asset class to specialised asset managers (see table below). All of the asset managers are banks and investment firms licensed by FINMA (Swiss Financial Market Supervisory Authority). The operational resources are managed by the administrative office of the GEMINI Collective Foundation 1e.

Investment class	Asset management company
Liquidity	Pictet Asset Management SA, Geneva
Bonds CHF	Syz Asset Management SA, Geneva
Foreign currency government bonds hedged	UBS AG, UBS Asset Management, Zurich
Foreign currency corporate bonds hedged	BlackRock Advisors (UK) Limited, London
Swiss equities	BlackRock Advisors (UK) Limited, London
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

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 Ordinance against Excessive Compensation in Listed Companies (VegüV) defines the exercise of voting rights of Swiss companies listed in Switzerland or abroad. The GEMINI Collective Foundation 1e follows the voting rec-

ommendation of Ethos and has exercised its voting rights accordingly via the GEMINI Collective Foundation. 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 Presentation of investment of assets by investment category per investment pool

The market values in the following tables correspond to the values determined for reporting as at 31 December 2020 and differ from the values that have been registered under the securities accounting in the balance sheet.

Investment category	Strategy %	Market value CHF
GEMINI 1e Money Market		
Liquidity	100.0	5 985 140
Total	100.0	5 985 140

Investment category	Strategy %	Market value CHF
GEMINI 1e 10		
Bonds CHF	54.0	896 076
Foreign currency government bonds hedged	20.0	331 880
Foreign currency corporate bonds hedged	16.0	265 504
Swiss equities	2.0	33 188
Foreign equities	2.5	41 485
Foreign equities hedged	3.5	58 079
Emerging markets equities	2.0	33 188
Total	100.0	1 659 400

Investment category	Strategy %	Market value CHF
GEMINI 1e 20		
Bonds CHF	48.0	5 924 878
Foreign currency government bonds hedged	18.0	2 221 829
Foreign currency corporate bonds hedged	14.0	1 728 089
Swiss equities	4.0	493 740
Foreign equities	5.0	617 175
Foreign equities hedged	7.0	864 045
Emerging markets equities	4.0	493 740
Total	100.00	12 343 495

Investment category	Strategy %	Market value CHF
GEMINI 1e 30		
Bonds CHF	42.0	2 064 797
Foreign currency government bonds hedged	16.0	786 589
Foreign currency corporate bonds hedged	12.0	589 942
Swiss equities	6.0	294 971
Foreign equities	7.5	368 714
Foreign equities hedged	10.5	516 199
Emerging markets equities	6.0	294 971
Total	100.00	4 916 183

Investment category	Strategy %	Market value CHF
GEMINI 1e 40		
Bonds CHF	36.0	517 102
Foreign currency government bonds hedged	14.0	201 095
Foreign currency corporate bonds hedged	10.0	143 639
Swiss equities	8.0	114 912
Foreign equities	10.0	143 639
Foreign equities hedged	14.0	201 095
Emerging markets equities	8.0	114 912
Total	100.00	1 436 394

Investment category	Strategy %	Market value CHF
GEMINI 1e 50		
Bonds CHF	30.0	1 627 253
Foreign currency government bonds hedged	12.0	650 901
Foreign currency corporate bonds hedged	8.0	433 934
Swiss equities	10.0	542 418
Foreign equities	12.5	678 022
Foreign equities hedged	17.5	949 231
Emerging markets equities	10.0	542 418
Total	100.00	5 424 177

Two of the employee benefits units determine and monitor their own investment strategies. Together they manage total assets in the amount of CHF 8 267 286.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

BVV 2 Report 2020	31.12.2020 CHF	%	31.12.2019 CHF	%	Change CHF	%
Money market	8 410 021	21.63	8 201 444	25.49	208 578	2.54
Account CHF	-480 756		-277 286		-203 470	
Money market fund CHF	8 890 778		8 478 730		412 048	
Total bonds	21 482 160	55.26	17 586 474	54.66	3 895 686	22.15
Bonds CHF	12 886 721		10 534 898		2 351 824	
Foreign currency government bonds hedged	4 781 542		3 883 846		897 696	
Foreign currency corporate bonds hedged	3 619 689		2 966 722		652 967	
Emerging markets debt	194 207		201 008		-6 801	
Total equities	8 983 384	23.11	6 387 292	19.85	2 596 091	40.64
Swiss equities	1 805 773		1 281 320		524 453	
Foreign equities	2 424 744		1 754 458		670 286	
Foreign equities hedged	2 932 601		2 068 830		863 772	
Emerging markets equities	1 820 266		1 282 684		537 581	
Total	38 875 565	100.00	32 175 211	100.00	6 700 354	20.82

Limitation according to Article 55 BVV 2	31.12.2020 %	31.12.2019 %	Maximum BVV 2 %
Mortgage securities	0	0	50
Equities	23.11	19.85	50
Real estate	0	0	30
Alternative investments	0	0	15
Foreign currencies without currency hedging	11.42	10.06	30

6.3 Securities lending

Securities lending is generally permitted for improving the investment return and is carried out exclusively via the global custodian. The Foundation did not engage in any securities lending in 2020.

6.4 Return generated

	2020 %	2019 %
GEMINI 1e Money Market	-0.69	-0.84
GEMINI 1e 10	2.60	5.02
GEMINI 1e 20	3.30	7.18
GEMINI 1e 30	3.92	9.18
GEMINI 1e 40	4.51	11.28
GEMINI 1e 50	5.06	13.29

The administrative office disposes of the cash accounts and money market investments according to the foreseeable cash flows. The existing bank accounts with UBS Switzerland AG recorded a balance of CHF 2 244 187 as at 31 December 2020.

6.5 Note on the asset management costs

	31.12.2020	31.12.2019
	CHF	CHF
Pools of the Foundation		
Pool GEMINI 1e	30 608 279	23 682 558
Total transparent investments of assets	30 608 279	23 682 558
Non-transparent investments of assets in accordance with Art. 48a para. 3 BVV 2	–	–
Total investments of assets of pools of the Foundation	30 608 279	23 682 558
Share of transparent investments (cost transparency ratio)	100%	100%
Clients with individual investments of assets		
Total transparent investments of assets	8 267 286	7 993 740
Non-transparent investments of assets in accordance with Art. 48a para. 3 BVV 2	–	–
Total investments of assets by clients with individual investments of assets	8 267 286	7 993 740
Share of transparent investments (cost transparency ratio)	100%	100%
Overall total investments of assets	38 875 565	31 676 298
Share of transparent investments (cost transparency ratio)	100%	100%
Directly recognised asset management costs		
Complementa AG (consultant)	1 616	–
Bank fees	478	57 836
Total directly recognised asset management costs	2 093	57 836
Sum of all key cost figures for collective investments	150 922	119 176
TER GEMINI 1e 10	0.48%	0.48%
TER GEMINI 1e 20	0.49%	0.49%
TER GEMINI 1e 30	0.49%	0.49%
TER GEMINI 1e 40	0.49%	0.50%
TER GEMINI 1e 50	0.50%	0.50%
TER GEMINI 1e Money Market	0.30%	0.30%
Average TER of all pools directly managed by GEMINI 1e	0.46%	0.46%
Average TER of all clients with individual investments of assets	0.29%	0.35%
Total asset management costs recognised in the income statement	153 015	177 012
Total asset management costs as % of transparent investments of assets	0.39%	0.56%

6.6 Note on investments

The current accounts with the employer consist of receivables of CHF 261 688 and liabilities of CHF 12 165. These have been settled in the meantime.

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

7.1 Non-actuarial reserves

	31.12.2020	31.12.2019
	CHF	CHF
Basic contributions	1 035 573	947 827
Total non-actuarial reserves	1 035 573	947 827

8. REQUIREMENTS OF THE SUPERVISORY AUTHORITY

The supervisory authority has not issued any requirements.

9. FURTHER INFORMATION CONCERNING THE FINANCIAL SITUATION

9.1 Fees of the Foundation Board

In the financial year 2020, the members of the Foundation Board received attendance fees in the amount of CHF 7297

9.2 Pending legal proceedings

None

10. EVENTS AFTER THE BALANCE SHEET DATE

None



Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
Fax: +41 58 286 30 04
www.ey.com/ch

To the Foundation Board of
GEMINI 1e-Sammelstiftung, Schwyz

Zurich, 1 June 2021

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of GEMINI 1e-Sammelstiftung, which comprise the balance sheet, operating accounts and notes (pages 3 to 14), for the year ended 31 December 2020.

Foundation Board's responsibility

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

Responsibility of the expert in occupational benefits

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

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

Report on additional legal and other requirements

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

Furthermore, we have carried out the audits required by article 52c paragraph 1 OPA and article 35 OPO 2. The Foundation Board is responsible for ensuring that the legal requirements are met and that the statutory and regulatory provisions on organization, management and investments are applied.

We have assessed whether:

- ▶ organization and management comply with the legal and regulatory requirements and whether an internal control exists that is appropriate to the size and complexity of the foundation
- ▶ funds are invested in accordance with legal and regulatory requirements
- ▶ 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 legally required information and reports have been given to the supervisory authority
- ▶ the pension fund's interests are safeguarded in disclosed transactions with related entities

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

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

Ernst & Young Ltd

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

 Pascal Nikles
(Qualified
Signature)
Licensed audit expert

GEMINI 1e