

## Staff memorandum

## Leica Pensionskasse

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Display until End of January 2023  
From/date 3032 Fritz Nufer / Mid-December 2022  
Valid for all members of the Leica Pension Fund

Re **Latest information from the Leica Pension Fund**

Dear Sir/Madam

As usual, we would like to inform you shortly before the turn of the year about the status of the pension fund.

### **Status at the end of November 2022**

The difficult development on the investment markets reported in the interim report in mid-June continued and became even more accentuated in the second half of 2022.

Due to the partly massive increases in key interest rates in all relevant economic areas (which are still expected), not only equity investments but also bond investments have lost value to an unusually significant extent. All in all, equity investments had lost about 15% and bonds about 10% of their value by the end of November. The other securities investments also trended negatively. The only investment segments with positive returns that contributed to the stabilisation of the result were the portfolio of direct and indirect real estate investments and investments in infrastructure.

Due to these circumstances, the overall performance from 01.01. to 30.11.2022 amounts to -6.3%. As a result, the Foundation's approximated funding ratio decreased from 125.6% as of 31.12.2021 to 115.6% as of the end of November 2022.

In absolute terms, these results are of course not pleasing. In a cross-comparison with the Swiss pension funds as a whole, however, we can state that both the performance of the investments and the funding ratio are better than average and that the Leica Pension Fund continues to be well positioned, taking all aspects into account.

We will be happy to provide you with more detailed information next spring as part of the reporting on the 2022 annual report.

### **Interest on savings capital 2022 and 2023**

At its meeting on 28 November 2022, the Foundation Board decided to grant an additional interest rate despite the negative performance. The insured persons active on 31 December 2022 will be credited with an interest rate of 2.0% on the savings capital for 2022 (basic interest rate according to BVG 1.0% plus **additional interest of 1.0%**).

The basic interest rate for 2023 was set at 1.0%, corresponding to the BVG minimum interest rate that will continue to apply in the new year. The Board of Trustees will again examine the possibility of an additional interest rate in autumn 2023.

**No adjustment of pensions as of 01.01.2023**

The Foundation Board has unanimously decided not to adjust the current pensions as of 1 January 2023. On the one hand, the Foundation will have no free Foundation funds at the end of the year and thus no leeway for adjustments. On the other hand, the current pension recipients have been retired with significantly higher conversion rates than the active generations have to expect.

We wish you a healthy and successful 2023 and are at your disposal for any additional information.

Yours sincerely

Leica Pensionskasse



Fritz Nufer  
(Managing Director)